

Dynamic Public Outreach, Smart Strategic Planning*For local governments, special districts, and the engineering, environmental and law firms that support them.*

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TO: Frances Mizuno, Interim Executive Director
FROM: Martin Rauch
RE: Proposed Next Steps for the Strategic Planning Process

This memo provides an update on progress made in the strategic planning and staffing review process and provides proposed next steps.

1 PROGRESS TO-DATE ON STRATEGIC PLANNING AND STAFFING ANALYSIS

The Strategic Plan was set to kickoff off in spring. However, the resignation of the then Interim Executive Director (ED) and Legal Counsel moved the Board to reprioritize the process to focus on progressing on issues necessary to move forward with the recruitment of a new ED:

STRATEGIC PLANNING

Completed Research and Interview Process. Reviewed background documents and interviewed 38 directors, staff, alternates and stakeholders.

Completed the first workshop in a timely way to provide information into the recruitment process with the following key results:

1. Confirmation that there is majority support for the Authority remaining a full-service agency.
2. Identified a preliminary set of key traits and competencies for the new Executive Director

The workshop also provided additional information that will contribute to the rest of the strategic planning process:

1. Identify what specific services the Authority should provide.
2. Recognition that one key challenge to be resolved is to identify the benefits of each service provided by the Authority and consider how to best apportion costs among the members.
3. Recognition that O&M costs will rise dramatically; SLDMWA's will triple its annual investment in water facility upgrades to about \$5 to \$10 million per year.

STAFFING ANALYSIS

The staffing analysis was initiated, but because of the number of open issues and the attrition of senior staff, was put on hold pending completion of the strategic plan and hiring of a new Executive Director. However, there are some preliminary recommendations that arise from the initial work of Adan Ortega and Susan Allen of the Ortega Strategies Group:

1. Organizational Structure – It would be beneficial to review the organizational structure and consider reorganization to include addition of a second Assistant Executive Director (based

on the skills and interests of the new Executive Director and analysis of the current Assistant Executive Director portfolio and scope.).

2. Succession Planning – Give priority attention to succession planning for the Authority’s senior leadership.
3. Compensation Review – Conduct a review of benefits and salaries to assure the Authority’s competitiveness in drawing top talent.
4. Science Position – Give priority attention to identifying the science priorities of the Authority and develop and recruit for a professional to fulfill the role (either as a contract or in-house position).
5. Board support – Identify how to help Board members to more fully understand the complex issues facing the Authority and options for moving forward to help improve the overall engagement of the Board in deliberating policy issues.

2. REPORT ON RECRUITMENT SUPPORT

Carried out steps leading to the hiring of a recruiter: Drafted a Request for Proposals and evaluation matrix and worked an Ad Hoc Board Group to interview and select the recruiter.

Provided desired traits and competencies list to the recruiter. These traits and competencies were derived from the first workshop and reviewed by staff and Ad Hoc Group.

Was interviewed by the recruiter and provided names of potential Executive Director Candidates. Provided our insights into the organization as well as a list of names of potential candidates gleaned from the interview process.

3. RECOMMENDED NEXT STEPS FOR THE STRATEGIC PLANNING PROCESS

- **Workshop to develop Mission, vision, values goals, objectives, and priorities**

During an upcoming workshop, it is proposed to undertake the following:

- Confirm general direction from first workshop that there is a majority of members that want the Authority to be an engaged agency providing strong representation for its members, along with a wide variety of related services.
- Review and discuss key challenges and opportunities and options for moving forward.
- Review and consider updates to the mission statement to make sure it accurately explains why the organization exists and what it hopes to achieve in the future.
- Develop Authority values statement. This will be a clear, concise and shared meaning of values/beliefs, so that every employee understands and can contribute in the right way. The values will be written both as simple statements and posed as questions to help make difficult decisions.
- Develop a vision for the future of the organization. This will include consideration of how the membership can best be represented in the world: through the Authority, through one or more of its larger members, as individual agencies, etc.

- Develop Board level goals, objectives and priorities to achieve the mission and vision.
- **Prepare a draft Strategic Plan** with mission, vision, values, goals and objectives as well as priorities. This will be reviewed as a business item at a regular Board meeting. Any input will be incorporated.
- **Finalize after the new Executive Director is onboard** and able to tackle this – perhaps within about 6 months of arrival. We will hold a final workshop with the new ED and Board to review and refine the draft Strategic Plan. The input from the workshop will be incorporated into a final draft by the consultant, reviewed by staff and brought to the Board for approval.
- **Develop a Staff Work Plan to implement the mission, vision, goals and objectives.** The work plan will be a linked series of actions developed by staff (working under direction of the new ED) that, when accomplished, will meet the mission, vision, goals and objectives identified by the Board of Directors. The staff will start by “reality checking” the strategic plan by determining if there are resources, people, expertise, money, political clout, etc. to carry out the plan. If not, staff will either ask for additional resources and/or suggest trimming the plan to bring resources and the plan into alignment.

4. RECOMMENDED STEPS ON HOW TO EVALUATE AND COME TO AGREEMENT ON APPORTIONING THE COSTS OF SERVICES

PRELIMINARY WORK

- **Identify Options:** Contact other JPAs and ask how they apportion costs for various programs. Brainstorm other ideas with staff and through a survey of members of the Authority.
- **Evaluate both direct and indirect costs and benefits.** What do the various programs cost directly and indirectly through staff drain, board time, etc.? What are the direct and indirect benefits and who receives them for each program?
- **Develop Options for Levels of Service and Recommendations for How to Allocate for Board Review.** Form an Ad Hoc Board/staff working group to plow the ground and develop and evaluate cost allocation options. This would include estimates of staffing levels and related costs to meet various options.

HOLD A BOARD WORKSHOP TO REVIEW

- Hold a facilitated workshop to review the options and recommendations of the Working Group and develop consensus on how to move forward. There may be a need for additional steps, including more formal mediation.