

# El Dorado Irrigation District

## Reorganization Plan

September 8, 2008

# Board Direction:

Review District organization and structure, and adjust as necessary to improve District efficiency and effectiveness.

# Decision Inputs:



# Key Findings:

- The District faces a financial shortfall in FY 2009. Projected budget increases in FY 2009 may be \$800,000 to \$1,000,000 higher than currently projected.
- Employees at all levels in the organization have a lot of pride in the District, and the role they play.
- There remains a significant level of mistrust between line employees and District management.

# Key Findings (continued):

- It will take some time, and a lot of effort, to break down the communication barriers and levels of distrust that have been building for several years.
- Information Technology (IT) functions are scattered and disorganized throughout the District.
- The Strategic Management and Communications Department is illogically structured.
- The concept of co-manager at the division level has created more problems than it has solved.

# Key Findings (continued):

- The 24-hour shift schedule at several District plants has created more problems than it has solved.
- Westin's conclusions regarding the number and salaries of District management staff are essentially correct.

# Decisions:

- Reduce management staffing by eliminating assistant director and co-manager positions.
- Lower management levels of organizational units that cannot be justified.
- Initiate consultation with the Employee Association, per the MOU, before making a final decision on the 24-hour alternative work schedule.
- Create a new Information Technology Department, and consolidate all IT functions.

# Decisions (continued):

- Split the Facilities Management Department into separate operations and engineering departments.
- The Environmental Compliance and Recreation departments are being combined into a new Natural Resources Department.
- The District will complete a full, open, and transparent class and compensation study by 12/31/2008.



# Decisions (continued):

- A new senior management recruitment process will be instituted. This process will include an employee "forum" where all affected employees will have an opportunity to pose questions and submit anonymous written comments on all candidates.
- The Human Resources Department will play a central role in employee recruitment, retention, and disciplinary matters.
- The Fleet Manager will have final say, subject to GM review, of all vehicle replacement and purchase recommendations.

# Decisions (continued):

- The District will create an internal leadership organization, open to all District employees. The goal is to foster career development, open communications, and help better define the District's culture.
- The District's goal will be to have all department heads work on an at-will basis, under contract to the General Manager.

# Decisions (continued):

- The District will contract with Westin next year, to repeat the employee/management satisfaction survey. The survey will be carried out in October, 2009, and will gauge progress on internal organizational issues.
- A new, employee driven, employee recognition program will be developed and implemented.

# Decisions (continued):

- The District reorganization will result in the elimination of nine permanent positions, the demotion of five management positions, and the reclassification of three positions.
- Employees directly affected by the changes have been notified.

# Decisions (continued):

- The District's policy on demotion will be to lower salaries to a point no more than 8% above the top of the range of the lower position. The salary would then be frozen, or "Y-rated" until such time that market or cost of living increases (COLA) bring the salary back into the new range.

# Decisions (continued):

- The estimated net impact of the reorganization will be a savings of approximately \$1.4 million. The salary reductions will help the District absorb projected 2009 budget increases in COLA's, and in fuel and power costs.

# Management and Employee Growth

Budgeted Positions	January 2008	January 2009
General Manager	1	1
Department Heads	6	7
Asst. Department Heads	5	0
Manager	10	14
Co-Manager	10	0
Superintendent	1	1
Supervisor	16	15
General Counsel / Sr Deputy Counsel	2	2
Management Sub-total	51	40
Non-Management Sub-total	261	264
Total Budgeted Positions	312	303
Management/Staff Ratio	1:5*	1:7*

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