

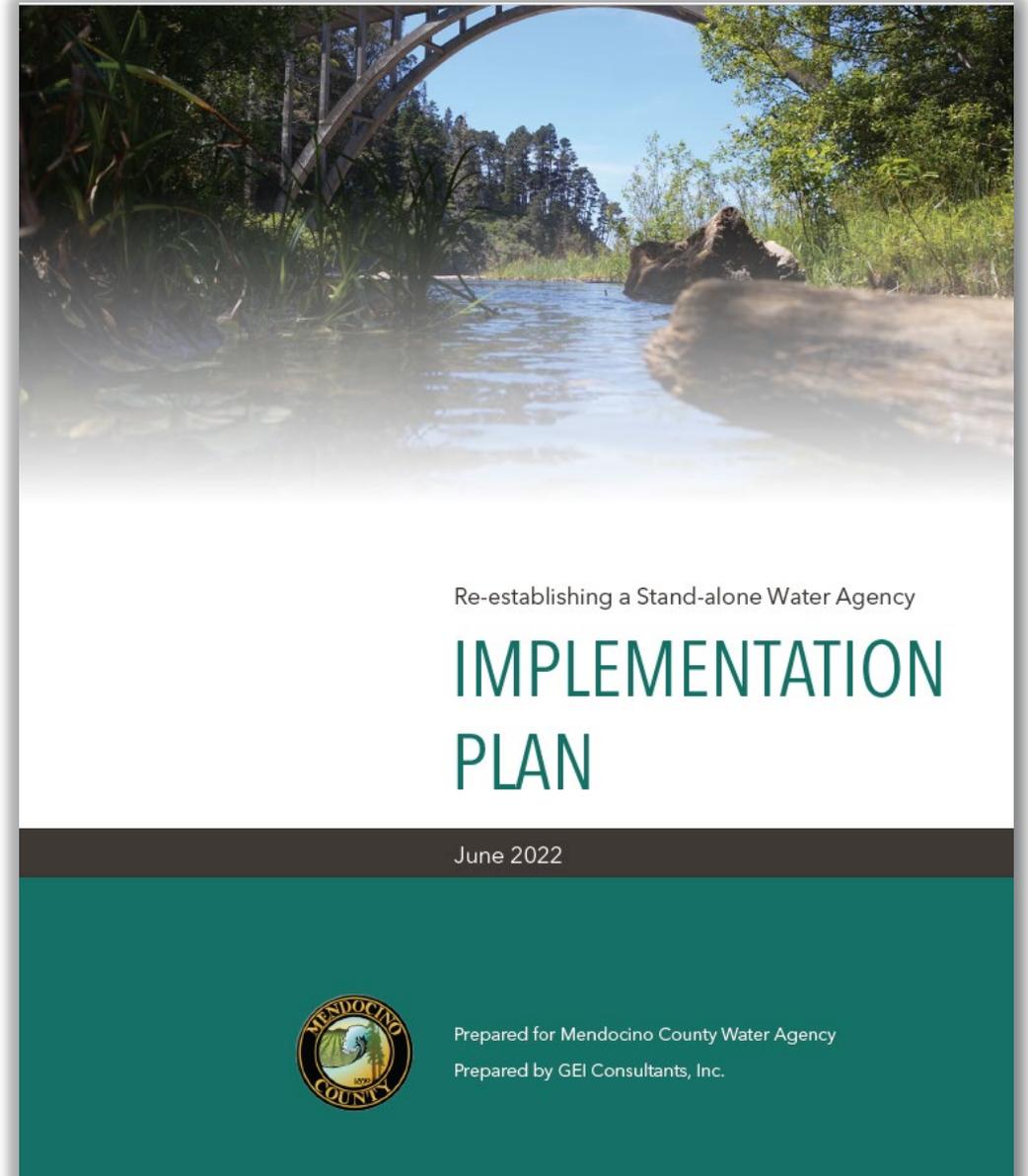


MENDOCINO COUNTY WATER AGENCY

ESTABLISHMENT OF THE MENDOCINO COUNTY WATER
RESOURCES TEAM USING MATRIX APPROACH

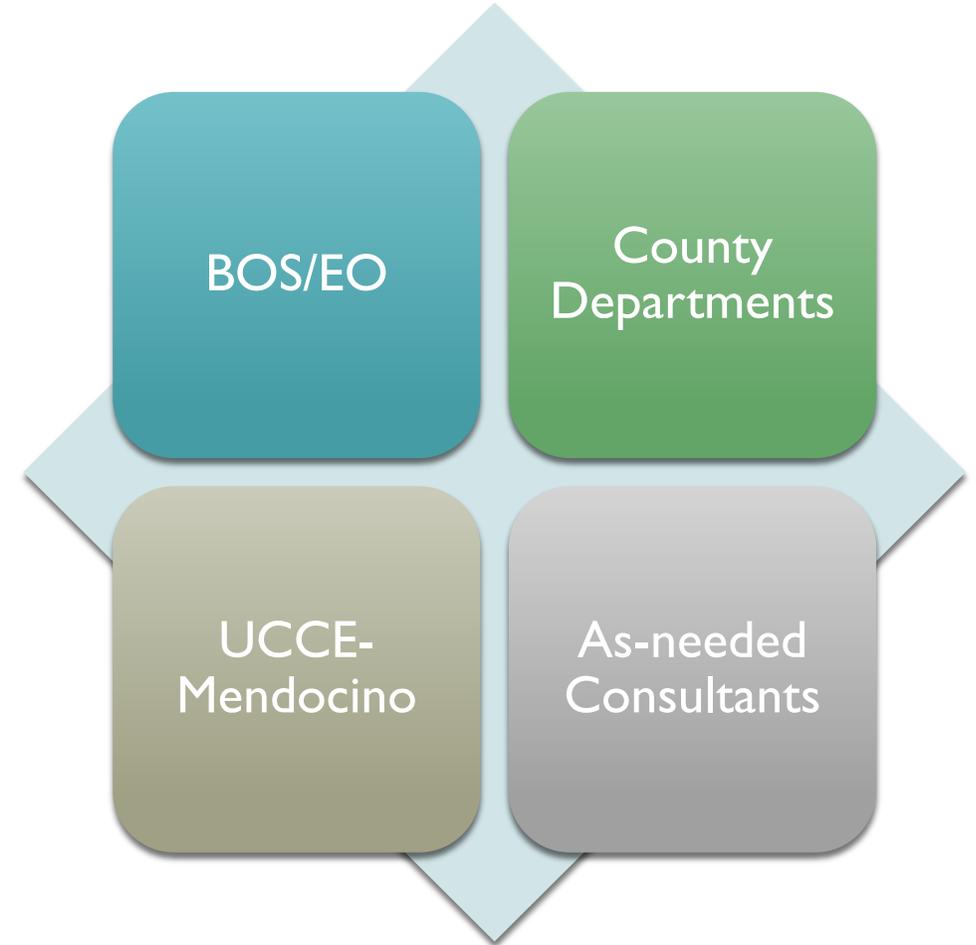
BACKGROUND

- The Water Agency Implementation Plan (WAIP) was prepared to facilitate the re-establishment of the MCWA, which is currently operating under the DOT
- Water Agency currently operates under a ~\$157,000 Tax revenue budget.
- WAIP defines six goals for the MCWA to achieve over the next 2-5 years
 - A. Water Resilience
 - B. Compliance with Regulatory Mandates
 - C. Coordination, Cooperation, and Advocacy
 - D. Outreach and Education
 - E. Funding and Financing
 - F. Sustained Governance



OBJECTIVES AND SCOPE

- Goal: Reformat MCWA into a matrix organization - the Mendocino County Water Resources Team (MCWRT)
- The EKI scope included the following specific tasks:
 1. Create a County resource matrix for existing MCWA functions
 2. Formulate an allocation matrix based on MCWRT responsibilities utilizing County resources and UCCE
 3. Develop a plan and budget to transition current MCWA/DOT responsibilities to MCWRT
 4. Propose a permanent funding and staffing model



PROCESS TO DEFINING MCWRT STRUCTURE

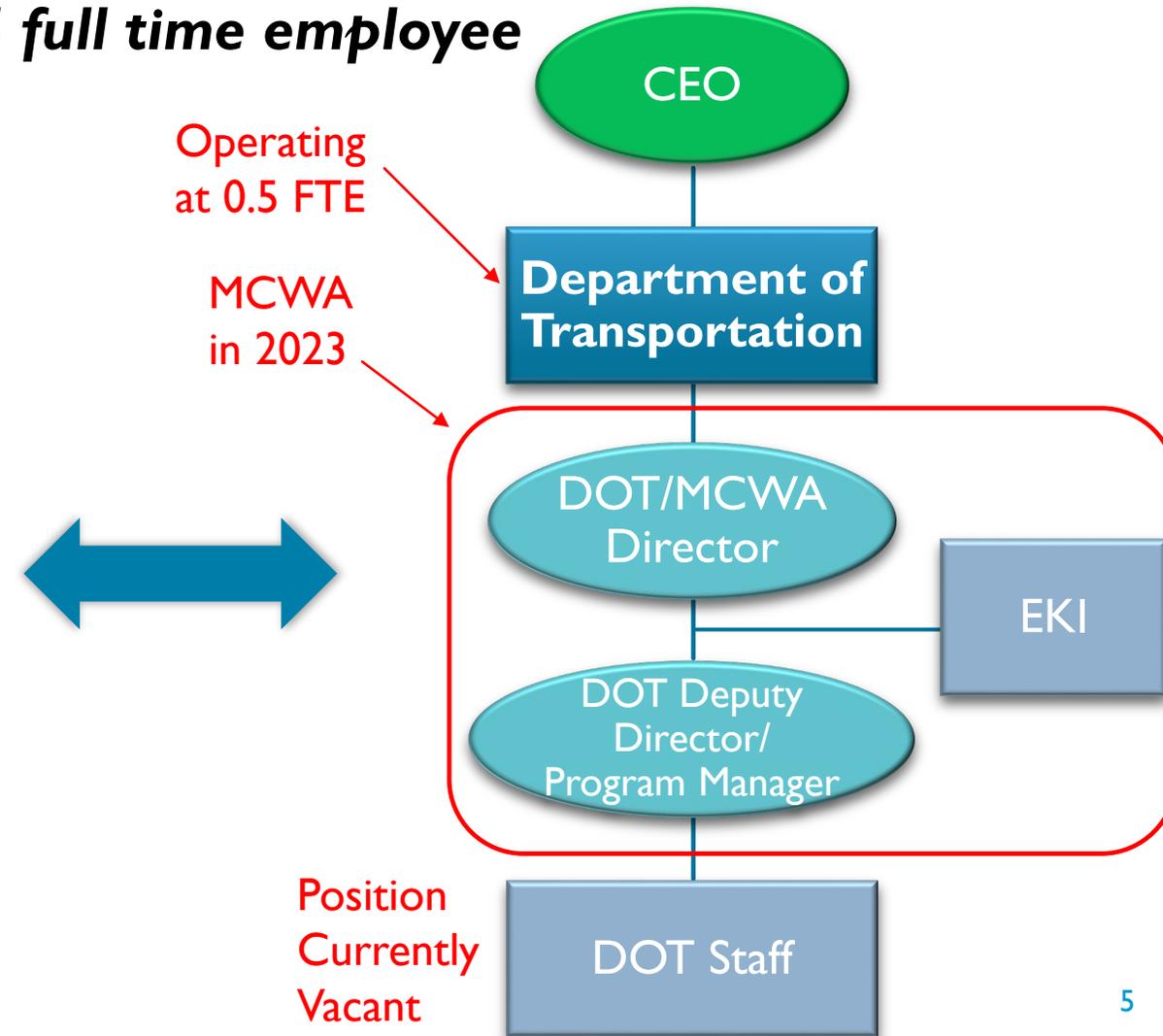
1. Interviewed 16 leads and staff from various County departments (DOT, Env. Health, P&BS, EO) to identify County resources performing MCWA functions
 - Estimated MCWA's operational budget with current County labor rates
2. Defined an allocation matrix for all WAIP priority actions utilizing existing County participants in the MCWA, UCCE, and consultant labor.
3. Used County, UCCE, and consultant labor rates to develop a budget for the MCWRT assuming implementation of all WAIP goals
4. Designed a 10-year implementation road map (i.e., funding and staffing model) to complete all WAIP goals

CURRENT MCWA FUNCTIONS

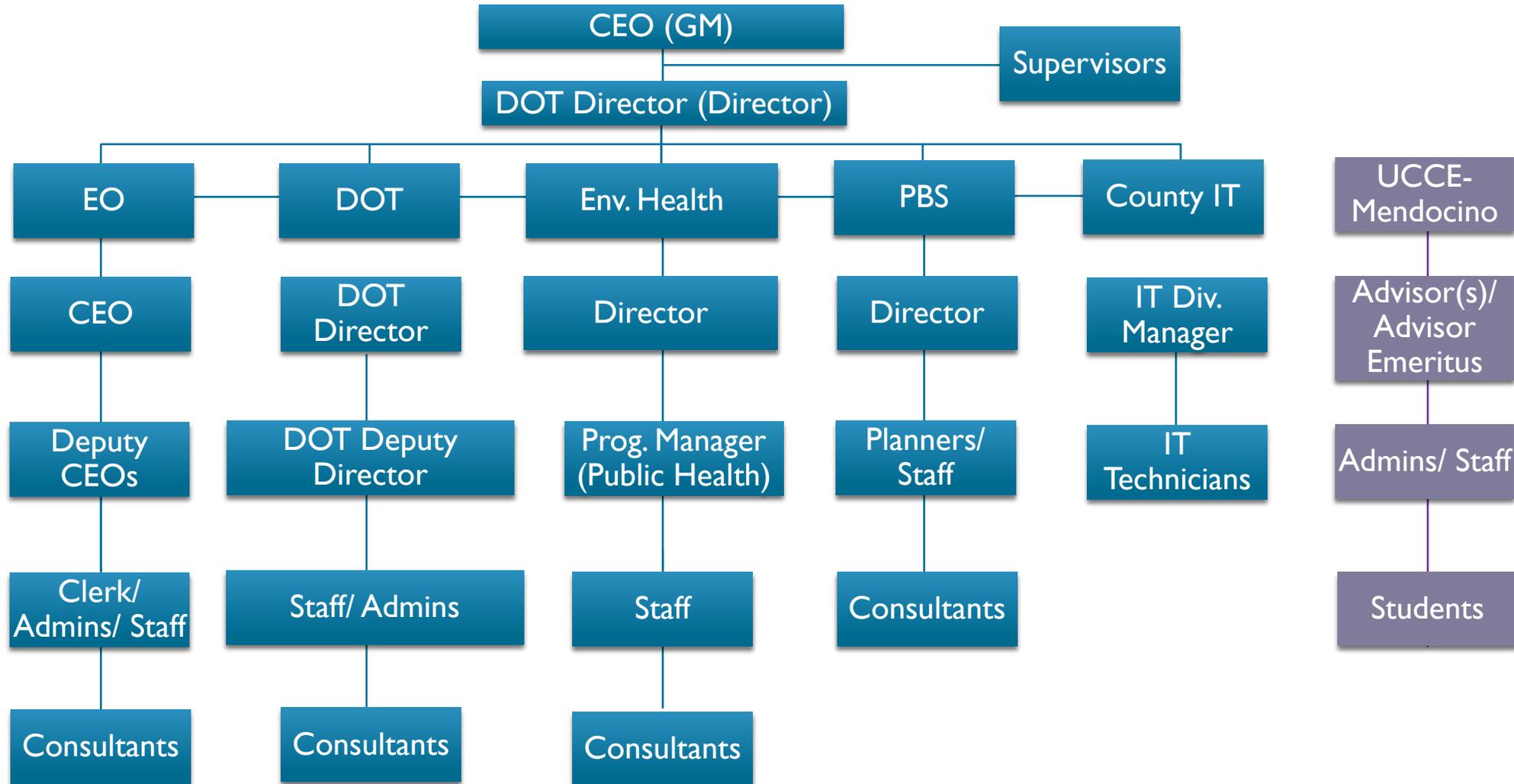
Since 2008 “the Water Agency has been functioning with severely reduced staffing, presently staffed with the equivalent of **0.5 full time employee (FTE)**” (WAIP)

Current Function: Successfully Comply with Mandated Activities (Goal B)

- GSA Administration
- Mussel Prevention Program
- Stormwater Management
- CASGEM Reporting
- SB-552 Compliance

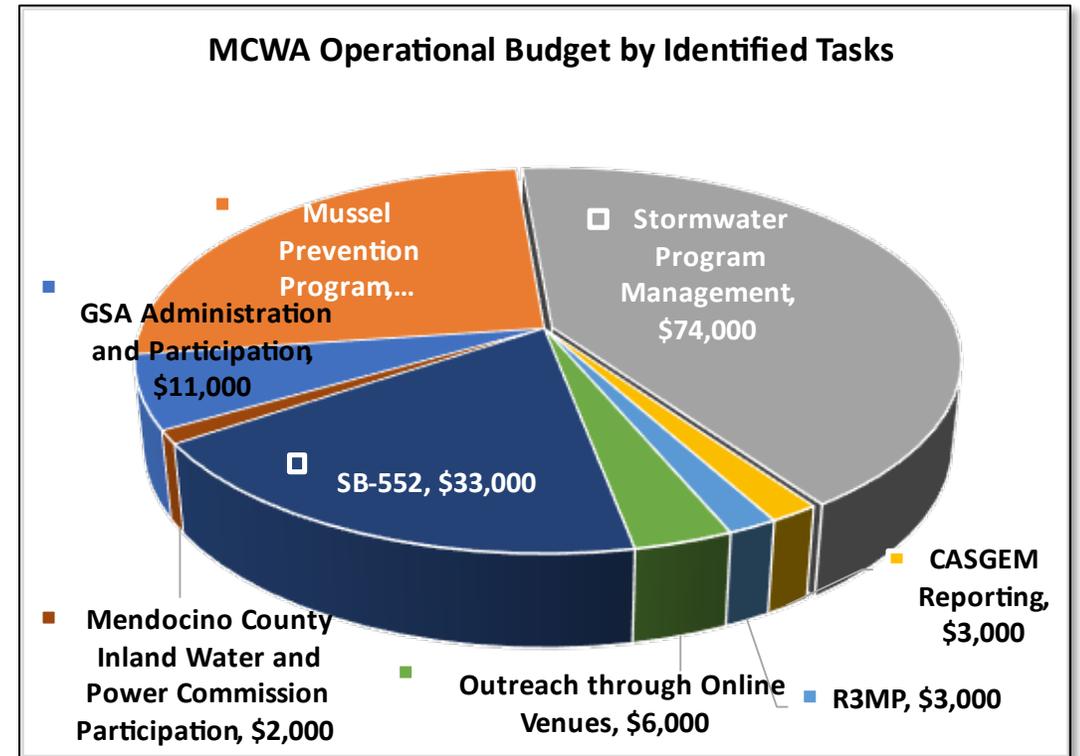


PROPOSED MCWRT PARTICIPANTS



KEY FINDINGS

- The County generally lacks additional capacity for MCWRT-related work.
 - WAIP Goals A, C, D, E, & F are not currently being implemented
 - MCWA current operational budget: **\$187,000** (County labor & Consultants including \$30,000 grant revenue)
 - One-time funding of **\$227,000** (EKI)
- There is a need for hydrological / hydrogeological expertise.
- MCWA staff are fully allocated and there is no capacity to respond to emergencies or additional mandates.
- Additional resources are required to implement remaining WAIP Goals.
- Currently vacant positions highlight the necessity for redundancy and an extended planning horizon.



POTENTIAL SOLUTIONS

#1: Build a Matrix Organizational Structure that Leverages Current Resources + UCCE

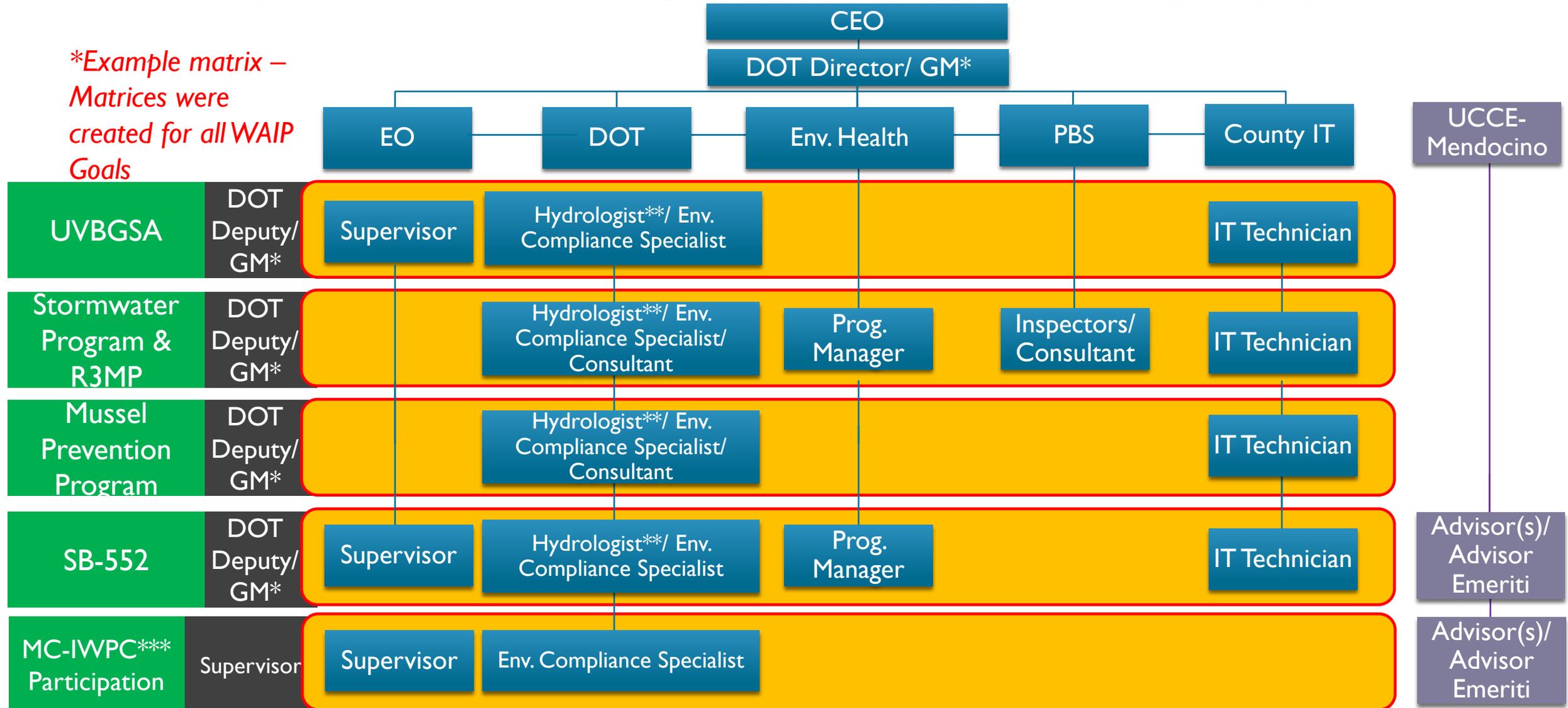
- **Pros**
 - Can fit within current operational budget
 - Greater opportunity for professional development
 - Flexibility and adaptability for optimization
- **Cons**
 - Maintains the status-quo under matrix structure (Goal B)
 - Insufficient capacity to achieve additional WAIP goals; consultants likely required to meet future state mandates
 - Communication complexity
 - Increased overhead to manage staff across various departments

#2: Implement a Hiring Plan with Matrix Organizational Structure

- **Pros**
 - Expanded capacity to achieve additional WAIP goals
 - In-house hydrogeological expertise (save \$ on consultant labor)
 - Additional capacity in County Departments for other work
 - Redundancy in County staff able to handle MCWA tasks
 - Flexibility and adaptability for optimization
- **Cons**
 - Additional budget required to hire
 - Communication complexity
 - Increased overhead to manage staff across various departments

PROJECTED ALLOCATION MATRIX – WAIP GOAL B

**Example matrix –
Matrices were
created for all WAIP
Goals*



* GM (MCWRT General Manager), upon recruitment, will assume primary responsibilities allocated to DOT Director and Deputy Director, and deputy CEO.

** Hydrologist, upon recruitment, will contribute to Projects outlined above and may assume some of the responsibilities allocated to DOT Director and Deputy Director.

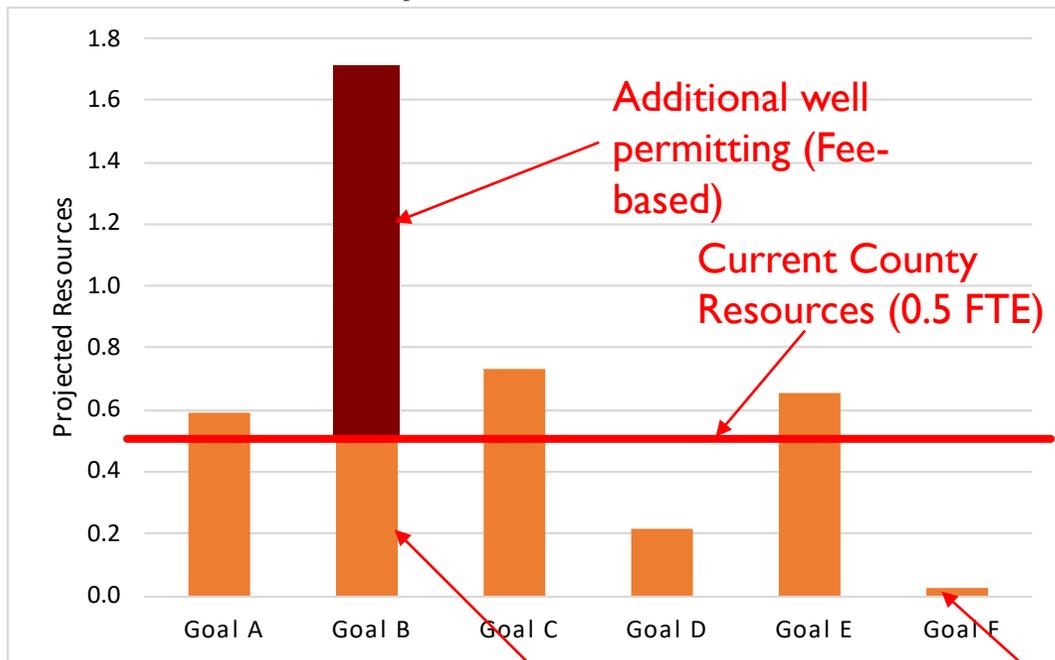
***MC-IWPC: Mendocino County Inland Water and Power Commission

SOLUTION #1: MATRIX ORGANIZATION

- The Projected Allocation Matrices for all WAIP goals were used to develop a budget.
- Assumes revenues and grants are maintained to at least comply with regulatory mandates.
- **The current operational budget and allocated resources do not allow for full implementation of the WAIP (~\$786,000 net expense, ~\$157,000 Tax Revenue)**

Total Expense: \$1,132,000
 Revenue (grants, fees, Not including Tax Revenue): (\$346,000)
 Net Expense: ~\$786,000

Projected County + UCCE Resources: ~3.8 FTE



Only includes the hiring and training cost of GM and Hydrogeologist

SOLUTION #2: HIRING PLAN

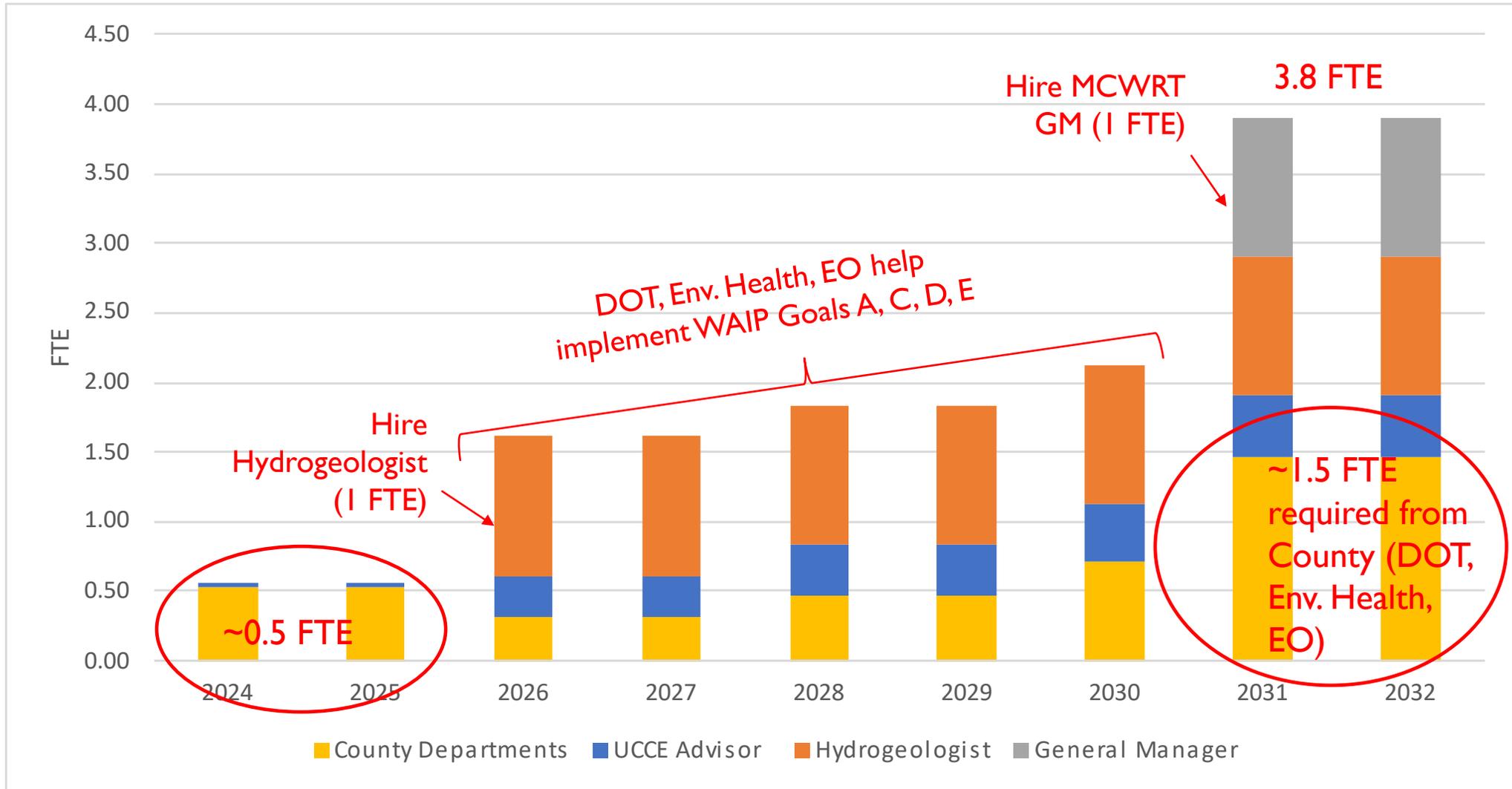
- ❖ Business As Usual/Status Quo
- ❖ MCWRT Complies with Regulatory Mandates and Accomplishes Goal B

- ❖ Hire Hydrologist/ Hydrogeologist
- ❖ Re-delegate Goal B
- ❖ Start Implementing Goals A, C, D, and E excluding:
 - ❖ Long-term planning
 - ❖ State and Federal Advocacy
 - ❖ Develop and Support Funding Ballot Measures

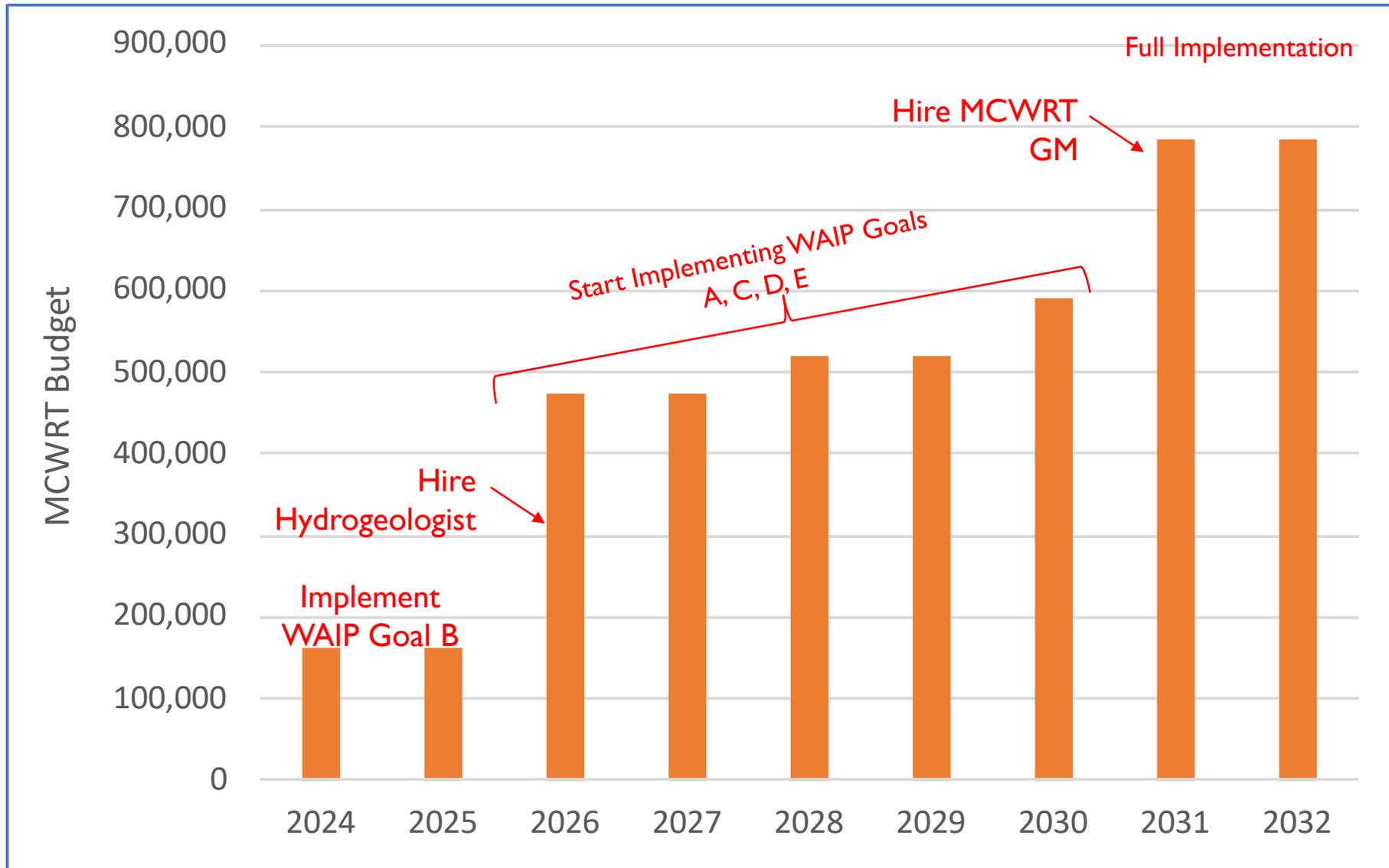
- ❖ Potentially Hire a General Manager
- ❖ Fully Implement the Matrix or the Consolidated Matrix with GM



IMPLEMENTATION ROAD MAP - RESOURCES



IMPLEMENTATION ROAD MAP - EXPENSES



KEY ASSUMPTIONS

- Annual budget will vary based on level of effort selected for each task and undertaking lumpsum contracts.
 - Prioritize WAIP goals
- Proposed MCWRT requires the hiring of hydrologist/hydrogeologist to undertake relevant responsibilities.
 - Implementation of the matrix with additional Goals not only needs hiring for hydrologist/ hydrogeologist and GM but needs other County departments to increase available resources to 1.5 FTE.
 - Hydrologic/ Hydrogeologic expertise is required to accomplish WAIP goals or even successfully comply with current and future mandates, regardless of the solution the County pursues.
 - UCCE-Mendocino advisors can provide the needed hydrological expertise in limited capacity and for specific functions of the MCWRT.
 - Any implementation plan for MCWRT will be successful only if respective fees/ballot measures are in place to meet revenue expectations.
 - While the goal of expanding County's ability to pursue grants is part of the projected allocation matrix, and grant revenues are assumed for specific tasks, establishing and implementing MCWRT based on expected grant revenue will not provide a sustainable structure for MCWRT.

QUESTIONS & ANSWERS

