



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AGENDA ITEM I.

Office of Board of Directors

December 8, 1993

To: Board of Directors (Executive Committee)
From: Chairman Pro Tem Miller
Subject: Performance Review of General Manager
and General Counsel

The Executive Committee is charged with the responsibility of evaluating the performance of Department Heads.

It is about six-months since the General Manager and the General Counsel assumed their respective positions and the Executive Committee, at its December 14 meeting, will have the opportunity to go into closed session to determine their performance level.

To assist the committee, attached are outlines of the accomplishments achieved by these Department Heads during this six-month period. Please review this information and be prepared to present your comments to the committee, both positive and negative.

Patrick H. Miller

Attachments

JOHN R. WODRASKA
6-MONTH PERFORMANCE

Hired: May 12, 1993

Officially Started: July 6, 1993

<u>INITIAL SIX-POINT PLAN</u>	<u>STATUS</u>
1. Meetings (12) with all MWD employees at various field sites	First Round Completed- Another scheduled early 1994
2. Meetings with Member Agencies	Ongoing
3. Senior Staff Workshop	Completed
4. Meeting with State Executives and Legislative Branch Leaders	Completed
5. Meeting with Credit Rating Agencies	Completed: Obtained AA & AAA ratings; conducted system-wide tour for S&P and Moody's
6. Editorial Briefings	Scheduled for 12/93

FIRST SIX-MONTH MANAGEMENT OBJECTIVES

1. Revise human resources functions at MWD
2. Complete Headquarters Building selection process
3. Revise rate structure/cost containment

1. **HUMAN RESOURCES**

a. Labor Negotiations Accomplishments--Four bargaining units had combined to form "Coalition" demanding benefits, closed shop, binding arbitration, etc. Prospects in July for resolution were bleak.

Strategy developed and communicated with Directors; ratified contracts with four bargaining units. Final parameters within Board guidelines and formed the basis for a long-term (morale-boosting)relationship with bargaining units.

b. Personnel Division and Human Resources Function Accomplishments: Personnel Director terminated and replacement hired; numerous meetings with legislators, business leaders, and staff regarding Affirmative Action and MBE/WBE Program; implemented Board's MBE goal in all RFP's and construction advertising as of December 1993; Team Building Meeting with Senior Staff; development of shared core values for MWD; aggressively manage future nepotism challenges; instituted diversity in hiring panels; instituted fairness program for discipline and grievance panels; initiated District-wide diversity program.

Future Plans: Develop pay-for-performance system; revise classification and evaluation systems; create model MBE/WBE Program; eliminate attrition problem within minority workforce.

2. **HEADQUARTERS BUILDING**

a. Manage existing space issues: Negotiate new lease for II Cal Plaza, consolidating Operations and Personnel Divisions; directing strategy with General Counsel on existing lawsuits to minimize exposure; work with L.A. to utilize existing Sunset Building; tone down and manage existing II Cal Plaza space; create cafeteria and "MWD space" at II Cal Plaza.

b. Develop Alternatives for New Headquarters--Sunset; Times-Mirror; Catellus (Union Station), South Park; Met Structures and La Verne. Numerous meetings with staff, consultant, Board of Directors, and community leaders; cost reduction from \pm \$180,000,000 to \pm \$100,000,000.

3. **RATE STRUCTURE AND COST CONTAINMENT**

a. Rate Structure Accomplishments--Working with Member Agencies and Board of Directors, developed a fundamental change to MWD rates which will provide stability and integrity to MWD financial structure. Major components include RTS and CAC. Reduced annual rate/charge increase from 18 - 20% annually down to 6 - 6-1/2% annually.

Future Plans: Ag water rate; seasonal storage program; review Local Projects Program.

b. Cost Containment--Reduction in FY 1993-94 revenue requirements by \$80 million; reduction in FY 1994-95 requirements by \$51 million; review of contracting and elimination of 147 consultant contracts with prospective savings of \$3.4 million; review of temporary positions and eliminating 50 positions; preliminary review of Capital Improvement Program and first-cut reduction or deferral of \$1,000,000,000; increase investment return by 50

basis points; bond sale refundings (G.O. and Rev. Bonds) created prospective savings of \$11.3 million; 10% reduction in cellular phone usage; implemented District's first "Just-in-time" supplies contracts to reduce inventory handling and warehousing; implemented sludge marketing program to save \$0.5 to \$1.0 million each year.

Future Review Plans: Contracting and procurement; employee costs and benefits; investment policy and strategy; State Water Project; finance All-American Canal with tax-exempt bonds; finance option portion of water transfers; optimum scheduling of land fallowing; continuing IRP review; overtime usage; early retirement plan; schedules for additional temporary reduction; value-engineering; re-engineer materials handling and warehousing; business case analysis of fleet ownership and maintenance; security contracts and budget; and evaluate outsourcing (and in-sourcing) opportunities.

OTHER ACCOMPLISHMENTS:

- o Strategic Plan
- o Resolved Garvey Reservoir community and legal issues; design is preceding
- o Resolved San Joaquin Reservoir community and legal issues; design is preceding
- o IRP policy issues resolved at American Assembly in San Pedro
- o EIR and environmental permits completed on San Diego Pipeline No. 6 and Inland Feeder; Board approved design appropriations
- o Initiated design of ozone facilities in coordination with member agency review
- o Completed design work on Phase 1 business systems; re-engineering of work and system building is under way
- o Implemented 3-year budget under new format

OTHER ACTIVITIES:

Blue Ribbon Committee
 Numerous external water associations (list)
 Peer Review Report of Engineering and Operations

NEXT 6 MONTHS:

Organizational Structure/Staffing

Bay/Delta

Colorado River

Budget Management

Strategic Plan/IRP--Groundwater

Rates: Seasonal Storage, Ag Rates, Local Projects Program

Legislative Strategy--State and National

Headquarters Building



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

December 6, 1993

To: Chairman Pro Tem of the Board
From: General Counsel
Subject: General Counsel Accomplishments

The following are my accomplishments since being appointed General Counsel late last April.

Completed:

1. Established an orderly process for the handling of legal matters relating to the Headquarters Leasing Litigation and Permanent Site Selection.
2. Settled the Garvey Reservoir Litigation.
3. Assisted in obtaining the approval of the San Joaquin Reservoir Environmental Impact Report to cover the reservoir. No litigation has been filed challenging this action.
4. Assisted in obtaining the approval (without challenge) of the Final Environmental Impact Reports on the Inland Feeder and San Diego Pipeline Six Projects.
5. Instituted a program of hiring minority summer law clerks.
6. Held the initial dinner meeting of Metropolitan and Member Agency Legal Counsel.
7. Held a Planning Conference for all members of the Legal Department.
8. Initiated a program of meeting with or attending member agency meetings as appropriate.

December 6, 1993

Continuing:

1. Review of the Legal Department's organization, staffing and procedures.
2. Coordinating activities of outside counsel on Headquarters, Domenigoni and Inland Feeder Projects.
3. Providing active assistance regarding Article 18 negotiations, Endangered Species Legislation, Colorado River Critical Habitat Designation and related litigation, and Bay Delta EPA Proposed Standards.
4. Insuring to provide legal services in a proactive manner as far ahead of a problem as possible.
5. Encouragement of staff to provide leadership and be recognized for their accomplishments.



N. Gregory Taylor

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