



## Agenda Report

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**SUBJECT:**

### **POSITION CHANGES FOR FISCAL YEAR 2019-20**

### **GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a position exchange and corresponding salary upgrade from a vacant Senior Mechanic (Salary Grade LOC67) position to Maintenance Specialist (Salary Grade PRO80).

### **BACKGROUND**

Orange County Sanitation District (Sanitation District) management has evaluated its operations and identified opportunities to optimize planned maintenance strategies in the Operations & Maintenance (O&M) Department by creating a new Preventative Maintenance (PM) Optimization Group. Currently, maintenance specialists schedule up to six hundred (600) incoming work orders per week. The proposed PM Optimization Group will track, maintain, and manage assets throughout their lifecycle to maximize reliability at the lowest possible costs; ensuring both planned and corrective (unplanned) maintenance efforts are effective.

The proposed PM Optimization Group will require four position exchanges with no increase to the overall number of full-time staff. Currently, the Sanitation District has four vacant budgeted positions with job titles/pay that can be exchanged for the position titles and salaries needed to form the group. Three of the four positions can be filled from vacant positions that are at a higher salary grade. One of the positions will require an upgrade as requested in the recommended action above. The proposed PM Optimization Group will be comprised of one Maintenance Supervisor and three Maintenance Specialists.

Three position exchanges and salary downgrades were implemented through the meet and confer process including:

- Engineering Manager (Salary Grade EM18) to Maintenance Supervisor (Salary Grade SUP82);
- Principal Staff Analyst (Salary Grade PRO84) to Maintenance Specialist (Salary Grade PRO80); and
- Principal I.T. Analyst (Salary Grade PRO87) to Maintenance Specialist (Salary Grade PRO80).

## RELEVANT STANDARDS

- Plan for and execute succession, minimizing vacant position times
- Maintain and adhere to appropriate internal planning documents (Budget Update, Fiscal Year 2019-20)
- Maintain a proactive asset management program
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

## PROBLEM

New and aging infrastructure in the Plants and collections system requires an increased level of planned maintenance. The Sanitation District has a limited level of resources available to perform this scheduled maintenance. With limited resources, the current maintenance schedules may exceed the capacity to perform the work in an effective, timely, and economical manner.

## PROPOSED SOLUTION

Conduct an in-depth assessment to optimize Sanitation District planned maintenance schedules. Assign this effort to a new PM Optimization Group, which will consist of four positions in charge of tracking, maintaining, and managing assets. Form this new group by downgrading three existing vacancies and approve one vacant position exchange and corresponding salary upgrade.

## TIMING CONCERNS

Staff recommends approval of the position change to allow establishment of the PM Optimization Group during the current fiscal year to begin to address needs and proceed with the proposed organizational structure without delays.

## RAMIFICATIONS OF NOT TAKING ACTION

Deferring the requested position upgrade to the upcoming budget cycle for Fiscal Year 2020-21 would require that the position remain vacant and unutilized for the remainder of the current fiscal year, a timeframe of approximately eight (8) months. This would delay the Sanitation District's launch of the PM Optimization Group, which is aimed to maximize efficiencies with the organization's asset management program.

## PRIOR COMMITTEE/BOARD ACTIONS

June 2019 - Approved Budget Update, Fiscal Year 2019-20.

## ADDITIONAL INFORMATION

The O & M Department is responsible for the reliability and maintenance of the Sanitation District's assets. To accomplish this, the Sanitation District utilizes a combination of routine preventative maintenance, predictive maintenance, managed activities, and corrective maintenance.

Management has identified a need to create a new PM Optimization Group in the O&M Department. This group will be tasked with conducting an in-depth assessment to optimize planned maintenance strategies for new and existing assets and to establish maintenance approaches and strategies for assets installed by capital improvement projects prior to beneficial occupancy. The PM Optimization Program will track, maintain, and manage assets throughout their lifecycles from design, construction, commissioning, beneficial occupancy, operations and maintenance, to the eventual decommissioning or replacement of assets.

This will ensure that asset life cycle is maximized with the lowest risk to process failure by achieving the intended reliability, at the lowest possible cost, and maximizing equipment availability.

## **CEQA**

N/A

## **FINANCIAL CONSIDERATIONS**

The recommended pay grade change represents a potential increased salary cost of \$29,494 per year. The estimated salary savings from downgrading other positions is \$105,768 per year. The net savings for FY 2019-20 is \$76,274 as a result of the position changes.

## **ATTACHMENT**

*The following attachment(s) are included in hard copy and may also be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Preventative Maintenance Optimization Position Exchanges