

12-4-18

ITEM 8.B



City Council

Item 8B: Action to Add Two Assistant Directors of Electric Utility and Revise Assistant Director of Electric Utility Job Description to Align with the Strategic Plan Implementation

RTC# 18-1559
December 4, 2018



Agenda

- Background and Purpose of Proposed Action
- Proposed Organizational Changes
- Salary Compaction Issue
- Recommendations

POST MEETING MATERIAL



Background

- Strategic Plan initiative:
 - Review SVP’s organizational design
 - Service delivery, resource optimization, and staff development
- Chief Electric Utility Officer’s (CEUO) retirement
 - Provides opportunity to move toward a more sustainable structure
 - Improve organizational efficiency and transparency, and support succession planning
 - Make certain top level changes
 - Leverage historical knowledge
 - Aid transition to new CEUO
 - Support complete organizational review and assessment

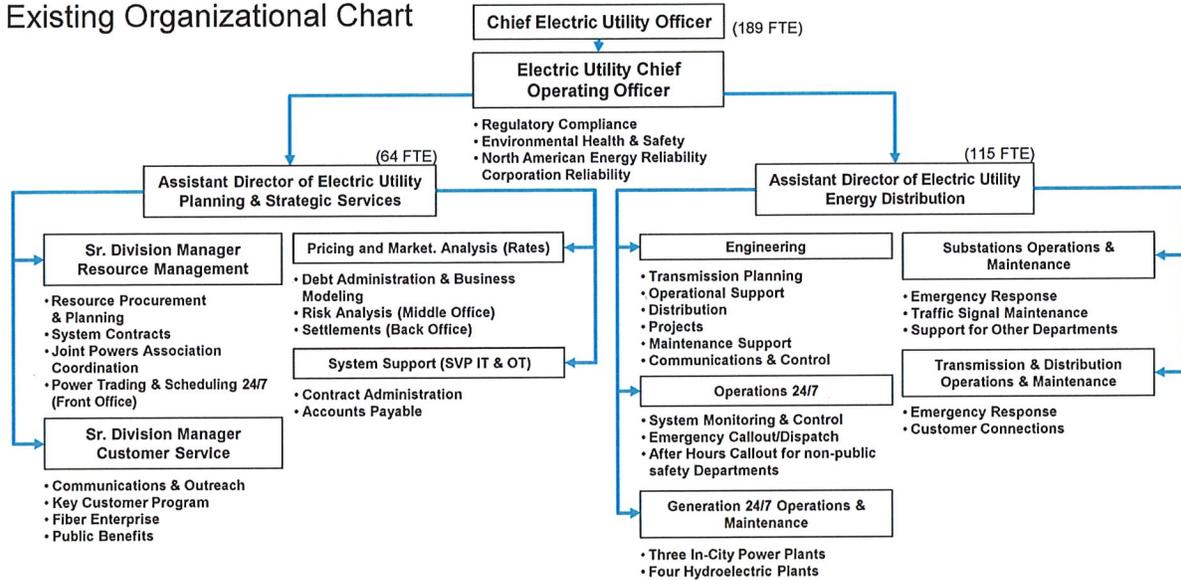


Existing Organization

- Three key leadership positions
 - Electric Utility Chief Operating Officer
 - Assistant Director of Distribution
 - Engineering, operation, and maintenance of the utility
 - Connection of new load and system infrastructure projects
 - Assistant Director of Planning and Strategic Services
 - Resource planning, acquisition and delivery
 - Debt management and budget, accounts payable, and contract administration
 - Customer engagement and programs, departmental IT, and fiber optic services
- Administrative and business functions in the two operating groups

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Existing Organizational Chart

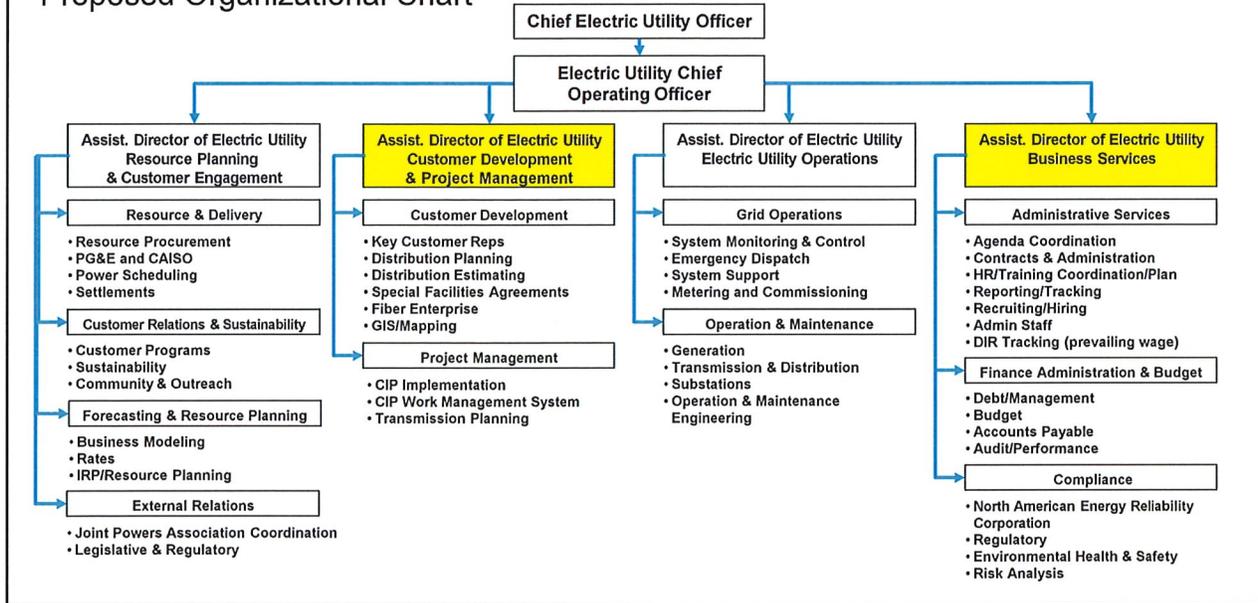


Proposed Four Functional Divisions

- **Resource Planning and Customer Engagement**
 - Resource acquisition and delivery, forecasting, and resource planning
 - Customer engagement, sustainability, and external relations
- **Customer Development and Project Management**
 - Review and connection of new customer development
 - Major system infrastructure projects including projects required to serve new load
- **Electric Utility Operations**
 - Operations and maintenance of SVP's generation, transmission, and distribution infrastructure
- **Business Services**
 - Contract administration, HR coordination, staff development, and training
 - Budget and debt management, and state and federal regulatory compliance

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Proposed Organizational Chart



Proposed Four Functional Divisions

- Separates customer development from system operations and maintenance
 - Improves customer development experience
 - Increases operational oversight and focus on existing infrastructure
- Centralizes administrative functions
 - Increases consistency, oversight, and transparency
- Revised Structure
 - Improves accountability and division assignments
 - Allows each electric utility discipline to be nimble for emerging innovation
 - Positions organization to successfully implement Strategic Plan





Salaries and Compaction

- Recruitment and retention is challenging in this industry
 - Compete for employees with quasi- or private sector businesses
 - SVP Staff are being recruited into other agencies where compensation is higher
- City has been studying compensation as part of the Strategic Plan
 - Better understand organizational needs to recruit in one of the nations toughest job markets
- Market pressures have led to adjustments for certain bargaining units
 - Created compaction of salaries between classified positions and management positions
 - Difference management salaries and the positions supervised, excluding overtime, is as low as 1.2%
- Classifications affected by the compaction:
 - Electric Program Manager, Principal Electric Utility Engineer, Electric Division Manager, Senior Electric Division Manager, Assistant Director of Electric Utility, and the Electric Utility Chief Operating Officer.



Recommendation

- Staff recommends approval:
 1. Addition of two new Assistant Director of Electric Utility positions
 2. Revised Assistant Director of Electric Utility job description
 3. Study salary compaction, meet and confer with Unit 9 and return to Council with adjusted salary schedule as necessary
- Questions?