

FACILITATED DISCUSSION TO EVALUATE SOCWA

SOCWA Board Meeting

April 6, 2023

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South Coast Water District

Agenda

- **Summary of Three Agencies Joint Board Meeting**
- **Facilitated Discussion Component**
 - ✓ **SCWD Proposal to Optimize SOCWA**
- ☐ **Facilitator Solicitation Process**
- ☐ **Budget & Allocation**

Summary of Three Agencies Joint Board Meeting on March 23, 2023

- Actions Approved unanimously by all three boards:
 - Parallel Paths
 - 1) **Facilitated Discussion to discuss the organization, governance and terms for updated Joint Powers Agreement (e.g., SCWD proposal)**
 - 2) **District's technical teams to develop term sheets for operation of the JBL, Regional, and Coastal Treatment Plants with term sheet elements identified for report to each District by June 1, 2023 (i.e., "check-in")**
 - Amendment extending the term of the PC No. 2 agreement to September 30, 2023, to be considered by each agency's (i.e., SMWD, SCWD, MNWD, and PC-2) Boards at its next available meetings.
 - Rescission of Nov. 22, 2022 vote thus allowing SOCWA's continued operation of JBL.
 - District's General Managers and their designees to continue discussions, solicit feedback and negotiations with the SOCWA Employees Association and the SOCWA unrepresented employees to discuss impacts to SOCWA Employees under alternative service delivery approaches.

SCWD Proposal to Optimize SOCWA

- **“SCWD proposes a collaborative workgroup process facilitated by a neutral third party that engages and involves all SOCWA member agencies”**
 - 1) Identify the key issues and challenges with the existing SOCWA structure;**
 - 2) Consensus on a common set of goals for improving SOCWA, addressing issues and challenges identified by SOCWA’s member agencies;**
 - 3) Develop mutually acceptable reforms to address the above goals and identify specific actionable changes within SOCWA;**
 - 4) Identify opportunities to streamline SOCWA administrative, engineering, and financial functions; and**
 - 5) Work toward the development of new policies and amendments to each of the applicable SOCWA agreements to implement the agreed-to changes that are needed to modernize SOCWA and meet the member agencies’ goals for the organization.**

Background Documents

- 1) **Proposal to Optimize SOCWA, prepared by SCWD, dated February 20, 2023**
- 2) **South OC Wastewater Optimization Blueprint Proposal, prepared by SMWD & MNWD, dated January 23, 2023**
- 3) **Facilitation of Organizational Feedback, Alternative Wastewater Delivery, prepared for SOCWA and prepared by Ohlund Management & Technical Services, dated July 2022**
- 4) **SOCWA Alternative Treatment Delivery memo, prepared by the SOCWA Alternative Treatment Delivery Task Force, dated November 6, 2020**

Facilitated Discussion

- **Need to quickly hire a Facilitator, to be cognizant of the June 1, 2023 “check-in” date**
 - **Options:**
 - 1) **RFP process; or**
 - 2) **Motion from Dais to Select a Facilitator from List generated by GMs from SCWD, MNWD, and SMWD**
- **Facilitator would hold monthly 1-hour workshops with the SOCWA Board**
 - **Special Board Meetings; or**
 - **Agenda item within the Regular Board Meetings**

Option 1 – SOCWA Board Delegation of Authority to the PC-2 Committee to Consider the Selection of a Facilitator on April 18

- **Overall Cost not-to-exceed \$50,000**
- **Example Facilitator List, would consider (but not limited to) the following:**
 - A. Sharon Browning**
 - Experienced facilitator who facilitated San Juan Capistrano MSR process
 - B. Jim Herberg**
 - Retired GM from OC Sanitation District
 - C. Ed Means**
 - Experienced Facilitator, specializing in Water issues
 - D. Bob Bryniak**
 - Experienced Facilitator and Leader in the Water Industry
 - Out of the area (Canada) but travels to Orange County routinely for work

Option 2 – Formal RFP process

- RFP currently in final draft form
- Any feedback from SOCWA Board today would be incorporated
- Week of April 10 – SOCWA/SCWD staff to advertise to a Select List
- Week of May 1 – Proposals due
- Week of May 8 – SOCWA Board approval
- Week of May 15 & May 22 – Facilitator meetings with SOCWA member agencies to develop a Key Issues list to be utilized in Facilitation Process
- May 29 through Sep 15 – Special Board Meetings

Budget & Allocation

- Overall Facilitator Cost dependent on Scope of Work, Number of Meetings, Duration, etc.
- Initial Not-to-Exceed amount of \$50,000
- Who pays for this?
 - The Findings and Recommendations will Impact all of SOCWA, except IRWD and Trabuco Canyon WD
 - Allocate costs equally among the remaining seven (7) agencies
 - Roughly \$7,200 per agency

Next Steps - Options

- 1) SOCWA Board Consensus delegating Authority to the PC-2 Committee to:
 - a) Consider the Selection of a Facilitator on April 18, 2023; &
 - b) Consider approval of the budget of \$50,000 (to be shared equally by all SOCWA agencies, except TCWD and IRWD)
- 2) SOCWA Board Consensus to go through a formal RFP solicitation process; and Return to SOCWA Board for approval of Facilitator Contract
- 3) Return to May 4 SOCWA Regular Board meeting with additional info as requested today