



# STAFF REPORT

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**Meeting Type:** Board of Directors  
**Title:** Capital Program Update, Request to Fill Two Construction Inspectors and One Environmental Specialist in the Engineering Division  
**From:** Alex Anaya, Director of Engineering  
**Through:** Ben Horenstein, General Manager  
**Meeting Date:** June 4, 2024

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**TYPE OF ACTION:**      X      Action                              Information                              Review and Refer

**RECOMMENDATION:**

1. Receive staff update on the status of the Capital Program
2. Authorize the General Manger to recruit and hire two Construction Inspectors in the Engineering Division
3. Authorize the General Manger to recruit and hire one Environmental Specialist in the Engineering Division

**SUMMARY:** Since the last Capital Program Update to the Board in March 5, 2024, staff have been working on the delivery of the capital projects identified in the District’s adopted FY 24-25 Budget. Most projects identified in the adopted budget will take place over two years and completion for these projects are on track within the two or more year timeframe. During FY 24, two projects had delays causing the need to carry the budget forward into FY 25. The District has a variety of capital projects underway including dam, tank, pump station, and pipeline projects.

Staff also completed a resource analysis to ensure the District has capacity for the increased CIP. The analysis included compiling data on current and past staff workload capacity, comparison of other agencies with similar CIP budgets, and projecting workforce needed to execute the CIP through FY 28. Staff identified the need to hire additional staff to execute Capital Project delivery. To accomplish this, staff is seeking to reclassify three existing vacant positions to hire two Construction Inspectors and one Environmental Specialist. Staff anticipates returning to the Board in the next fiscal year (FY25) with a modest request to create four additional positions within the Engineering Division.

**DISCUSSION:** During this past year, staff have been diligently working on various capital projects identified in the District’s adopted budget for FY 24-25. These capital projects range from pipelines to dams to pump stations. The majority of projects identified in the two-year adopted budget cycle span a two-year period due to the size and timing of the projects. Most identified projects in the two-year

capital program budget are still on track as projected with the exception of two projects, which had unanticipated delays this fiscal year. Unanticipated delays on projects do occur from time to time and staff have been able to pivot and focus on other CIP projects to continue moving the capital program forward while issues with delayed projects get resolved. The delay of these projects necessitated contract expenditures to be carried forward into the next fiscal year and will allocated funds be used next fiscal year.

Some of the current capital projects underway this fiscal year include large, highly visible pipeline projects such as the Granada Drive Pipeline Replacement Project and the Sir Francis Drake Pipeline Replacement Project (PRP). The second year of the Pine Mountain Tunnel Tanks Replacement Project is scheduled to start in August this year and will be completed by January 2025, which will roll into the second phase of tank construction. Tocaloma Pump Station and the San Geronimo Roof Project are both currently in design with construction of the roof project scheduled this upcoming fiscal year.

On occasions, unplanned projects not identified in the adopted capital budget do come up and require the District to do some capital program reprioritization. Two such projects did arise this past fiscal year. The Edwards Avenue PRP came about after the District was notified by the City of Sausalito in February 2024 that they were running into shallow water services that would be in conflict with their project thus requiring relocation. Staff expedited a project plan set and worked with the City of Sausalito to execute a reimbursement agreement allowing their contractor to install the new water main and service laterals to ensure timely completion. The Bridgeway PRP was identified due to multiple main breaks on a 300 foot section of 1943 cast iron pipe that has resulted in large claims against the District. Given the type of material, age of pipe, leak history and risk of future main breaks, staff reprioritized some projects to allow this project to be initiated. Staff will have a project design ready and will be utilizing the District's on-call construction contract to complete this work.

In line with the expanded capital program, staff completed a detailed evaluation of resource needed to execute the delivery of the CIP. Staff reviewed past project hourly charge out time for pipeline, tank and pump station projects to identify an average hourly rate for department staff time for each different type of project to establish a workload capacity. Staff also reached out to local Bay Area utilities that have a similar CIP budget to the District's future budget and gathered information on their respective staff size that were used as a point of comparison to evaluate current and future District staffing needs. Staff compiled all capital projects identified in the adopted budget thru FY28 and used the established workload capacity to project staffing needed to execute the CIP over this time frame. Various combinations of staffing and consultant support in the different departments within Engineering were also evaluated to determine the ideal combination of staff and consultants to help execute this work. The analysis identified that the Planning, Design and Construction Departments had an immediate need for additional staffing. Staff identified a hybrid approach of converting three existing vacant positions within the Engineering Division with a plan to return to the Board with a request to create select additional positions within the Engineering Division to fill the remaining staffing needs, while also hiring consultants to support execution of the CIP, going forward.

The initial staffing need is the reclassification of three existing vacant position into three new positions. An existing vacant Senior Engineer position will be reclassified into the Environmental Specialist position that will be integrated within the Planning Department in order to better address the District's growing environmental service's needs, including supporting work in the Watershed such as the update to the Road and Trails plan. The existing vacant Real Property Agent and Senior CAD Specialist

positions will be reclassified into a new Construction Inspector positions that will be integrated within the Construction Management Department in order to better address the project inspection needs for upcoming capital projects.

**ENVIRONMENTAL REVIEW:** Not Applicable.

**FISCAL IMPACT:** The reclassifications of the Senior Engineer, Real Property Agent and Senior CAD Specialist positions to positions of Environmental Specialist and two Construction Inspectors are included in the Engineering Division FYE 2024 and 2025 budget. Filling these positions will not increase the total number of full time employees (FTEs).

**ATTACHMENT(S):** None.

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Engineering	 Alex Anaya Engineering Director	 Ben Horenstein General Manager