

# Audit and Finance (AFC) Special Called meeting Transcript – 3/29/2023

Title: ATXN-1 (24hr)

Channel: 1 - ATXN-1

Recorded On: 3/29/2023 6:00:00 AM

Original Air Date: 3/29/2023

Transcript Generated by SnapStream

=====

***Please note that the following transcript is for reference purposes and does not constitute the official record of actions taken during the meeting. For the official record of actions of the meeting, please refer to the Approved Minutes.***

[1:35:22 PM]

Good afternoon, everyone.

[1:36:23 PM]

My name is Alison Elton. I chair the audit and finance committee and we're going to convene this afternoon for us special audit and finance committee especial called audit and finance committee. It's 1:36 on Wednesday, March 29th at city hall and I'm joined by vice chair pool and council member Ryan alter, looking forward to the conversation. Thank you. And I will take the mic back for the second council member of Alaska says he's in the waiting room. We will get him on shortly. So, the host is to let you in. So what we want to do at this point is there's one piece of business . One vote we need to take for the water oversight committee and that is approving the minutes of the October 1920 22 regular meeting of us of the Austin water oversight committee

[1:37:24 PM]

. And do I have a motion from vice chair and a second from council member Ellison alter and there being no objections. Those minutes are adopted. We now move to the discussion of the Austin water external review that was done in 2022. And this we're taking this item up jointly with the audit and finance committee. And I see that director roalson is here to speak with us today and provide a presentation and I wanted to hand the mic back over to council member Alison alter, who was the author of the initiative for the audit. Alison. Thank you for your patients. Director colleagues were here today with a

shared goal. Austin residents deserve a safe and reliable water service . This meeting is a follow up on some work that began over a year ago. After the February 2020 to boil water notice, which was the

[1:38:25 PM]

fifth major incident to our water supply. In recent years, I authored a resolution co sponsored by council members tovo Fuentes, pool, Ellis and Kelly calling for an external audit of our water utility to assess what went wrong how to prevent future failure and how to improve the overall resiliency. Of the utility. The U. T center for water and the environment completed the review under the supervision of the city auditor. In January of this year, they released their report and we heard their presentation today after several rounds of rescheduling after various events in February. We are going to hear a presentation from Austin waters executive team they're going to share their response to the audit and their implementation plan for the recommendations in the report. I want to thank the U. T audit team for their work. They produced a thorough, useful report that really provides a roadmap for us to follow as we work to improve our utilities, emergency preparedness, staffing , communications and climate resilience. What stood out the

[1:39:27 PM]

most to me through this process is that the external review did not call for large infrastructural investments, but rather for systemic improvements to management and organization. I believe that there are valuable lessons in that report for other city departments as well that are facing similar challenges. I'm really heartened by the fact that we made it through the February freeze with limited water service interruptions and consistent clear communication from Austin water. I also want to thank Austin water for their willingness to work with the audit team and provide access to their staff. Documentation and their facilities. Austin water submitted a summary document as backup today and I really appreciate their work on this to move forward with implementation and providing a timeframe. I'm looking forward to the detail that will here today and I invite director Elson to speak to us. Thank you. Great thank you. Good afternoon. Council members. My name is shay rolls

[1:40:27 PM]

roalson. And I'm the director of Austin water. I second the appreciation for the team at the city auditor's office, as well as the U. T center for for water and the environment and appreciate all of the many hours of work that Austin water staff put into collaborating on this review, and, and really making the most of the opportunity to take a deep dive into our organization and look for opportunities to strengthen Austin water going forward. We have some slides. Thank you. So today we will briefly touch on winter

storm Mara, which is the winter weather that we just had last February as it relates to, all of the resiliency work that we've been doing over the last

[1:41:29 PM]

several years that was really captured in this external review as a as a very significant test of the work that we've been doing. And then we'll go into the 53 recommendations from the external review and our implementation progress report. Ah I'll give you a brief overview on the terminology that we're using around the implementation status, and then each of the buckets of, of recommendations, the ones we did not agree to the ones that are implemented, underway and planned and then finish up with a summary of some of the reviews. Additional items and key findings. Okay? So winter storm Mara? We when we saw the winter weather coming, we implemented a lot of our processes and procedures that we have recently beefed up in the last few years. All of our

[1:42:30 PM]

plants, our field crews or incident management team were prepped and ready. We had the incident management team on standby. Our plants operated normally, and we had a storage out in our distribution system very full going into this event on purpose, and it and system storage, for the most part, stayed very healthy throughout the event. When we began to experience the power outages that came through across our service area, that was when we activated our incident management team into in person operations that are departmental operations center. And that's when we went to 24 hour field operations specifically related to when we lost power to the Davis lane pump station. Throughout the event. We worked continuously with Austin energy to restore power as many people experience during the event. We had lift stations and pump stations that went out of power

[1:43:30 PM]

came back into power, experienced another failure. We also had other damage at our facilities, damage to trees, difficulty accessing damaged physical damage to the electrical mechanical equipment. And so our teams work very collaboratively across Austin water to clear roads, haul fuel whole generators, layout cables in advance of the electrician's getting there checking instruments communicating incessantly with Austin energy, and we implemented our generator strategy that we have been had in place for several years and refined after winter storm, Yuri and we also brought in additional rental generators, and we kept those on standby until even after we were sort of through the worst of the event for us. We kept those on standby until Austin energy was restored. And we communicated continuously with our customers

[1:44:32 PM]

and our stakeholders. We have communicated weeks in advance about winter weather preparedness and then leading up to the event. We communicated again with our customers, through social media, outbound calls our customer portal. We also communicated with mayor and council on a twice daily cadence. And of course, we participated in the city wide. Press conferences and other communication efforts. We had an E.O.C responder and emergency city's emergency operations center. We had an Austin water responder physically located at the site from the time they went into operations and we fully participated in their activation. And so in the end, we lost water service to a couple of small pockets of our service area about 40 homes, and we had just six sanitary sewer overflows from our lift stations. So a really outstanding performance by

[1:45:33 PM]

Austin water collectively. Our main challenge was hauling generators and difficult conditions and being short staffed on electricians. We had every electrician in the field, including supervisors and division manager and we still ran up against mandatory rest requirements. But we were. It was very successful from a safety perspective. Aside from a few slips, trips and falls and some branches falling on vehicles, we had no safety incidents. So we are coming out of this event. Even during the event. We were all making our lists of things. We'll do better next time so we will be fully engaged in the cities after action review. And we will, you know, one of the things the external review found was that Austin water has been very deliberate and consistent about implementing improvements based on after action reviews and what we'll do that here, too, and I think we really saw in Mara the fruit of our efforts in the last few years. So on to,

[1:46:39 PM]

the actual external report recommendations. There are 53 recommendations in the report and we have implemented 14 of those 23 are underway. 12 are planned and four of them. We did not agree with so this presentation will follow along with the implementation report that you have as back up to this meeting. I won't discuss each of the 53 recommendations. I'm going to hit the high points but obviously, happy to answer any questions about any specific recommendations. So just a brief note about what we consider implemented. There's really three ways that we would consider a recommendation implemented. One is if it was a discrete set of steps, and we've done all of them, then it's implemented. The other would be if it was a recommendation for kind of changing the way we do business implementing process improvements. Then if we have implemented, that change in our business practices that we would consider it implemented, even

[1:47:39 PM]

though that's the kind of thing that's kind of, never done, if you know what I mean. And then if we have programmed a long term capital project or a long term planning project. For that recommendation that we would consider that implemented because it is fully operationalized into our process. So, the four recommendations that we did not agree to implement. We discussed these in the last meeting as well, but greater autonomy for Austin water human resources. That was one of the recommendations from the external review and we want to, re emphasize that we are an integral part of the city of Austin. And while we have a very strong Austin water, human resources team, we are fully a part of the city and the processes and procedures of the city. And we want to continue that partnership. The extra review made two separate

[1:48:39 PM]

recommendations that the Austin water director should report directly to the city manager and two that we would say that there are a lot of different ways that you can organize. How your department directors report to the city manager's office. We feel very confident and comfortable that the reporting structure that we have in place now, where I report to interim assistant city manager Robert good alongside, transportation, public works and watershed protection and aviation that that is a that's a solid cohort. For Austin water and then reducing the span of control for the Austin water director and assistant directors. We are always looking at our organization, but we don't agree with reducing Spanish control just for that single purpose. We will be continually reviewing our organization to optimize how we face the challenges in front of us, but that's not a strong directive for us. So of the 14

[1:49:40 PM]

recommendations implemented. I'll just highlight a few on this slide. And if you're on the next slide in terms of employee and leadership development, hiring above entry level when a candidate is qualified you know, we are in as you know, as every department as it really every organization, is in a challenging hiring environment. So what we try to do is structure our job posting so that we can attract a range of qualified candidates and then hire the best fit candidate from that pool. And when we can hire above entry level, we do that. There are other times when we hire bright young minds and train them up in our organizations. So this is, we have a robust process for how we manage that kind of recruiting. And so that recommendation is implemented. Emergency management. We have a very strong purchasing authority during emergencies. I mentioned the generators that we were

[1:50:40 PM]

procured on short notice during winter storm Mara, you'll be seeing the ratification of that , purchase so we exercise that successfully during Mara. And then on operations and engineering. There was a lot of concern about the condition of the centrifuges out it, Ulrich. And so we, brought you all approved a contract, five year repair contract last week and we are have also programmed in a capital improvement project to replace centrifuges. The design of that is in our five year C I P so we're moving forward with that one. And then to address the preventative maintenance backlog. We are utilizing our our on call contractor. I D I Q . Indefinite delivery, indefinite quantity. That's a contractor that we have on contract and we can make assignments to and we're using that contractor to address our preventative maintenance backlog. And on strengthening

[1:51:42 PM]

our water supply to the south area of our system. We are currently reviewing statements of qualifications to select engineers for two new elevated storage tanks and associated transmission means so that is operationalized into our program, and we consider that implemented. Under public information. A couple of highlights, is media training for staff. We hired a consultant to provide media training. We're distributing that to our staff who have reasons to be in front of media based on their jobs that I went through that media training. It was really excellent. We're continue to roll that out. That's a focus for us making sure that our staff are feel trained up and ready to answer media questions and then publishing information in languages other than English . This has been an effort across the city and we have implemented some, processes and protocols

[1:52:42 PM]

around making sure that we have some language that's ready to go , and then we have our procedures in place to. Two as we go to continue to implement in other languages. And then S O ps and training that was another big area of focus for the external review, and we had started working on this a little over a year ago to have a dedicated trainer at each water treatment plant, and those trainers are in place and ramped up and, and ar there work is fully underway. So those are the highlights of the 14 recommendations that are implemented. My goal for going forward would be, not too I'll tell you about the new ones that have been implemented and implemented in the next report out so we won't rehash these again. But obviously if you have questions about these or any others at the end, or even right now, I'm happy to answer them. So the recommendations that are

[1:53:43 PM]

underway? So these are recommendations that we have made a plan where beginning to implement the plan. We have done some of the steps but we don't feel like we're all the way there yet. There are 23 of those. I'll hit a few on this side and a few on the next slide. So around employee and leadership development. The external review, pointed out a disconnect between frontline field staff operations staff and, and higher level or, upper level parts of our organization and so really working on communicating significant decisions to our operations staff, so one of my focus is since I became director on January, 1st is to get out into our work sites and I have made. I think I'm over 20 now of those site visits, so I've been meeting with our staff hearing their concerns communicating directly to them about the things that we're working on. And we're also working on better pathways of communication that I think I actually will hit on

[1:54:44 PM]

later between when we make decisions about where we're going to invest our C I P money , making sure that that communication is happening to operations staff as well. The external review encouraged us to continue to advocate for increased operator salaries, and we have done that we are continuing to do that. We have a number of recruiting and retention strategies under way we were able to get the electricians in particular, pay grade increase. We also implemented a retention stipend for all Austin water staff who have been with us for at least a year. And that's a 10% stipend that went into effect this month. And we have some retention bonuses for new hires as well. They get paid over periodically over the course of two years. So, the there are other strategies as well. License stipends. A safety stipend, so we're continuing to work with Austin water hr staff

[1:55:46 PM]

, our operations management and the city hrd human resources department to get those approved and implemented. And then that really ties into the recruiting and retaining of a skilled workforce. Compensation has to be a part of that and, and are recruiting numbers. Look excellent. We are, last year. We hired but we felt 300 positions as of now, so six months into the fiscal year we've hired a hunt. We filled 173 positions so we're on track to far exceed how we did last year. And so really, we don't really have a recruiting problem. We have a retention problem, and some of those strategies that I mentioned are aimed at helping us, begin to stem that attrition. In emergency management. The external review encouraged us to very clearly

[1:56:47 PM]

communicate our roles and responsibilities prior to events and then upon activation, so when we activate our incident management team, we are taking people out of their day jobs and putting them into the departmental operations center on 12 hour shifts. Until the incident is over, and so really helping make sure that all 1200 of our staff understand what is happening when we activate the incident management team is really important. So we updated the S O P to do that. And then we practiced that in Mara, and we got a lot of good feedback from our staff that they felt like they understood what was happening because we had improved that communication. On public information. We are continuing to work to build out our public information office. And so those will continue we've hired made some great hires, in that office, and we're continuing to work on that build up. Other recommendations that are underway. Establishing a

[1:57:50 PM]

position for a single person to be in charge of Ulrich water treatment plant. We have, assigned our division manager for water treatment plants to Ulrich and we are in the process of identifying a new division manager position to be over the hancocks and Davis water treatment plants. Or on the. Situational awareness. We use an online software platform called goc. That is very, very helpful during emergency events to be able to keep everyone informed and organized. We are working, making steady progress towards using the ocean on a day to day basis. So as it stands now, our work groups all have a place to report out their current status, and they do that essentially once per shift, and then, faster or more frequently during emergency events, and we have policies and procedures written

[1:58:50 PM]

around that expectations. And we will continue to use boc on small, low stakes. No consequence events, for example , we have what we call a concurrence process, which means if we have a planned outage in our water distribution system or one of our water plants or one of our wastewater plants. We have a process in place already . Where all of the work groups coordinate on what that effort is going to look like while that planned out it just happening that has typically been handled over email and an in person meetings, and we're now moving that documentation interviews. So those are that's an example of how we're continuing to beef up that our use of that tool and then we're evaluating, emergency planning and training at at each of our plants and I were working on. I made touch on this in a later slide, but we're working on. Some additional take. We've been doing tabletop exercises, kind of sense. The we were able

[1:59:50 PM]

to get together in person again, and we're we have several identified for the coming year that will incorporate plants staff into those emergency training exercises. And then on S O ps and training. I



mentioned the water plant trainers that are in each water treatment plant. They are really critical for training our personnel and plant specific knowledge. And then improving the communication being between pumping and operations. This is really around. What is happening out on our distribution system is storage healthy? What do we need to ramp the plants up or down? And just kind of making that communication a little smoother back and forth between pumping operations and treatment operations. And then on the planned recommendations. So these are recommendations that we have a plan, but we haven't really kicked it off yet. The, stress testing of Ulrich water

[2:00:52 PM]

treatment plant. We have a plan, and we're going to do that in the summer when demands are high. And plant staff is very excited about, really running the plant through its paces and pushing it up to you know, higher treatment plants generally have a lot more capacity than you need on a day to day basis. That's by design. But what it means is we have to make a special effort in order to run it up to a much higher capacity and make sure everything works the way we're expecting, too, so we're going to do that this summer. And then, I did mention about the communication with operation staff around capital project planning what projects we're going to do when they're going to happen, and we already have a condition assessment asset management program that takes data from operation staff and feeds it into R. C ip planning for our what we call our renewal budget. But we what we need to strengthen our communication back to plant staff to help them understand how that information

[2:01:52 PM]

is being used, and that was the need. We have recognized for some time and we're we're working on. How we meet them where we are and message that in a way that is meaningful to our plant stuff. And then, on the reporting structure. We are reviewing our management to make sure that we're that we are structured in a way that continues to support our plan operations. So those are the highlights of the 53 items. Some additional key findings from the external review the first one is near and dear to me, that the extra review found that our power reliability strategy and our emergency preparedness plan that we put together as part of senate bill three requirements for T C Q approval after winter

[2:02:53 PM]

storm, Yuri that store review found that that would those plans were robust and effective , and we saw that in winter storm Mara. We're it's not that's not a thing that you ever called on. But we're very proud of the work that we've done around power, reliability and resiliency, and we continue to work on that. The as as council member, Alison alter mentioned the report found that our infrastructure is adequately designed has sufficient capacity treatment processes are appropriate. They've also found that we have

taken steps to mitigate our water quality risks from turbidity and invasive species. And, emerging issues. And so that's allows us to really focus on more of the, operational and cultural and management aspects of how we can be the best performing utility that we can be. And then our emergency management structures

[2:03:54 PM]

are very well thought out and again. We saw that put to the test in moron and that went very well. So next steps we will. We are continuing to work on these . These are all works in progress. We will report out to you on a quarterly. So we'll see you again in may, August and October, and our target is for all of these recommendations to be operationalized to really be drilled into day to day business by the time we meet with you in October and I am happy to answer any questions. That's great. Thank you so much. Director roalson. Council member Alison alter, did you want to kick off with a couple of questions? Yeah I'd appreciate that. Also want to acknowledge that council member of Alaska's is on the dais virtually as well. Thank you, director Wilson, for the presentation, the work that you and your staff have done. You clearly are taking this review

[2:04:54 PM]

and the charge that we've given you as a council seriously demonstrated, a lot of forward movement. I do, however, have some questions and make sure that I'm understanding the direction that we're going and making sure that the community, understands that we put a priority on delivering safe and clean water and are taking steps to make us resilient in the face of climate change. So my first question is that many of the items are marked as complete that seem a little bit more like there's a plan in place, and I appreciate that. You explained how you defined complete. But some of them are more like you made some organizational changes that will hopefully address this in the future. But I'm not understanding where that accountability is down the road. With council to make sure that those are completed, so I would like you. You know, as the next step to think about how you're going to report out on those, and I'll just give you a sense

[2:05:56 PM]

of. I think I had, like eight of those, at least that I was able to highlight that really kind of critical. So for instance, the description of water forward. In response to recommendation that says, examine the risks of more frequent and intense storms to evaluate. Water treatment. That item was marked as complete and that you're going to consider that in the 2024 water forward plan. But that's not happened and that is marked as as complete. And that's important because really what the review said was focused on that 1% of the time when you're not prepared. And so if we want to be better prepared, we need to do that.

So that is kind of one example. There's a bunch of things where we've started the training. But not everyone is trained yet and I don't want to just know that you have a training system, which is fine to say that you completed your training system. I don't want to get into semantics. I'm more interested in making sure that we have a have the ability to

[2:06:58 PM]

see these things to completion because I've been you know, for better or worse, I've seen situations where we've only done partial things and I don't want that to be the case here that water supply is too important. So there's a bunch of things on training. The south pressure Zones, and I imagine some colleagues may have more to say about that, but simply saying that you're updating the long range plan for that doesn't solve the south pressure zone problem. It just says we have a plan to solve it. And I want to make sure that you know, three years from now we have we have that plan or whatever. The right time frame is, you mentioned the media skills like okay, I want I want to know that everyone's done that. Obviously, you have to keep doing that and ongoing basis. Same with the training. There's a bunch of them, for training where that's the case. So can you speak to a little bit how you're going to communicate? To ask on those things like you marked with your approach is complete, but really have more

[2:07:59 PM]

steps for us to really, be prepared. There there are a number of these recommendations that, require us to do these things day in and day out. And, the training is a great example of that. We do have, metrics that we keep on what percent of our staff have completed the training and who is outstanding . We track a lot of that, through the parts of our organization organization that are responsible for providing that training as well as individual. Performance reviews annual performance. Bi annual performance reviews. So the. There are obviously a lot of things that we do as a water utility that we do day in and day out that don't show up on this list. If there are some key

[2:09:00 PM]

performance indicators that we can provide to you that would give you confidence that we are doing that training. I would be happy to discuss how we could increase your confidence that we are actually. Doing the things that we say we are doing. The water forward, for example, we have implemented in that scope for water forward to look at water quality. Not just water quantity. And so we will be reporting out on that as a part of the water forward program. I would like to graduate that item from this report out to that report out. If there is a way to do that, that you are comfortable with so generally,

I would, like to, and maybe some of these are a little too early for you to feel confident that that we're actually doing it, but, for us once we have drilled that into our day to day operations, then that is a thing

[2:10:00 PM]

that we do, and we have tracking mechanisms for, you know the various items that we do. Yes I appreciate the spirit of the answer. I still want to make sure that we are tracking this somewhere and you know again, very key part of this. In terms of. How we're thinking about stuff is, you know what are those? Risks that we have to be prepared for, and it's fine that it's part of the water forward project and we're gonna we're gonna put it there. But but maybe we ought to be marking it , not just as complete, but, you know, watch water forward or something, and I think we do need to see some of those training numbers. They may not be stuff you have to present to us during your time. To us. It could be in an accompanying memo that says, you know here. Here's where we're at. On the status, but you know, forgive me for being for trying to be, overcautious after we had as a ps and other things that were

[2:11:02 PM]

violated, you know when the boiled water happened or or didn't seem to be working. So I do think that's necessary for us to be vigilant and expect that level of response so we can work on an appropriate I don't expect you to also have the answer of how we present it. Because it's not. I'm not trying to do. Do reporting hoops. I just I think it's really important for the community. And I've been getting questions about. Well they're saying this is complete and it's not complete. And what does that mean? And so I think we have to be committed to communicating and I think we all agree that the commitment is necessary. I see that interim acm Robert good is here. He may want to address this specifically. Yeah I want to add my two cents. You know, the city manager's office is watching this as well. So it's not only internally to Austin water. It's the city manager's office that's looking at Shea. Confidently that we're going to be tracking this as well. So it

[2:12:02 PM]

will be Austrian waters as a department utility of this city that will be reporting that information the city manager's office as well, so we have a more of a global oversight will be watching as well and I want and I just like to emphasize that that this isn't just the council saying, do this or do that interim city manager has. Repeatedly advised us and I think all of the senior management reporting to him and it's trickles down throughout all of our employees. Everyone is on board with making sure that all of the processes and operations that we are required to do and that we undertake here are done with the utmost value to the community and concern for their safety and that there is no fraying of that fabric at any level. In

fact, the council doesn't even need to tell you to do that. If we are doing that is because we want to assure the

[2:13:02 PM]

community that we are in acting in an oversight capacity. But I myself am confident every day in the in the work that you are doing, particularly with the changes that specifically with the changes that have been made just recently in the last few weeks and under the guidance of the interim city manager I have expressed on a number of occasions my confidence in the work that city manager Garza is bringing to us all. And I would just reiterated here and with this this audit here. I think we all can agree that this work is being done as a whole with all of us on board. Appreciate that well, said. Thank you. Again, the examining of those risks and putting that into our planning. Is not done until we have water forward done, and we're implementing those plans. And you know that is really what this audit told us to be most

[2:14:03 PM]

concerned about, and so I feel very strongly that that we need to, highlight that moving forward and whether it's how it exactly happens. We can work on, but I'm definitely hearing from the water advocates that that is a deep deep concern, to make sure we have front and center moving forward. You spoke about a couple of the recommendations that are you disagreed with and there were three areas but for items where you disagreed with the recommendations, and I want to hone in on two of those areas , the one related to reducing the span of control and the other with the autonomy with hr to better defined job requirements and qualifications . And you spoke to these briefly , but the underlying you know, it's fine to disagree with the solution of the recommendation, but I think the underlying problems that elicited the recommendation in the first place still need to be,

[2:15:04 PM]

acknowledged and addressed and I want to understand better how you are going to ensure management is reachable and capable of responding and leading our staff, which is what they're reduced span of control was about and how you're going to ensure we have people with the correct qualifications and that you can pay them. Competitively I mean, even back in January, that was still a big obstacles. So I want to better understand both of those things, please. On the span of control. We have been. Working toward and implementation of operations managers and our operations program area. So for example, we have an operations manager over the water treatment plants. You've met several times. Stephanie sushi is here with us. Today we have an operations manager over the wastewater plants. They then report up to the assistant director for operations. And that is that.

[2:16:05 PM]

That was a concern for the external review that we had one assistant director over that large part of our organization. But that is the. Be work that we have been doing to address that span of control issue is really in the responsibility levels of those operations managers. So, under you. So in a typical part of my program, and my, department and in other departments, you would have an assistant director with a handful of division managers reporting to that assistant director. In this case, our operations managers have a handful of division managers reporting to them, and then they report up to the operations to the operations assistant director so we have. Increased those operations managers, roles and responsibilities so that they operate more on the executive level. And then the

[2:17:06 PM]

assistant director for operations helps us tied altogether, and that is a really important function because back when we had treatment under one assistant director and pipeline under another assistant director, that was a difficult silo to break down. And so that is how we have addressed it here. I. We are going to be looking at our organizational structure, in part because our assistant director for operations is retiring, has retired. And so we will have to evaluate that program area anyway. But the idea that the span of control issue. Was related to the a D. We have really been working to address that through these operations managers, and I don't just want to throw that work out. Without some really thoughtful consideration. One of the things

[2:18:08 PM]

that we committed to and I don't think I mentioned it yet is doing the partnership for safe water. Self assessment. We did that several years ago, and we're going to do it again. And that is industry water industry standard tool for looking at all different kinds of, resiliency and reliability issues for water utilities, including reporting structures and operational, recommendations, and so, so we're actively actively looking at that. And that partnership for safe water is in our plan. In these recommendations. It's just not tax specifically to that. I would just adding here at this juncture that when we get into operations and the specific implementation of programs and policies at the department level. It's good to get some input from our staff so that we understand how the different operations are being run. But we do draw the line here at at the council level. That we don't stray over into

[2:19:09 PM]

trying to tell our staff how to run their operations. We we set policies, but I want to be very cognizant of the fact that we are not in the business here as the city council to specifically tell any division or department director how to how to manage their employees. We have policies and values that are shared across the organization that we all lift up and support. And we look to see that those are all being, applied across the board. And so the reporting back gives us that information so that we are assured that that is happening, but we do draw the line at telling you how how to. To run your business. You are are the experts on that and I think we can have full confidence that the staff is striving to meet all of the values and, ethical concerns that we all hold here. Thank

[2:20:09 PM]

you. That's the second part of the recommendation that you disagreed with that I was trying to understand what your solution was for the problem that was identified in the external review was to do with autonomy. With hr. So if you could speak to that as well, thank you. So the. City departments each have their role and function to play and one of the roles and function of Austin water is to, evaluate our organization make recommendations on, the, staff that we need the positions that we need and the compensation that's that's required in order to recruit into those positions. And then the role of the human resources department within the city is to manage that process across the organization. Make sure we have very consistent rules and policies. And I know acting director of hrd Rebecca Kennedy is here today. And so, I'm happy to turn over the Mike to her and not put words in her mouth. But I would say that much like our relationship with other

[2:21:10 PM]

city departments. It's a partnership. We have that kind of partnership with project with public works who manages our projects. We have that kind of partnership with, development services department that reviews are projects for compliance with code. We have that kind of partnership with with finance department who manages the, advertisement of our projects and awarded contracts so we want to work on the issues that are facing Austin water in a very targeted way that complies with the requirements of the city. I don't really want my folks to have to be an expert in in all of that. We have a partnership with hrd to make sure that we stay inside the lines. Thank you. I appreciate that. And I think that was helpful way to illustrate what we're trying to achieve in the report, though it identified many different ways in which hr was not facilitating your ability to be ready and

[2:22:10 PM]

prepared. In these situations. So what has changed? That is really allowing you to move forward because I think even back in January, there was a strong feeling. That that was that that supportive partnership

wasn't there. So can you be a little more specific? Or if it's miss Kennedy? You know about what is changing, that is making that relationship so that hr. Supporting what? Austin water. Needs to do so one of the things that I think was missing was more of a dialogue and escalation pathway for things that got stuck. So sometimes we are, we are different from other departments in the city. You know where water utility and that's its own unique function. And so making sure that, our human resources liaisons understand the unique requirements that we have. And then being able when staff can't agree to escalate that. So, director Kennedy and I have had

[2:23:11 PM]

, an escalation list that we have been working on. We met for the first time on February eight, and we've gotten about half of those resolved. And so we're continuing to work on the items that Austin water feels strongly that we need, that we haven't been able to get approved through staff collaboration. And so, you know, the goal is to get to the point where the directors aren't resolving those on a daily basis, but things were stuck. And so we are engaged now to get them unstuck. And then the goal is a process where only a few things escalate at any given time. Thank you. I appreciate that. I think that's a goal that we all share and you know, when we have an issue with the management, one last question, at this point what is your current vacancy rate at all rich ? And how does that compare to a year ago? And what is it overall? So our overall vacancy rate is 13% that's down a couple of percent from the beginning of the year. I mentioned the really

[2:24:13 PM]

excellent hiring numbers that we've had this year. We, however , are on track for attrition to be much higher than it was last year, and that was actually much higher than the year before. So these numbers don't reflect the implementation of, for example, the type the 10% stipend. And some of the other retention strategies that are just now going into effect. So we're hoping to stem that. Attrition, but, but right now we have I went and looked at the 170 vacancies and of those, almost all of them about, 75. Not almost all 75% of them are posted or almost or filled, you know, somewhere on the spectrum of posted to filled, and only a smaller fraction of them are sort of in the works getting going, so we have a very efficient ah retention program. And we have one of the fastest time to fill rates in the city

[2:25:14 PM]

of any city department. So we're recruiting is going very well and we've had new hires at all our water treatment plants, and I'm not avoiding your question. I'm hoping somebody is going to come up and tell me what the current vacancy rate is at Orrick. Good afternoon. I'm Stephanie soo and the operations manager for the water treatment plants were currently out of vacancy rate of about 14 out of 42 at all,



Rick I don't know if the top of my head where we were about a year ago, but I will say that we did add a good number of F. D E S. I think midyear. And that that kind of has caused the number to go up a bit of where we would have been, but I had to kind of echo what she was saying. Recruiting has been going well, I can definitely say that our candidate pool, for our own ends at all through water transplants has been a lot better than what we've seen, which I think is a testament of

[2:26:15 PM]

the increase in the hourly rates that were able to, to offer to the candidates. I will also say that the addition of the certification trainers at all three plants has definitely been a great way to entice, more candidates to apply for the job. But also you know, she mentioned retention. I think that's a very important thing that we can offer to the staff, the existing staff, the new the new staff, and the ones that are that are considering jobs to stay on board so that we can teach them quickly how to come up to speed and, you know, help us to consistently operate the plants . The 10. Retention stipend I think is fairly new, but, I can say that you know we'll we'll look to the next quarter as to how that helps from a retention standpoint. Thank you when you come back if you can provide us with some of that data because 14 out of 42 of my maths right is about 33% which is higher than the 30% number. Now, you added, you added employees and I don't know how to factor that in

[2:27:17 PM]

that with those small numbers that can quickly affect the numbers. My point more is that I want us to be able to track that. And see that number of vacancies going down. For the organization as a whole, but very specifically for already just in the same way we're watching that really carefully for 911. I think we need to do that as well. Thank you. Thank you cheerful. You know, I'd also weigh in here on the, retirement numbers being higher. I'm I'm remembering that. There have been waves of hiring over time. And as we all know, we all age out, and it could be and I don't know, but it could be that part of the loss of staff is related to folks who are just ready to retire, and if we hired a large number of them 30 years ago, then you're going to have a large number of retiring 30 years or more. Later and some of these things we can predict we

[2:28:17 PM]

can kind of see how the ebbs and flows are and we can step up our recruitment and hiring plans when we see that there's going to be a cohort that's larger than average that will be retiring in the future. So I think that's part of the standard kind of, operations that human resources professionals look at when they're working through their, their programs and operations, so I'm I'm sure that's already on everybody's radar, and I just wanted once again to tell you, thank you for the work that staff has done

so diligently to respond to the audit. The audit is an important document. It has good information in it. It's always good to highlight areas where we can improve. And we all are in agreement on that. It looks to me with about 70% of the recommendations either complete or underway that you are making great strides. I

[2:29:17 PM]

appreciate the fact that there will be additional reporting back quarterly this year, at least three more times to share will have you to kind of get us up to speed and then I just wanted to say one more time. How much I support the work that you all and the professionals with Austin water utility do for us every day. You guys made it so that with your careful stewardship of our water treatment plants and our water plants. Made sure that winter storm Mara wasn't as bad. In your sector as it might have been, and that's because we are aware you all were aware and you were taking precautions and doing everything that we would hope you would do in order to stave off any further or any kind of crisis or calamities. I wanted to thank the interim assistant city manager Robert good for being here and I see that, city manager Jesus Garza is here as well. And happy to have you come to the mic and maybe I just wanted because we

[2:30:19 PM]

talked about vacancies and I want to make sure that I know she has done a really good job with the water utility. But that's a that's a problem that exists. Throughout the organization, some departments worse than others. The the human resources department every Monday is coming in now to our special items, briefings. And we're asking them to drill down to stratify some of the data to figure out which are the hard to fill positions. And what can we do differently about hiring in terms of posting and bringing on people for those areas because we know the lead time is longer and which are the easy fill positions. Some of these will be impacted engineering positions. Some of the operators that are unique to the water utility would be probably in that list. But it's one that I know that from the Shea and other directors are working with human resources to really try to understand how we can make the system easier for people to bring on board. And not use the civil service system is an excuse as to why we haven't been able to bring on people in a more expeditious fashion, and it's one that we know is on our

[2:31:20 PM]

list, and we'll keep working on it. But we have this issue in a lot of different departments that we really have to continue to focus on. Thank you, city manager. I'm sorry. Yeah, it doesn't. I see that council member alter Ryan alter has had to leave. It looks like he has gone council member Alaska's do you have anything that you want to add for the good of cause? If not, we can conclude here today. I have a few

more questions. I'm good and thank you all so much. And first. I just want to apologize to everybody for taking a little while to get on . I appreciate y'all, waiting on me and, and, and indulging me in that no worries. We're happy you persisted. All right. Come on. Thank you. A couple more questions from council member Alison alter. Thank you. And I appreciate, interim assistant, their interim city manager, Garza comments about the vacancy

[2:32:21 PM]

and paying attention to that. I think that's you know, long overdue, and I really think that's really critical for us to be to be doing. But as last and water oversight committee, I think we want to be watching. We want to be watching that and you know, we're concerned about what's happening. At all. Rich is one of our main treatment plants with that. Moving forward, so I want to see that, with respect to the scenarios, I wanted to, you know, I ask that you consider wildfire when you're identifying scenarios that could present water quality and treatment issues for emergency planning. In previous years, I've had conversations with Austin water about hardening our water facilities with respect to Y or wildfire. Several of them are in high risk wildfire areas, but there, you know, so there are there are dangers to the quality of our water from wildfire with open

[2:33:22 PM]

tanks, etcetera, in wildfire conditions that we need to be. We need to be prepared. For some of those areas are, you know close to some areas that could be extremely combustible. So wanted to flag that, as something to consider. Scenario planning is one of those things going back also to the water forward and how we get the risks that I'm hearing from a lot of the folks who have been active and making sure that our water is clean and safe from out in the community are concerned about. So can you speak to what we're doing about the scenario planning? Piece of the next steps a little bit more, please. Yes we have several tabletop exercises coming up one on wildfire, and one on harmful algae blooms, and I would invite assistant director on a brown Bordeaux to tell you more about that. Thank you. Good

[2:34:29 PM]

afternoon council members. I am on a Brian board assistant director of business services at Austin water with regard to scenario planning and our tabletop exercises. That was an opportunity for improvement that was highlighted for us in the external review. We do have a scenario tabletop exercise planned for this summer. It will involve not only Austin water staff, but public safety agencies. It will involve staff exercising both in our departmental operations center and at our plants. We the planning as well underway. We've begun meeting with plant. Leadership. And those public safety agencies, something new that we would like to do in 2023 is invite participants from the city manager's office and from

council offices, whether it's council members or staff who would like to participate in the simulation with us so we do believe we've we've got that,

[2:35:29 PM]

underway. And we're certainly taking to heart. The findings of the external review that those scenario exercises need to involve folks at the very front line level within our plants rather than just being a scenario at the dock. Does that help to address your concerns? It definitely does. And director Ellison, when we convene our meeting, I think next week with the water advocates to follow up on, the report. I think the scenario planning is one of those areas. That's a large concern as well as how we're going to be thinking about these risks within water forward. You know, those risks can be. You know the wildfire they can breathe that the water is too hot to be be treated there. Just a whole host of things that come with climate change that really create vulnerabilities that we have to think about. We may not

[2:36:30 PM]

think of the thing that's going to be the thing that happens next. But being prepared for all of those things that's going to put us in a in a better position. So I will save any other questions I have for that other forum. I really appreciate . The presentation today and the work of you and your staff as well as of the center for water and the environment and the auditor's office. You did embrace this report and working with them. And I think that says a lot about your leadership. And I appreciate that. We still have work to do and we have, different jobs here and my constituents wanna make sure that that we have done everything we can to ensure that it is less likely and not going to happen that we have another water boiled to the best of our ability. And that does mean communicating. That does mean you know, taking the time. To

[2:37:32 PM]

demonstrate that we. Have new leadership in charge and that we are making steps forward to make our water. Safe also want to thank interim assistant city manager good. You has been also very helpful. In this process, and look forward to continued conversations. I think the quarterly cadence is important and we can talk about sort of how we, keep tabs on some of the things that were complete so that we can keep and I on those moving forward, so thank you very much. Appreciate it. Absolutely I'm happy to work with you on on that. And just to say that Austin water is a learning organization. We embraced this external review, and really took to heart. The recommendations actively participated in in providing the information to develop those recommendations, and we intend to make ourselves better with us. Thank you. I appreciate that. And, I will go ahead.

[2:38:33 PM]

Should I go ahead and adjourn and finance are more adjourned the audit and finance piece. Yes I'm gonna go ahead and adjourn, thought and finance piece of this meeting at 2 38 on March 29th. Thank you.