

STAFF REPORT

To: Board of Directors

From: Jeffrey Schneider, Assistant General Manager - Finance & Administration

Agenda: June 9, 2026

Report Date: June 5, 2026

Agenda Title: Public Hearing on Status of Vacancies and Recruitment and Retention Efforts (AB 2561)

Recommendation:

Hold a Public Hearing pursuant to California State Assembly Bill 2561 (California Government Code 3502.3) report on the status of District vacancies, recruitment and retention efforts.

Background:

Assembly Bill (AB) 2561 was signed into law September 22, 2024 and became effective January 1, 2025. AB 2561 added section 3502.3 to the section of the CA Government Code known as the Meyers-Milias-Brown Act (which authorized public employees to form/join organizations to represent them for labor relations purposes).

AB 2561 seeks to ensure that public agencies are appropriately staffed and that high vacancy rates do not impact staff turnover and service delivery. The Bill outlines requirements for public agencies to conduct a public hearing each year prior to budget adoption, to report on vacancies, recruitment, and retention efforts.

AB 2561 also provides for recognized employee organizations to have the opportunity to make a presentation to the Board. Teamsters Local 856, the recognized employee organization for represented employees at the District, has been notified of this agenda item and invited to make a related presentation.

At the public hearing, Staff will provide an update on current vacancies within the bargaining unit ("represented staff") as well as for non-represented staff and will comment on the District's recruiting and retention efforts.

Vacancy Rates:

The District's vacancy rates reflect a stable workforce.

The following chart shows open positions as of June 1, 2026 as compared to the District's FY2025-2026 Budget. On June 1, 2026, the District had two open positions, one represented and the other non-represented. The District's overall vacancy rate is 8%, with 8% rates for both represented and non-represented staff.

At the December 9, 2025, Board of Directors meeting, to provide flexibility in recruiting and hiring, the Board approved an update to the District's organization chart regarding the Maintenance Worker position to allow the District to hire a second Maintenance Worker provided that there is an open Operator position and there is no increase in the total number of authorized positions. In accordance with this change to the organization chart, staff hired a second Maintenance Worker as there was an open Operator position and there would be no increase in the total number of authorized positions. One Operator position remains open at present.

The open Customer Service Specialist I/II was only recently vacated as a result of an internal promotion of a staff member who will be transitioning into the Administrative Analyst position, (the incumbent is retiring in July, 2026). Staff expects this position to be filled through recruiting efforts.

June 1, 2026	FY 2025-26 Budgeted Employee Count	# of Vacancies	Vacancy Rate	Vacant Positions
Represented	13	1	8%	Treatment/Distribution Operator - Assigned to Distribution
Non-Represented	12	1	8%	Customer Service Specialist I/II
Totals	25	2	8%	

Recruitment Efforts:

The District strives to recruit local talent who are committed to the community and will be available when operational needs arise during off-hours. One of the District's most successful tools is staff referrals, an indication of staff's commitment to the District, the career opportunities that exist here, and satisfaction with how the District is being managed.

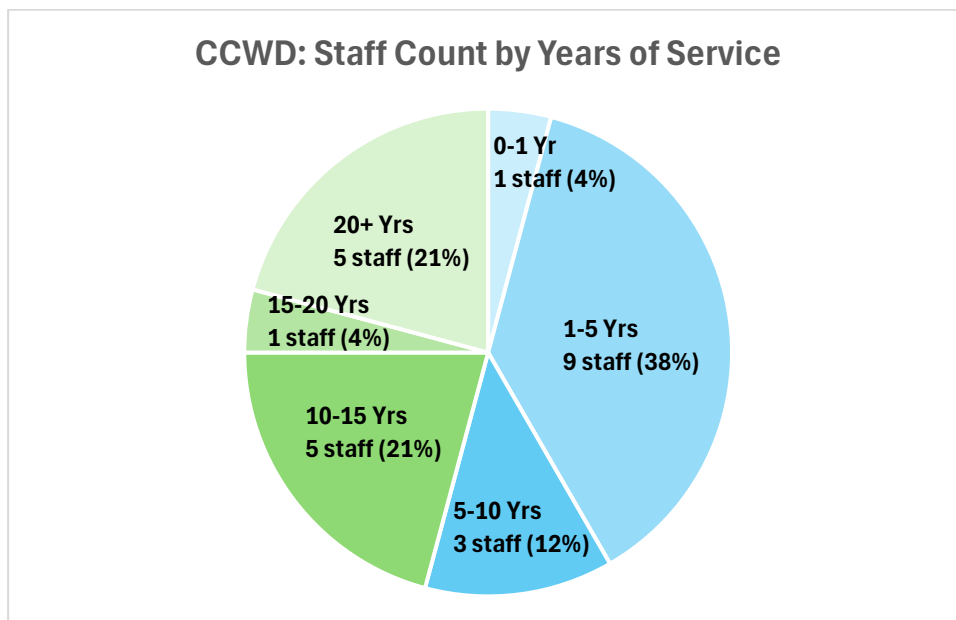
Recruiting methods include posting jobs on the District's website, in The Daily Journal, Pacifica Tribune and various water agency job boards; word-of-mouth / referrals via existing staff; participating in local job fairs conducted by the Chamber of Commerce and local high schools; and posting jobs on local community college jobsites.

Retention Efforts:

The District is committed to cultivating an environment where employees feel valued and supported, which has led to modest turnover and a tendency for staff to see their roles with the District as opportunities for long-term, stable careers. The District:

- Provides competitive salaries and benefits plans (as validated by the District’s 2024-25 compensation study);
- Offers training and development programs, which include on-going certification and other technical training, and leadership skills;
- Conducts annual performance reviews which call for development plans for all staff;
- Supports succession planning, as evidenced by recent promotions which have affected seven key positions across all District departments.

The following chart documents the years of service for the District’s staff as of June 1, 2026, and illustrates the success of the District in retaining its staff, over 58% of whom have been with the District for at least 5 years:



Other AB 2561 Requirements

AB 2561 requires employers to identify any necessary changes to policies, procedures, and recruitment activities that could be obstacles in the hiring process. Staff have not identified the need for changes at this time, however, staff will continue to look for opportunities to optimize retention and improve the effectiveness and efficiency of the hiring process.

AB 2561 also requires employers with greater than 20% vacancies in a single bargaining unit, upon the request of the union, to identify opportunities to improve compensation and other working conditions. The District completed a compensation study in fiscal year

2024/25 and no base salary issues were identified for represented positions. In addition, the District's benefits offerings were found to be extremely competitive.

The District also focuses on providing a safe and productive working environment for its field and office staff. Consistently favorable workers' compensation findings support the emphasis on safety.