

STAFF REPORT

To: Coastside County Water District Board of Directors

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

Agenda: June 10, 2025

Report Date: June 6, 2025

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 adds 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.

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Vacancy Rates:

The District's vacancy rates typically reflect a stable workforce. A reorganization approved by the District's Board of Director's at the May 13, 2025 Regular Board Meeting resulted in the addition of two positions to the District's organizational chart. Five of the represented employees were promoted as a result of the reorganization, leaving positions open to be backfilled. A non-represented employee was also promoted. Two represented employees were promoted into the two newly created non-represented management level positions.

The following chart shows open positions as of May 1, 2025 as compared to the District's FY2024-2025 Budget and at June 1, 2025 after the reorganization. On May 1, 2025, the District had two open positions or an 8% vacancy rate for represented staff and a 10% vacancy rate for non-represented staff.

As of June 1, 2025, given the May, 2025 position additions and staff promotions, the vacancy rate for represented staff grew to 23%, while dropping to 8% for non-represented staff. Staff expects each of the currently vacant positions to be filled quickly through a combination of internal promotions and recruitment. In May 2025, the District hired two temporary Maintenance Workers who will have an opportunity to apply for a permanent Maintenance Worker or Operator position in the future.

| May 1, 2025 | FY 2024-25 Budgeted Employee Count | # of Vacancies | Vacancy Rate | Vacant Positions |
|-----------------|------------------------------------|----------------|--------------|--------------------|
| Represented | 13 | 1 | 8% | Maintenance Worker |
| Non-Represented | 10 | 1 | 10% | Superintendent |
| Totals | 23 | 2 | 9% | |

| June 1, 2025 | May 13, 2025 Reorganization Employee Count | # of Vacancies | Vacancy Rate | Vacant Positions |
|-----------------|--|----------------|--------------|---|
| Represented | 13 | 3 | 23% | Maintenance Worker, Sr. Operator (Dist), Operator (Treatment) |
| Non-Represented | 12 | 1 | 8% | Customer Service Rep II |
| Totals | 25 | 4 | 16% | |

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 Half Moon Bay Review and 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.

Hiring Process Data – Represented Positions:

As noted above, 3 positions are open as of June 1, 2025, or a 23% vacancy rate given the May 2025 reorganization and promotion of five of the represented staff. These open positions include:

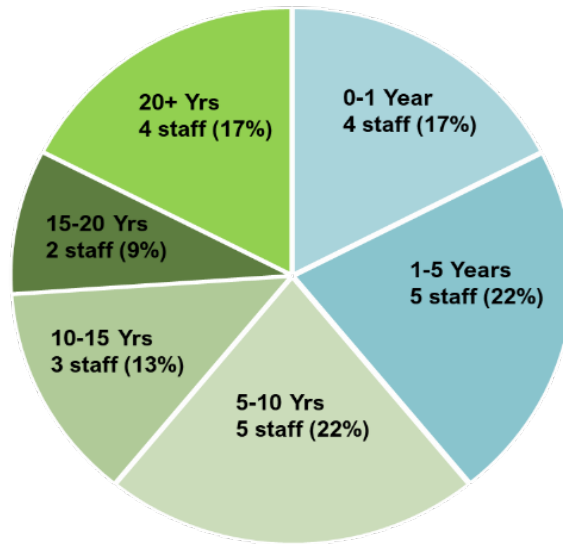
1. Maintenance Worker: vacant since January 14, 2025. From nine applications, two temporary maintenance workers were hired in May and have the opportunity to be converted to permanent status, with two positions potentially available to them: Operator and Maintenance Worker, which could occur within the next 60-90 days.
2. Senior Operator – Distribution: it is likely that this role, vacant since May 17, 2025, will be filled internally in the next 30 days, which will necessitate “back-filling” the vacated Operator role through recruiting activities or the placement of one of the newly hired temporary maintenance workers.
3. Operator – Treatment: this role has only been vacant since May 31, 2025, and is expected to be filled through recruitment activities within the next 60-90 days.

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 and illustrates the success of the District in retaining its staff:



Other AB 2561 Requirements

AB 2561 requires employers with greater than 20% vacancies among the represented employees 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 improve the effectiveness and efficiency of the hiring process.

AB 2561 also requires the employer to identify opportunities to improve compensation and other working conditions. The District completed a compensation study earlier this fiscal year 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.



Assembly Bill No. 2561

Public Hearing on Vacancies

Coastside County Water District (CCWD)

Presented by Jeffrey Schneider, Assistant General Manager – Finance and Administration

CCWD Board Meeting: June 10, 2025

Overview - AB 2561

- Signed into Law September, 2024; Effective January 1, 2025; adds section 3502.3 to CA Government Code;
- Seeks to ensure that public agencies are appropriately staffed and that high vacancy rates do not impact staff turnover and service delivery;
- Public Agencies are required to report, in an annual public hearing, the status of vacancies, recruitment, and retention efforts prior to the adoption of the final budget;
- Identify changes needed to policies, procedures, or recruitment activities that may currently hinder the hiring process;
- Recognized employee organizations may make a presentation during the public hearing;
- Additional requirements apply if vacancies within a bargaining unit exceed 20%.

CCWD Vacancy Rates

Vacancy rates reflect a relatively stable work-force; vacancies as of June 1, 2025 reflect the temporary impact of open positions created by the District's re-organization that was approved by the Board of Directors on May 13, 2025.

| May 1, 2025 | FY 2024-25 Budgeted Employee Count | # of Vacancies | Vacancy Rate | Vacant Positions |
|-----------------|--|----------------|-----------------|--------------------|
| Represented | 13 | 1 | 8% | Maintenance Worker |
| Non-Represented | 10 | 1 | 10% | Superintendent |
| Total Count | 23 | 2 | 9% | |

| June 1, 2025 | May 13, 2025 Reorganization Employee Count | # of Vacancies | Vacancy Rate | Vacant Positions |
|-----------------|--|----------------|-----------------|--|
| Represented | 13 | 3 | 23% | Maintenance Worker, Senior Operator, Operator |
| Non-Represented | 12 | 1 | 8% | Customer Service Rep II |
| Total Count | 25 | 4 | 16% | |

CCWD Vacancy Details

| Represented Positions | | | |
|----------------------------|--------------|--------------------|-------------|
| Position | Date Vacated | Reason For Vacancy | Date Filled |
| Treatment Plant Supervisor | 5/17/25 | Promotion | 5/17/25 |
| Distribution Supervisor | 5/17/25 | Promotion | 5/17/25 |
| Sr. Treatment Operator | 5/17/25 | Promotion | 5/31/25 |
| Sr. Distribution Operator | 5/17/25 | Promotion | OPEN |
| Treatment Operator | 5/31/25 | Promotion | OPEN |
| Maintenance Worker * | 1/14/25 | Temp to Perm | OPEN |
| | | | |
| Non-Represented Positions | | | |
| Customer Service Rep II | 5/17/25 | Promotion | OPEN |

* Special Note: Two temporary maintenance workers were hired in May, 2025 and could be candidates for the permanent Maintenance Worker or Operator positions.

RECRUITMENT EFFORTS

CCWD strives to recruit local talent to fill open positions.

Recruiting methods include:

- Word-of-mouth / staff referrals;
- Posting jobs on the District's web-site, Half Moon Bay Review and Pacifica Tribune;
- Participating in local job fairs (local schools and the Chamber of Commerce);
- Posting jobs on local community college job-sites (Canada and CSM).

Staff have determined that no obstacles presently exist in the hiring process that may warrant changes to policies, procedures, or recruitment activities (3502.3(3))

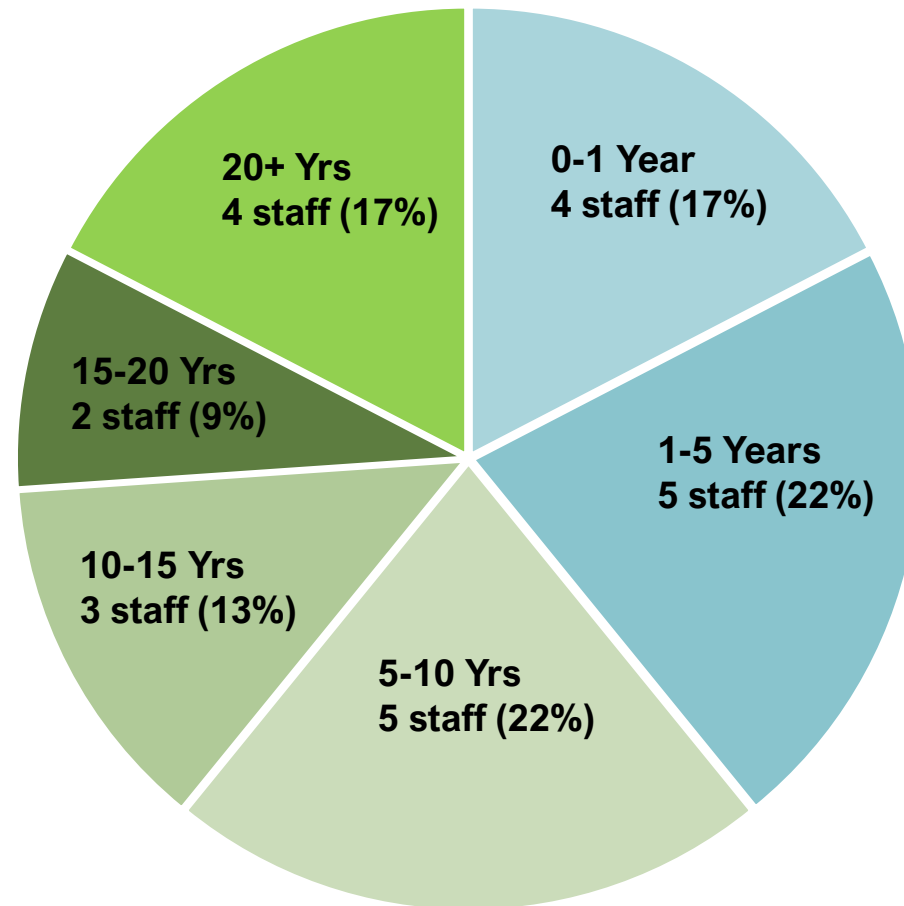
RETENTION EFFORTS

CCWD devotes considerable effort toward fostering employee satisfaction, which has led to very modest turnover and a tendency for staff to see their roles with the District as opportunities for long-term, stable careers.

- Competitive salaries (including certification pay) and benefits plans;
- Training and development programs;
- Annual performance reviews;
- Succession planning;
- Employee wellness programs;
- District-wide events where staff achievements are celebrated;
- Encouraging community involvement.

RETENTION EFFORTS – Years of Service

61% of Staff have more than 5 years of Service with the District



QUESTIONS/COMMENTS?

THANK YOU