



MEMORANDUM

DATE: September 23, 2020 Project No.: 592-60-20-12
SENT VIA: EMAIL

TO: RRWA Board of Directors

CC: Technical Working Group

FROM: Andy Rodgers, Executive Director

REVIEWED BY: Vanessa Apodaca, PE

SUBJECT: Rohnert Park's Withdrawal from RRWA and Staff Report Inaccuracies

BACKGROUND

Russian River Watershed Association (RRWA) was created in 2004 as memorialized by Amendment One to the Memorandum of Understanding Creating the Russian River Watershed Association (MOU) dated May 26, 2004. RRWA is an association of local public agencies that was established with a mission to, "Facilitate partnerships across political boundaries that promote stewardship of the Russian River watershed resources." The City of Rohnert Park has been a participating member of RRWA since its inception as a co-signatory to the MOU and a valuable contributor to the Association's Board of Directors and overall mission.

SUMMARY OF CITY COUNCIL MEETING – SEPTEMBER 8, 2020

During the Rohnert Park City Council meeting on September 8, 2020, under regular agenda item 7.B, City Staff made a recommendation to City Council to withdraw from the RRWA effective July 1, 2021. Staff's recommendation was framed around cost savings and more robust City staff capabilities in recent years. Following City Council discussions, a motion to withdrawal from RRWA immediately per the MOU was passed unanimously.

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Summary of September 8, 2020 City Staff Report and Presentation

In an effort to understand how the City’s allocation has changed over time, City staff conducted an analysis of prior year work plans, comparing costs over two time periods: 2011-2015 and 2016-2020, looking at total work plan allocation and the City’s allocation (bar chart graphic shown).

The City’s analysis found three main areas of concern: 1) Work plan prepared by RRWA, and the contract to administer the work plan is entered into between Ukiah and West Yost Associates without competitive bid; 2) Projects contained in the work plan are awarded to various subs without competitive bid; 3) Effects of sole sourcing the work plan management to West Yost Associates are “extraordinary costs, poor performance, or both.”

RRWA Clarifications and Responses to City Staff Report

- RRWA’s total FY 20/21 estimated budget approved by the RRWA Board in February 2020 is \$653,000, and not the \$737,000 noted in the City’s staff report. Further, after the FY 19/20 roll-back credits were applied (total of \$113,000), the actual total billings to member agencies for FY 20/21 totaled \$540,000. Of the \$540,000 in total billings, \$202,000 is for outside costs such as subcontractors, subconsultants, and vendors. The work plan includes over 50 projects put forth by the member agencies.
- Rohnert Park’s share of the FY 20/21 budget is \$45,000 (6.9% of total), and not the \$57,000 noted in the staff report. The City staff report does not mention that the City’s FY 20/21 budget is actually \$2,000 lower than the prior year (FY 19/20), *before* \$5,000 of roll-back credits are applied. After the FY 19/20 roll-back funds are credited, the City’s FY 20/21 budget allocation is \$40,000, which is ~\$17,000 lower than indicated in the staff report.
- The City’s budget allocations have ranged between 5% and 7% of the total RRWA budget, varying year-to-year due to opt in/out of special benefit projects. Since it is the member agencies that co-develop the scale of the projects to include in the work plan, an increased total budget results in an increased City allocation for that year, even though the proportional allocation to the City doesn’t change, per formulas contained in the MOU.
- The detail behind the cost increase referenced throughout the City staff report are misrepresented and are due to many factors that are not included. The total RRWA budgets are complex and have increased over the years for several reasons, including the cost of living in Sonoma County.
 - *Outside costs such as subcontractors, subconsultants and vendors have increased mainly due to increased scope.* Historically, these outside costs have accounted for less than 20% of the total budget. However, since 2018, these costs have doubled and for the current FY, outside costs account for 31% of the total budget. *These outside costs are collaboratively determined by the TWG every year and are requested to be included in the RRWA budget for management and implementation.*
 - Specific to the RRWA staff hours:
 - The increase in the number and scale of projects and increase in number and scale of subcontracts requires a relative proportional increase in

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management time. Even so, *RRWA has actually reduced the number of hours budgeted every year*—mainly by leveraging internal efficiencies and passing the cost benefits on to member agencies.

- *For the current work plan year, the total hours for all RRWA staff budgeted to contribute to RRWA implementation is approximately one Full Time Equivalent (FTE) staff person.* This includes all 13+ public meetings, tabling events, attending workshops, project deliverables, advocacy, presentations, implementing and documenting initiatives, managing subcontracts, responding to inquiries, etc. As mentioned, the current work plan has over 50 project tasks.
- RRWA budget hours for project tasks do not include any contingency. *Hours are closely scrutinized by all member agencies, the TWG, and the three subcommittees prior to work plan adoption.* Since I was appointed Executive Director in 2014, there have been no annual budget exceedances, and not even one request for additional funds during the year. I attribute this record to the rigor, scrutiny and transparency of the six-month (September–February) work planning process. This current work plan year produced seven draft budgets before approval.
- *The types of projects being implemented over the years have evolved and required hiring new professional staff to deliver on requested services.* The most obvious example of this is the request by member agencies for support with MS4 co-permittee permit compliance tasks. Colleen Hunt was hired to provide member agencies with significant regulatory expertise. Her position replaced the staff environmental scientist in a support role during the preceding years. This change in staff is reflected in the hourly rates and the City’s calculation. Other staff have also been promoted over the years, and new junior staff have been added (such as a staff engineer and engineering intern) to balance the workload.
- *Stormwater permit compliance support is **one of many programs** RRWA provides support.* Other programs such as Russian River-Friendly Landscaping Program, the Safe Medicine and Sharps Disposal Program, the Sonoma State Rising WATERS project, and general advocacy and outreach comprise a strong component of the total budget. The City’s staff report only points to storm water permit compliance task.

For the City’s \$45,000 FY 20/21 budget allocation (which was reduced to \$40,000 after roll-back credit):

- \$11,000 is to manage the organization, support holding five Board and eight TWG meetings (13 noticed public meetings), communicate with members and stakeholders, and retain legal counsel.
- \$30,000 is to support storm water permit compliance tasks, manage the 2021 Russian River-Friendly Landscaping event, conduct on-line and in-person outreach, and participate in regional forums.

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- \$4,000 is to support safe medicine disposal messaging and advocating for a comprehensive State-wide program, and to fund an integrated pest management program subcontractor.
 - Rohnert Park's participation in work plan tasks was derived from what was requested by City staff and the TWG during the six-month work planning process, as approved in February 2020. *The City decided not to participate in a number of RRWA projects.* One example is they opted out of the collective preparation of the Laguna/Mark West monitoring report for the current work plan.
 - The work plan development process receives significant scrutiny of 11 public agencies over six months, during publicly noticed public meetings. The collaboration results in economy of scale savings reflected in each member's contribution.
 - It is not surprising that the comparison of the two noted time periods in the City's staff report (2011–2015 and 2016–2020) show a relative cost increase. *The latter time period represents when the tasks associated with the regional storm water permit were developed by the TWG and added to the RRWA work plan.* Significant external costs such as the Streets to Creeks campaign (\$60,000), *which has been very effective*, and the Watershed Education Program (\$30,000) were added by member agency staff for RRWA to manage.
 - Rohnert Park decided to become a Phase I co-permittee as a preference to being individually permitted as a Phase II in 2016. All Phase II agencies determined collaborating under a Phase I was a more cost effective and higher value option. RRWA provided an established convening forum for the member agencies to develop a shared resources approach. Storm water permit compliance support was not a primary component of RRWA tasks when Rohnert Park joined the organization in 2004.
 - Regarding competitive bidding, West Yost Associates is a professional services firm, not a supplier, vendor or contractor. Managing and implementing RRWA requires significant specialized knowledge, background and expertise, and the staff serve at the pleasure of the Board. RRWA constantly seeks to minimize and reduce costs including seeking competitive bids from vendors and negotiating with subconsultants. As a private firm, this process is often viewed as a significant time saver and advantage for procurement of the many subs, vendors, and small contracts to support member agency projects. Member agencies participate in scope and budget development for all tasks with subs.

Again, West Yost has never exceeded their annual budget, and all have resulted in roll-back credit funds. Development of the work plan takes place over six months of public meetings resulting in a highly transparent and scrutinized scope and budget.

- The City's social media and environmental article comments referenced in the agenda report misrepresent the effectiveness of the outreach efforts by RRWA. The social media metric was likely a point in time and probably associated with one specific report out. The public effectiveness survey and assessment report currently near completion indicates a significant *increase* in public awareness of storm water concerns throughout the Russian River watershed as compared to when an assessment completed in 2012. This improvement reflects the success of several coordinated outreach and educational

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campaigns conducted during the intervening years, and where many were implemented through RRWA and the regional branding. Some criticism of the social media efforts may be fair as the engagement metrics being tracked are not as strong as hoped. However, the Board and TWG hasn't directed further enhancements to the program and/or addition of a specialist firm. Should the TWG recommend and Board direct this kind of effort and budget for a social media overhaul and/or rebranding/promotional campaign, RRWA will be happy to pursue it. Heretofore, social media outreach has emphasized an organic approach, but if a more proactive approach is what is desired, that strategy can be pursued.

The monthly environmental article requires significant coordination to author, distribute for review, revise, translate to Spanish, provide to publications throughout the watershed, and per TWG request, research and document distribution and performance metrics. The articles are getting more widely distributed and tie into social media efforts. The environmental articles, social media, and branded outreach all work together to educate the public and raise our profile (with an organic, lower cost approach).

It is of course the City's right to disengage from RRWA. RRWA was designed and promoted as a voluntary association of public agencies. This is why RRWA qualified for funding by State grantors, as it is not a regulatory requirement to be a member. It is also why the State was (pre-COVID) in the process of developing a State-wide MS4 permit fee reduction proposal to further incentivize regional collaborations like RRWA. We anticipate the State's efforts to resume.

It is of course also the City's discretion to have an opinion that the City's annual allocation partly funding the annual summary of accomplishments derived during a year is not proportional to the value received. If other member agencies have similar perspectives; I recommend that those perspectives be shared and applied to the FY 21/22 work planning process. If a significant recalibration is needed, RRWA is poised to support its development and deployment.

Success and fully leveraging the structure of RRWA depends on in-kind and value-add participation of all the members, as well as RRWA staff. This is a central and essential element of RRWA. RRWA serves primarily as a convener, regional structure and forum, and implementing entity for a wide range of work plan tasks developed by member agencies. Without a collaborative approach, success of the projects and the organization itself overall becomes much more difficult.

I remain optimistic that this opportunity to provide clarification and responses to Rohnert Park's staff report and action will clarify the record and further highlight our need to rethink essential tasks in preparation of a challenging budget year ahead and will inform a smoother, leaner work plan for FY 21/22. As individual community members with responsibilities to our organizations and collectively to the watershed community, I hope we all rally to solve or facilitate solving any issue or concerns of our member agencies as a result of this sad departure of a long-standing member agency. We are stronger together.