
File No.: 16-0206

Agenda Date: 4/26/2016

Item No.: 6.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Proposed Change Control Processes for the Safe, Clean Water and Natural Flood Protection Program (Updated).

RECOMMENDATION:

Approve proposed Change Control Processes for the Safe, Clean Water and Natural Flood Protection Program, which include:

- A. Processes for making adjustments to text, schedules and funding; and
- B. Processes for Public Hearings for modifications and non-implementation of projects.

SUMMARY:

At the Board meeting on March 8, 2016, staff presented information to the Board on the proposed change control processes for making changes to the Safe Clean Water and Natural Flood Protection (SCW) Program. The Board considered information, provided comments and directed staff to revise the proposed change control processes considering Board's comments.

Main comments provided by the Board include:

- The need to keep the original schedule for each project as proposed in the SCW Program when comparing with the current project schedule;
- Simplify the description and processes so that the public can easily understand the purpose and processes for making changes; and
- Consider ways to better inform the Board of changes to SCW projects.

Staff has updated the proposed Change Control Processes by incorporating the Board's comments.

The SCW Program was developed to allow for adjustments as needed, to ensure that key performance indicators (KPIs) are achieved on time and within budget. To modify or not implement a project, Resolution No. 12-62, Section J (Attachment 1), requires that the Board must hold a formal,

public hearing on the matter.

By distinguishing between project adjustments and modifications, the District is able to clearly define the project changes that trigger the requirement for a public hearing. In addition, by identifying the processes for making adjustments and formalizing a clear process for annual public hearings, the District will be able to implement the SCW Program as it was intended.

Staff will memorialize Board approved adjustments, modifications and decisions to not-implement projects in future SCW Annual Reports. Staff will also incorporate these changes in the current 5-Year Implementation Plan on an annual basis. All of the updated documents will be posted to the District’s website for public access.

Adjustments versus Modifications

Described in Table 1 are the types of changes to SCW projects that are considered adjustments and modifications.

Table 1		
Types of Changes	Adjustments	Modifications
Text	Edits to text for correction of grammatical errors, information/data updates, and overall readability	Changes to a project’s KPIs
Schedule	Adjustments to project schedules provided in the original SCW Program	
Funding	Fiscal Year budget adjustments and increases to project funding allocations that do not impact any project deliverables in the SCW Program	Increases to project funding allocations that will impact any project’s KPIs in the SCW Program

Adjustments

Over the course of the program, there may be cases in which adjustments may be necessary in project or program funding, resource allocation, or KPIs. In these cases, the Board will provide direction to staff as to its preferred strategy, based on staff analyses and recommendations and any additional information brought forward by the community, stakeholders or the Independent Monitoring Committee. Adjustments to the program will be made by the Board and the changes will be reflected in subsequent annual reports and five-year implementation plans.

Described in Table 2 are the proposed processes for making adjustments to the SCW Program.

Table 2	
Adjustments	Process
Text Edits to text for correction of grammatical errors, information/data updates, and overall readability	1. Board approval will be sought at the time the Annual Report is presented for approval 2. Edits and adjustments to text will be updated in the current Implementation Plan and included in future Status Reports, which will both be posted to the website
Schedule Adjustments to project schedules provided in the original SCW Program	1. Capital project schedules will be approved through the annual capital project status report 2. Comparison of the original SCW Program project schedule to the project's current schedule will be included in the Annual Report 3. This information will be posted to the Program's web page and updated in the current Implementation Plan
Funding Fiscal Year budget adjustments and increases to project funding allocations that do not impact any project deliverables in the SCW Program	1. Comply with District processes for budget approval 2. Approval for increases to project appropriations in the Program Report, Appendix G, will follow the District budget process, with analysis provided as to the impact on the overall SCW fund to ensure that any project in the SCW Program will not be impacted 3. Annual and Financial Summary information will be included in the Annual Report 4. This information will be posted to the Program's web page and updated in the current Implementation Plan

Modifications and Non-Implementation

The Board may direct that proposed projects be modified or not implemented as described in Resolution No. 12-62, Section J, which states:

The Board of Directors may direct that proposed projects in the Safe, Clean Water and Natural Flood Protection Program be modified or not implemented depending upon a number of factors, including federal and state funding limitations and the analysis and results of CEQA environmental review. The Board of Directors must hold a formal, public hearing on the matter, which will be noticed by publication and notification to interested parties, before adoption of any such decision to modify or not implement a project.

Described in Table 3, is the SCW Program processes for modifying or not implementing a project, as per Resolution No. 12-62.

Table 3	
Modifications	Process
Text Changes to a project’s KPIs	1. Public hearing 2. Approved modifications will be included in the SCW Annual Report, posted to the Program’s web page and updated in the current 5-Year Implementation Plan
Funding Increases to project funding allocations that will impact other project’s deliverables in the SCW Program	1. Public hearing 2. Approved modifications will be included in the SCW Annual Report, posted to the Program’s web page and updated in the current 5-Year Implementation Plan
Non-implementation	Process
Decision to not implement a project	1. Public hearing 2. Approved non-implementation of a project will be included in the SCW Annual Report, posted to the Program’s web page and updated in the current 5-Year Implementation Plan

Proposed Public Hearing Processes

Staff is proposing that the District establish a point-in-time for a public hearing during each fiscal year, so that should the need for project modifications or non-implementation arise for multiple projects, the following can be accomplished:

1. Reduced costs for public notice placements in newspapers by holding one public hearing for multiple projects;
2. Consistency for interested stakeholders who wish to participate on an annual basis;
3. Acceptance or rejection of proposed modifications prior to the budget hearings, allowing for the Board’s direction to be incorporated in the next fiscal year budget; and
4. An annual opportunity for project managers to propose modifications that incorporate both the Board’s review of the SCW Annual Report (September) and the Board accepted recommendations of the Independent Monitoring Committee (March).

Staff is proposing for consideration the point-in-time no later than the last Board meeting in April, prior to the Board’s adoption of the next fiscal year’s budget. The public hearing will be scheduled for one day, however, if the Board feels their decision on a proposed modification would be better informed by reviewing the budget and/or CIP, the Board has two options:

1. Keep the public hearing open until the Board has reviewed the budget and/or CIP; or

2. Close the public hearing, but hold the decision on a proposed modification until the Board has reviewed the budget and/or CIP.

While setting a public hearing date at a board meeting was not a requirement of the SCW Program, staff recommends doing so to ensure transparency. If the proposed SCW Annual Public Hearing Process is approved, each year, as needed, the Board will set the time and place for the public hearing during a Board meeting.

Absent specific SCW Program outreach requirements, District Counsel recommended providing notice consistent with the two-week notice requirements stated in Government Code section 6066. The outreach goal for the public notices is to be inclusive in our outreach and transparent in our description of the proposed modifications to the Projects.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

Financial costs associated with the proposed processes for making changes to the SCW Program include staff time to process changes and conduct public hearings, and development and placement of public notice ads for the public hearing. Staff time associated with implementation of these processes shall be applied to the SCW projects budgets for which the adjustments or modifications are proposed. Costs associated with the development and placement of public notice ads shall be shared equally by the projects for which modifications are being proposed.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Resolution No. 12-62

Attachment 2: PowerPoint

UNCLASSIFIED MANAGER:

Ngoc Nguyen, 408-630-2632