

# VALLEY CLEAN ENERGY ALLIANCE

## Staff Report – Item 12

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To: Valley Clean Energy Alliance Board of Directors

From: Mitch Sears, Interim General Manager  
Shawn Marshall, LEAN Energy US

Subject: Approval of VCEA Staffing Plan and Direction to Proceed with VCEA Employee Recruitment

Date: December 14, 2017

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### RECOMMENDATIONS:

1. Approve updated VCEA staffing plan as outlined in Attachment A (organization chart)
2. Direct staff to proceed with VCEA employee recruitment

### BACKGROUND & DISCUSSION:

At its Board meeting in November, the Board received a presentation outlining a proposed staffing plan for VCEA that supplements a small group of VCEA employees with contract support from SMUD and other outside consultants. As discussed, VCEA staff is proposing a minimal internal staffing organization that relies heavily on SMUD and other service providers and consultants in the early years of implementation and operations under a set of service agreement Task Orders.

Following feedback from the Board, staff updated the proposed organization chart (see Attachment A) to reflect the following changes:

- 1) Regulatory and legislative contract staff will report directly to the General Manager
- 2) The Board Clerk/Administrative Analyst will report to the Director of Finance and Operations.
- 3) All other positions remain the same as per the color-coded legend in Attachment A
  - a. 4 VCEA employees (dark blue)
    - i. General Manager; Assistant GM, Power Services and Programs; Board Clerk/Admin Analyst; and, Community Engagement Specialist.
  - b. 3 positions for services from SMUD under Task Order 4 (orange)
    - i. Director of Marketing and Customer Care; Director of Finance and Internal Ops; Key Account Manager
  - c. Technical and Energy Services for pre-launch activities under SMUD Task Order 1 (burgandy)
  - d. Data Management and Call Center services under SMUD Task Order 2 (burgundy)
  - e. Wholesale Energy Services under SMUD Task Order 3 (burgundy)
  - f. Outreach Services under contract with Circlepoint (teal)

- g. Banking Services under contract with vendor to be determined (pending) (teal)
- h. Balance of services provided under contract on an as needed hourly basis under SMUD Task Order 4 (burgandy)

### **PROPOSED NEXT STEPS**

In preparation for employee recruitment and new hires beginning in mid-January, staff is currently working to secure office space, develop employee policies, draft job descriptions and determine VCEA employee benefits. To the extent feasible and desired, VCEA policies and benefits will align with SMUD's practices, with the notable exception that VCEA employees will not receive PERS benefits. A package of employee policies and proposed benefits will be presented to the Board for consideration in January.

In the meantime, SMUD is identifying internal staffing resources best suited to provide the contract support described above and detailed in Task Order 4. It should be noted that SMUD will maintain all employment related responsibilities for its employees assigned to support VCEA under the service agreements. The target start date for SMUD contract support under Task Order 4 is January 16, 2018. VCEA is seeking Board authorization to begin recruitment of its additional three positions, with the goal of having them filled as early as mid-January and as late as early March 2018, depending on availability of qualified candidates. Based on near term activities related to power procurement and community outreach, VCEA staff are prioritizing recruitment of the Assistant General Manager/Director of Power Services and Programs and the Community Engagement Specialist positions.

As previously stated, VCEA and SMUD staff believe that the attached organizational chart provides a solid starting point for Agency implementation and its initial years of operations. However, the VCEA management team will regularly evaluate staffing and contracting strategies to ensure that high-quality service is met in a manner that appropriately balances costs, benefits, and the long-term objectives of the organization.

### Community Advisory Committee Recommendation

On December 4, 2017 the Community Advisory Committee recommended that the Board support the staffing plan and future consideration of VCEA staffing needs by passing the following motion 7-0-1:

- 1) The committee agrees that all the positions in the chart are needed, and that further, there is a need for depth of subject matter knowledge and experience among VCEA employees. There is also a need for more than one person on the chart to be ready to step in when gaps arise, especially in cases involving permanent VCEA staff. Therefore, the position description for the Assistant GM should require subject matter expertise in VCEA core business topics.
- 2) The general manager and any assistant general managers should be full time and permanent.
- 3) It will remain important to emphasize the separation of legal and leg/reg from SMUD by ensuring that these functions do not report thru a SMUD employee or SMUD contractor.
- 4) While the initial organization chart is adequate for the short term, i.e. launch phase and first year, it is not yet ideal in terms of preparation for the longer term. It will be important to review and if needed update it, annually at a minimum, to ensure

adequate staffing both for near term operations and planning related to longer term goals as outlined in the long-term portion of the vision statement.

- 5) Therefore, the committee recommends that staff start work on a plan for building local VCEA capacity, e.g. the band-width and technical/managerial expertise to engage with local companies that are actively delivering energy services and developing energy projects.

## **CONCLUSION**

As previously stated, VCEA and SMUD staff believe that the attached organizational chart provides a solid starting point for Agency implementation and its initial years of operations. The Community Advisory Committee has also indicated their support of this structure. With Board approval, staff will move into recruitment to begin bringing new team members on board starting in mid-January.

## **Attachment**

1. Proposed VCEA Organization Chart

# VCEA ORGANIZATION CHART

## DRAFT BY POSITION

- VCEA Leadership
- VCEA In-House Staff
- VCEA Contractor
- SMUD Contract Services
- Dedicated Operational Services by SMUD Task Order 4

