

RIVERSIDE PUBLIC UTILITIES

WORKFORCE DEVELOPMENT ROAD MAP JULY 13,2015



RiversidePublicUtilities.com

WORKFORCE DEVELOPMENT

HOW THE WORKFORCE DEVELOPMENT ROADMAP SUPPORTS OUR GOALS

THE PLANS

WORKFORCE DEVELOPMENT

FACILITIES PLAN

TECHNOLOGY

FINANCIAL PRO FORMA - 10 YR

CITY GOAL #1

Enhanced Customer Service: Improved quality of life

CITY GOAL #2

Economic

Development:

Continue to develop an economically vibrant City

CITY GOAL #6

Improve Teamwork and Communication

RPU GOAL #1

Contribute to the City of Riverside's economic development while preserving RPU's financial strength

Maximize the use of technology to improve utility operations

Create and implement a workforce development plan

RPU GOAL #5

RPU GOAL #2

ROAD MAPS – INFRASTRUCTURE IMPROVEMENT – WORKFORCE DEVELOPMENT GOALS

WORKFORCE DEVELOPMENT

- Ensure ready labor force to implement Utility 2.0
- Address ongoing resource and skill requirements for RPU to function in the changing utility environment
- Promote and facilitate employee training and development
- Enhance customer service

THE PLANS

RECYCLED WATER

WATER INFRASTRUCTURE

INTEGRATED WATER

WORKFORCE DEVELOPMENT

FACILITIES PLAN

RPS POWER IMPLEMENTATION

NTEGRATED POWER RESOURCES

ELECTRIC INFRASTRUCTURE

TRANSMISSION RELIABILITY

FIBER BUSINESS

TECHNOLOGY

CONSERVATION AND EFFICIENCY

FINANCIAL PRO FORMA - 10 YR

ROAD MAPS – INFRASTRUCTURE IMPROVEMENT – WORKFORCE DEVELOPMENT

TABLE OF CONTENTS

Executive Summary Details

- Workforce Background & Assessment
- Retirement Heatmap Assessment
- Utility 2.0 Skills Assessment
- Recruitment & Compensation Assessment
- Findings
- Options/Alternatives
- Recommendations

ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT EXECUTIVE SUMMARY

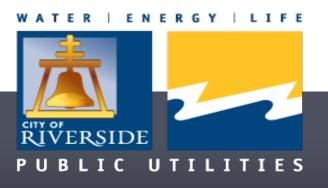
INFRASTRUCTURE IMPROVEMENT

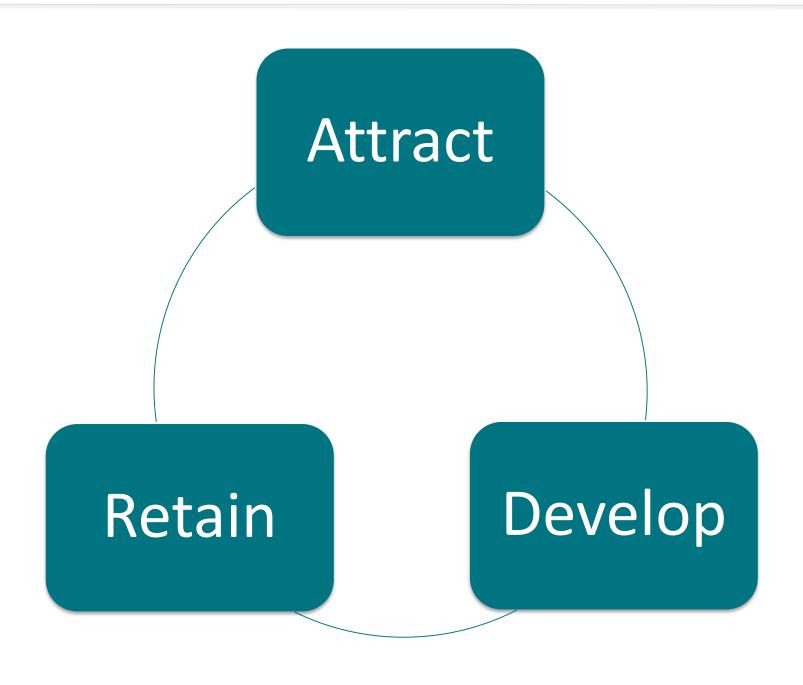
THRIVING FINANCIALLY

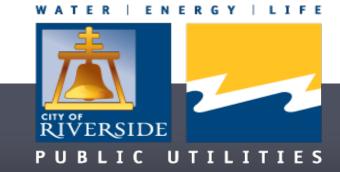
ADVANCED TECHNOLOGIES

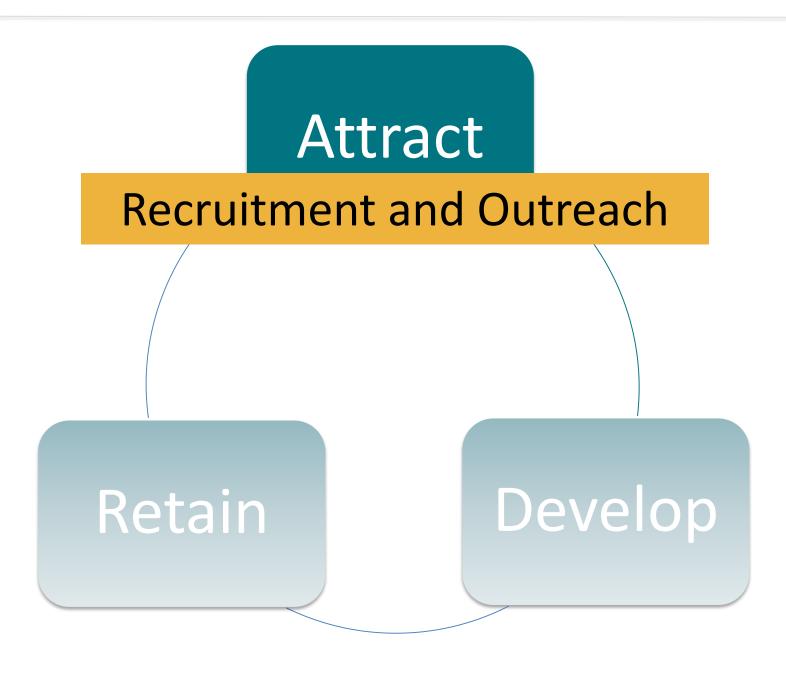
Workforce Development Objectives

- Identify, assess, and bridge competency gaps that result from changes workplace and technology
- Align workforce requirements with strategic plan and division "roadmaps"
- Address recruitment challenges in partnership with Human Resources Department
 - Aging workforce "Silver Tsunami"
 - Evolving job specifications
 - Expectations of millennials

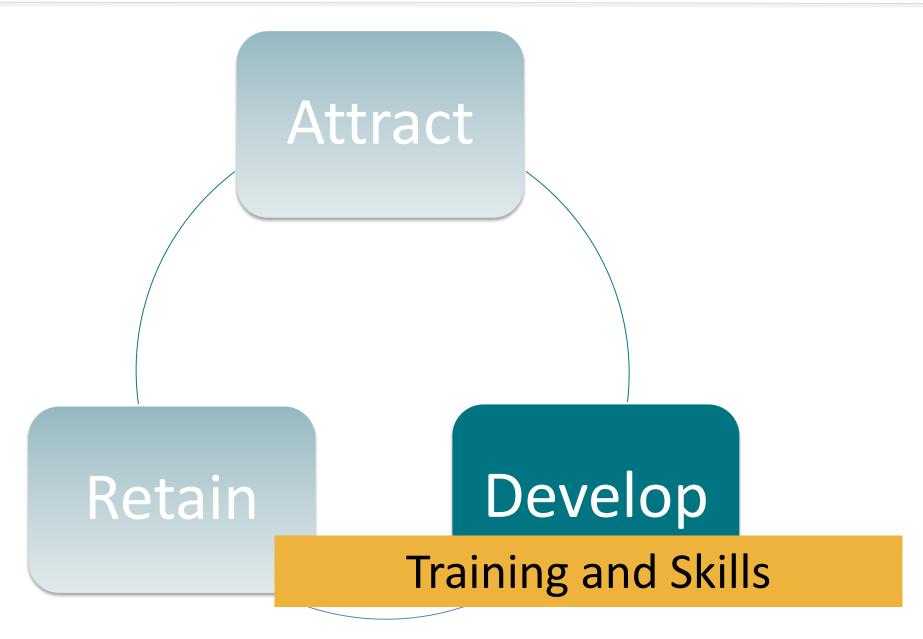




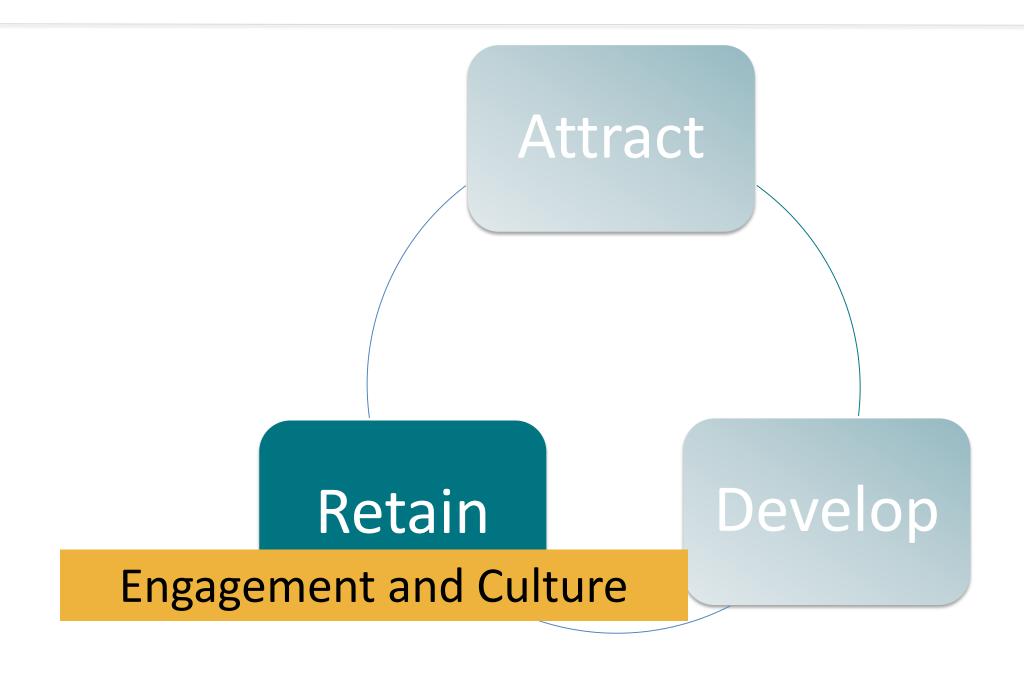




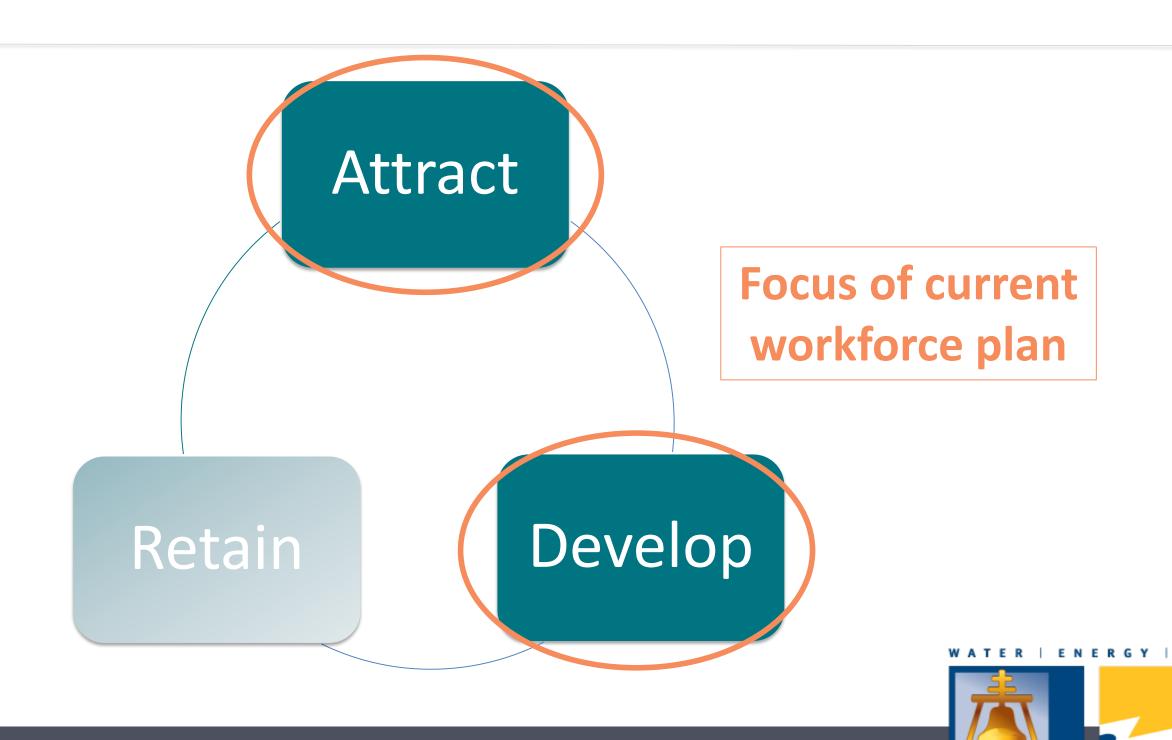










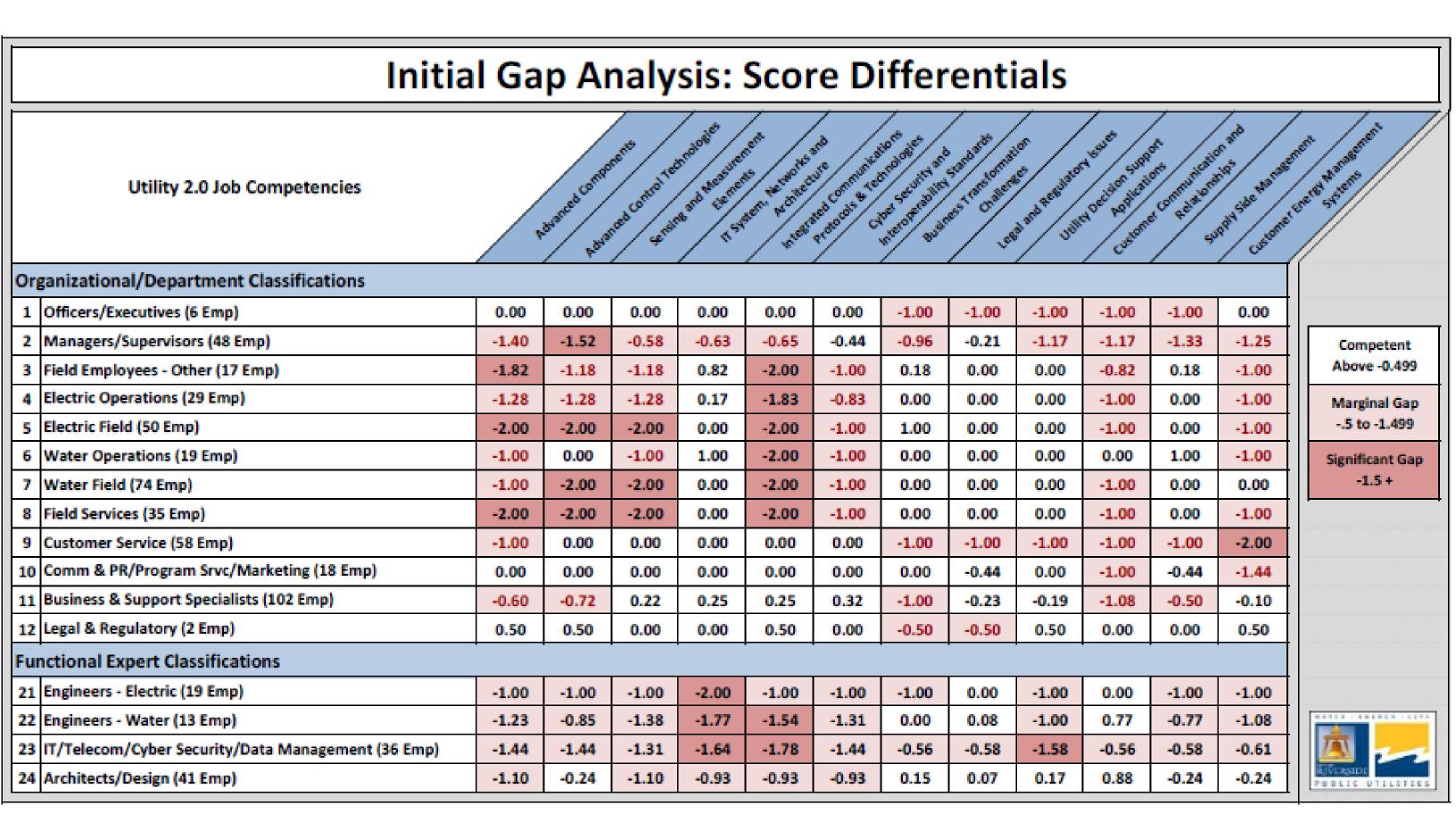


Workforce Assessment Current

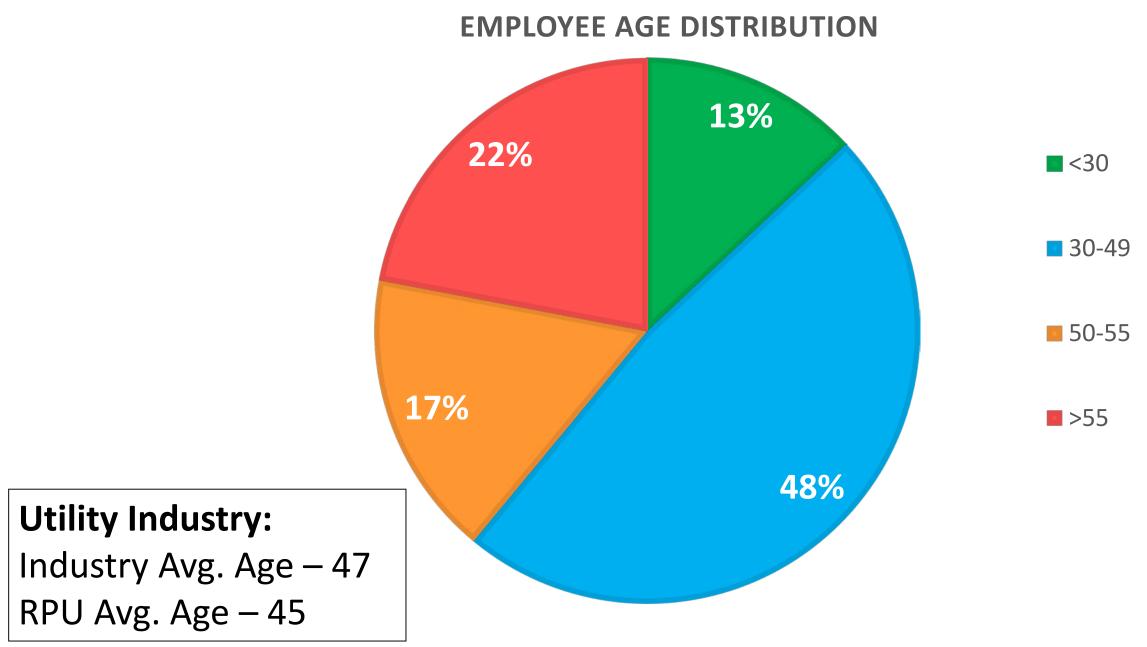
- Strong competencies for today's needs
- Improved processes dictate new skill sets
- Lack of classifications for jobs of the future
- No formal tracking system for assessing and measuring employee competencies and skills growth
- Tuition reimbursement program not adequate to sustain today's workforce



Utility 2.0 Competency Gap



RPU Workforce by Age



RPU Retirement Projections

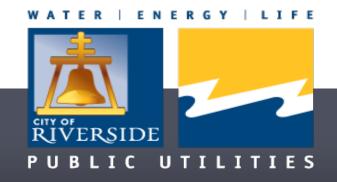




■ Most Likely to Retire (25 years of service @55)

Industry Facts:

36% - 5 Years 55% - 10 Years



Utility 2.0 Workforce Assessment

- Begin shift from organization of the past
- Embed workforce development staff within RPU
- Staff support for needed for the future
 - Data analytics and visualization
 - Project and technology management
 - Business process analytics
- Knowledge transfer needed for aging workforce
- Training needed to prepare for Utility 2.0 competencies



Summary of Recommendations

People

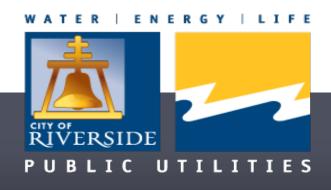
- Develop new Utility 2.0 appropriate classifications
- Embedded workforce support within RPU
- Implement formal training programs

Process

- Modify recruitment processes to be more nimble (partnership with Human Resources)
- Review compensation policies and levels more frequently

Technology

- Implement Talent Management System
 - Knowledge capture and transfer



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT BACKGROUND & ASSESSMENT

INFRASTRUCTURE IMPROVEMENT

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ADVANCED TECHNOLOGIES

Overview of Assessments

- RPU Demographics
- Retirement Heat Map
- Utility 2.0 Competency Heat Map
- Workforce Process Recruitment & Development



Workforce Snapshot

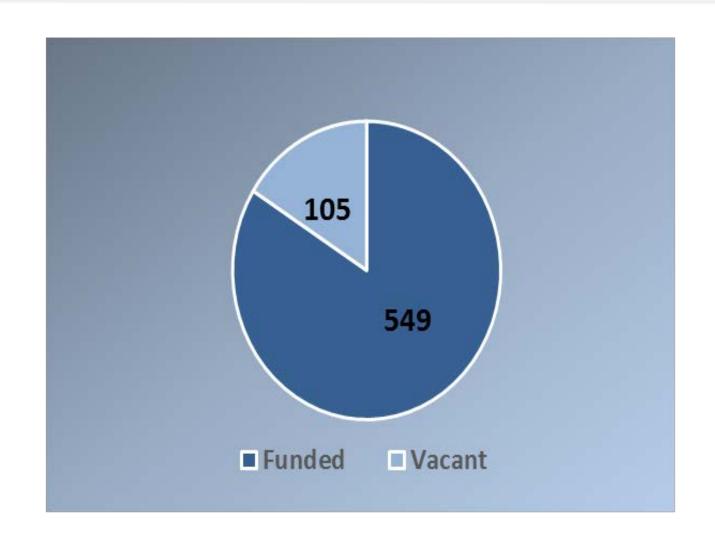
654 Budgeted Positions16% Vacancy rate (105 FTES)

Electric Fund **472**



Water Fund
182



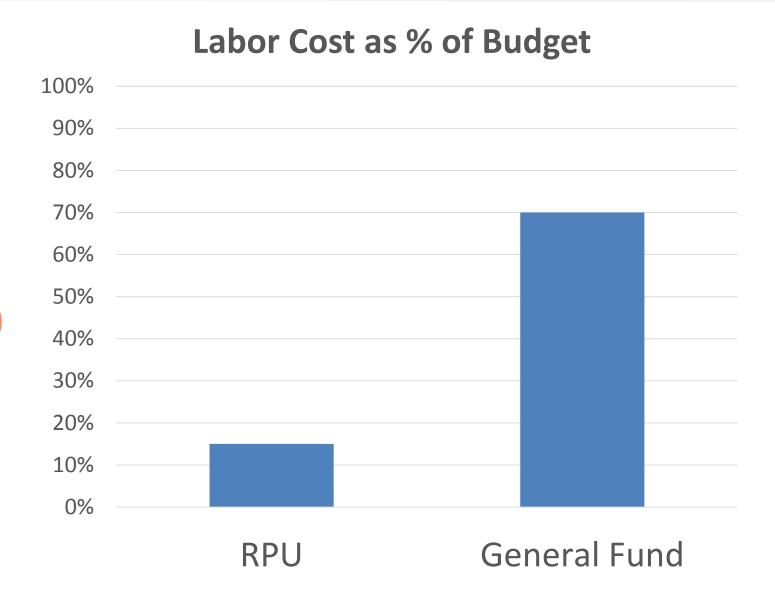


(as of 12/2014)



Labor Costs Relative to Budget

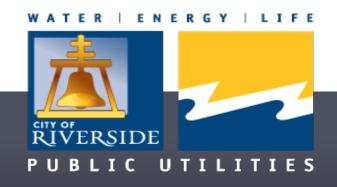
- General Fund Labor costs 70% of Gross Budget
- RPU Labor costs -15% of Gross Budget
 - Provides opportunity for Utility 2.0
 job implementation without
 significant budget impacts



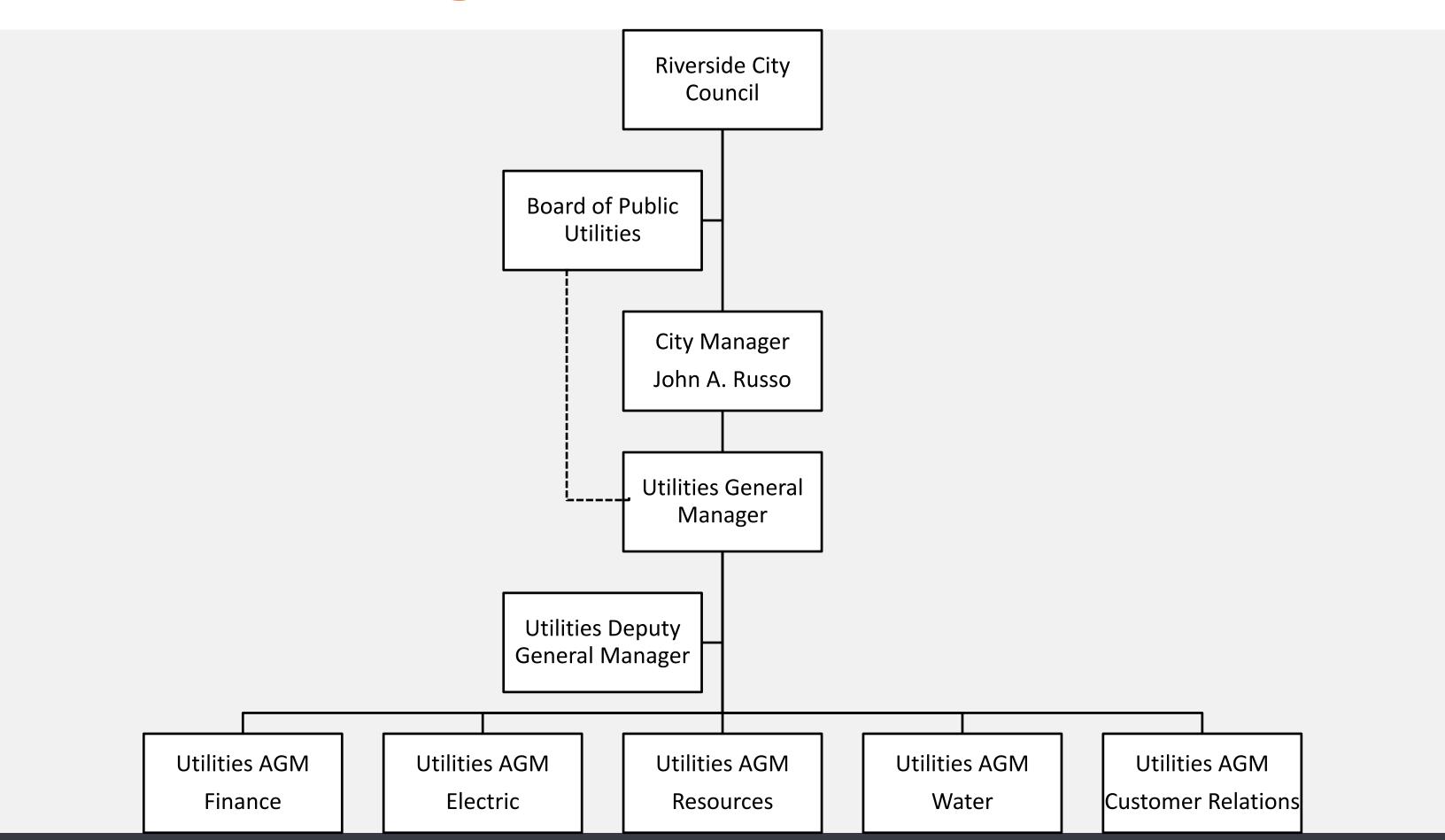


Workforce Structure

- 200+ Job classifications in RPU
 - 152 unique "Utilities" job classifications
 - 50+ city-wide classifications
- Two formal bargaining units
 - IBEW Local 47
 - SEIU Local 721
- Management Structure
 - Classified
 - Non-classified

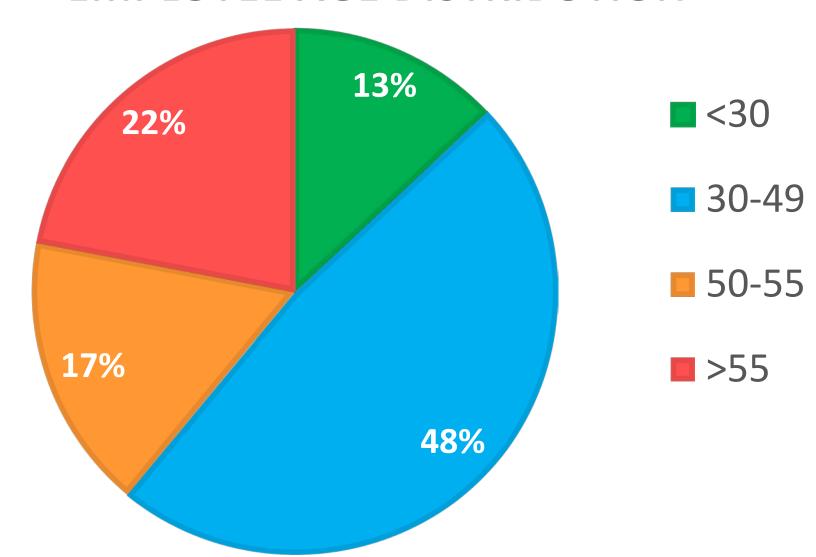


Organizational Structure



RPU Workforce by Age

EMPLOYEE AGE DISTRIBUTION



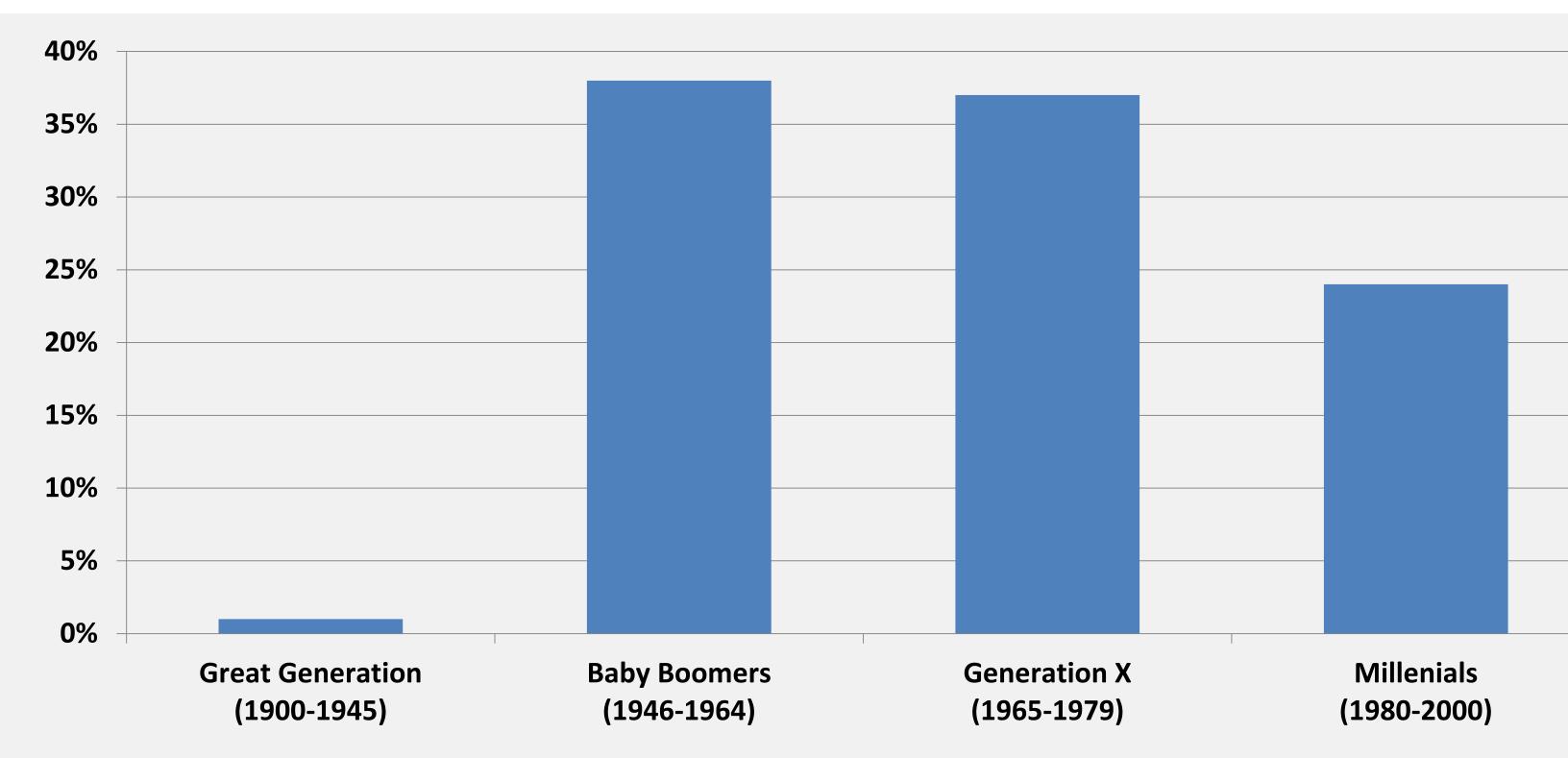
Utility Industry:

Industry Avg. Age – 47 RPU Avg. Age – 45





RPU Workforce by Generations



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT RETIREMENT HEATMAP ASSESSMENT

INFRASTRUCTURE IMPROVEMENT

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ADVANCED TECHNOLOGIES

Retirement Heat Map

- Assessed the potential for near-term and mid-term retirements
- Assessed the likelihood of retirements from each division
 - -Age
 - Years of service



RPU Retirement Summary Projection

| GROUPS | LOWER LIMIT | UPPER LIMIT |
|--------|-------------|-------------|
| RED | 85 | |
| YELLOW | 70 | 85 |
| GREEN | | 70 |

CURRENT AND FUTURE RETIREMENT PROJECTIONS

RIVERSIDE PUBLIC UTILITIES BASED ON INDEX (AGE + YEARS OF SERVICE)

| I | | OVER | ALL STATS | ; | |
|---|-------------|------|------------|---------|---------|
| | INDEX RANGE | QTY | % of TOTAL | AVE AGE | AVE YOS |
| | >85 | 37 | 7% | 61.0 | 30.3 |
| | 70 - 84.99 | 109 | 19% | 55.8 | 21.7 |
| | <70 | 418 | 74% | 39.8 | 8.2 |
| | TOTAL | 564 | 100.0% | | |

DISTRIBUTION ACROSS BARGAINING UNITS 20 - GENERAL 30 - SPECIAL 35 - IBEW 10 - MANAGEMENT 45 - IBEW SUP 9% 15 0% 4% 12% 13% 25% 19% 23 12 48%

100%

10

40%

Management includes "Executive" and "Confidential" bargaining units.

159

FUTURE PROJECTIONS

12

34

66%

| ~ | | OVER | ALL STATS | 5 | |
|------|-------------|------|------------|---------|---------|
| YEAR | INDEX RANGE | QTY | % of TOTAL | AVE AGE | AVE YOS |
| Ή | >85 | 79 | 14% | 62.0 | 30.2 |
| > | 70 - 84.99 | 111 | 20% | 57.5 | 20.3 |
| 3 | <70 | 374 | 66% | 41.2 | 10.6 |
| | TOTAL | 564 | 100.0% | | |
| | | | | | |

DISTRIBUTION ACROSS BARGAINING UNITS

18

| 1 | O - MANA | GEMENT | 20 - GF | ENERAL | 30 - 5 | PECIAL | 35 - I | BEW | 45 - IB | EW SUP |
|---|----------|--------|---------|--------|--------|--------|--------|-----|---------|--------|
| Г | 27 | 20% | 28 | 13% | 0 | 0% | 17 | 10% | 7 | 28% |
| Г | 30 | 22% | 43 | 20% | 1 | 6% | 25 | 15% | 12 | 48% |
| | 79 | 58% | 143 | 67% | 17 | 94% | 129 | 75% | 6 | 24% |

Management includes "Executive" and "Confidential" bargaining units.

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| <u>~</u> | |

CURRENT

OVERALL STATS INDEX RANGE % of TOTAL AVE AGE AVE YOS QTY >85 110 20% 62.9 30.8 70 - 84.99 57.8 118 21% 19.4 336 60% 41.9 12.1 564 TOTAL 100.0%

DISTRIBUTION ACROSS BARGAINING UNITS

| 1 | 0 - MANA | GEMENT | 20 - GE | ENERAL | 30 - 9 | PECIAL | 35 - I | BEW | 45 - IB | EW SUP |
|---|----------|--------|---------|--------|--------|--------|--------|-----|---------|--------|
| | 36 | 26% | 36 | 17% | 0 | 0% | 25 | 15% | 13 | 52% |
| Г | 34 | 25% | 47 | 22% | 1 | 6% | 27 | 16% | 9 | 36% |
| L | 66 | 49% | 131 | 61% | 17 | 94% | 119 | 70% | 3 | 12% |

Management includes "Executive" and "Confidential" bargaining units.

0 YEAR

OVERALL STATS AVE AGE INDEX RANGE AVE YOS QTY % of TOTAL 182 31.8 >85 32% 66.6 145 56.9 20.5 70 - 84.99 26% <70 237 42% 43.2 16.0 TOTAL 564 100.0%

DISTRIBUTION ACROSS BARGAINING UNITS

| 56 41% 67 31% 1 6% 41 24% 17 42 31% 50 23% 0 0% 46 27% 7 | EW SUP | 45 - IB | BEW | 35 - I | SPECIAL | 30 - 5 | NERAL | 20 - GE | GEMENT | 0 - MANA | 1(|
|---|--------|---------|-----|--------|---------|--------|-------|---------|--------|----------|----|
| 42 3106 50 2306 0 006 46 2706 7 | 68% | 17 | 24% | 41 | 6% | 1 | 31% | 67 | 41% | 56 | |
| 12 31/0 30 23/0 0 0/0 10 2//0 / | 28% | 7 | 27% | 46 | 0% | 0 | 23% | 50 | 31% | 42 | |
| 38 28% 97 45% 17 94% 84 49% 1 | 4% | 1 | 49% | 84 | 94% | 17 | 45% | 97 | 28% | 38 | |

Management includes "Executive" and "Confidential" bargaining units.

Riverside Public Utilities Energy Delivery – Electric Field 6105000



Vacant (Acting) - 55 yrs. and 5 or more yrs. svc. Electric Supt. Bobby Harris Interim Electric Field Manager - 50 yrs. and 5 or more yrs. svc. Valorie Goode Senior Office Specialist Vacant Gerald McAllister Julian Cardenas Dave McLellan Bill Crumley Ramona Martinez Kathie Buckley Superintendent Sup. Engineering Principal Electrical Electric Electric Supervisor Administrative Administrative Technician Engineer Superintendent ting F. Superintender Analyst Analyst Stephanie Heyl Vacant Rita Rivera Sr. Engineering Utilities Analyst Accountant II Jeff Hill Brian Bozarth Bill Shoemaker Ken Starbuck Chris Avila Raymond Ybarra Greg Myers Chris Wright Aaron Inskeep Electric Electric Supervisor Electric Supervisor Powerline Powerline Powerline Electric PLT Apprentice Apprentice Traine OH Crew #112 UG Crew #115 Technician Troubleshooter Technician Troubleshoote Technician CONTRACT ADMINISTRATION (3) ASSET MANAGEMENT (2) Frank Paz Steve Jones Mike Grossmann Casey Whitney Brian Golden James Judnick Kevin Ryan Cory Schleiden Lake Trout Electric Supervisor Electric Supervisor Powerline Powerline Powerline Electric Electric PLT Apprentice Apprentice Trainee OH Crew #121 UG Crew #114 Technician Technician Technician Troubleshooter Rick Holmes ELECTRIC TROUBLESHOOTERS (4) Vacant Kelly Starkey Cesar Vazquez Jason Svacina Lee Shepeard Matthew Dennis McDonnel lectric Superviso Electric Supervisor Powerline Powerline Powerline Richardson PLT Apprentice OH Crew #123 UG Crew #122 Technician Technician Technician oprentice Trainee Greg Yates **Electric** Richard Huerta Vacant (4) Rob Staples Construction Construction Mark Truitt Victor Garcia Clay Kittleson John Orduno Technical Intern Dexter Cole PLT Zach Neel Inspector Inspector Electric Supervisor Powerline Powerline Powerline Acting E Supervisor UG Crew #127 PLT Apprentice Apprentice Trainee Supt. OH Crew #118 Technician Technician Technician Vacant TECHNICAL Construction Curtis Smith III Neil Heffernan Walter White John Wolpack Dale Underwood INTERNS (0) Garry Smith Inspector Powerline Powerline Powerline lectric Supervisor Electric Supervisor PLT Apprentice SVC Crew #129 Technician SL Crew #128 Technician Technician CONSTRUCTION INSPECTORS (2) Julio Pineda Damien Perez Ryan Eche Vacant Luis Garcia Powerline Powerline Powerline PLT Apprentice Electric Supervisor Technician Technician Technician Bemard Robles Streetlight Maint Darin Hefner Kelly Stone ELECTRIC FIELD SUPERVISORS(10) Ryan Mossel Worker Powerline Powerline PLT Apprentice Technician Technician Rusty Clarke Streetlight Maint. Felipe Franco Vacant (11) Worker Powerline Powerline Technician Technician STREETLIGHT MAINT, WORKERS (2) POWERLINE TECHNICIANS (21) 8 PLT APPRENTICES (11) 1 Vacant **Electric Supervisor** 11 Vacant **Power Line Tech** Existing Vacancy **Positions**

RPU Retirement Projections

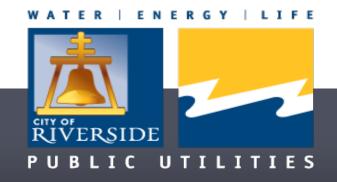


- Eligible to Retire (5 years of service @55)
- Most Likely to Retire (25 years of service @55)

Industry Facts:

36% - 5 Years

55% - 10 Years



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT UTILITY 2.0 SKILLS ASSESSMENT

INFRASTRUCTURE IMPROVEMENT

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ADVANCED TECHNOLOGIES

Workforce Assessment Current

- Strong competencies for today's needs
- Improved processes dictate new skill sets
- Lack of classifications for jobs of the future
- No formal tracking system for assessing and measuring employee competencies and skills growth
- Tuition reimbursement program not adequate to sustain today's workforce



Job Skills Assessment – Utility 2.0

- Completed a comprehensive assessment of the current status of RPU's workforce in a Heat Map format:
 - Identified skills of current workforce
 - Identified skills required by job classification of future employees (Utility 2.0)
 - Identified gaps

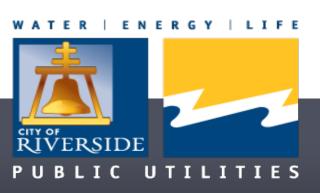




Model Methodology

The model identified future job classifications, skills and competency levels required for successful implementation of Utility 2.0

- Adapted from electric utility national consulting firm
- Further adapted to water industry jobs and skills





Legal & Regulatory

Communication & Public Relations/Mktg

Utility 2.0 Heat Map Job Classifications

| Organizational Classifications | Functional/Expert Classifications |
|---|---|
| Officer/Executive | Engineering (Electric & Water) |
| Manager/Supervisor | IT/Telecom/Cyber Security/Data Management |
| Field Employees - Other Electric Op Electric Field Water Ops Water Field Field Services | Architects/Manufacturing/Building Design |
| Customer Service | |
| Business & Support Specialist | |

Utility 2.0 Competency Map

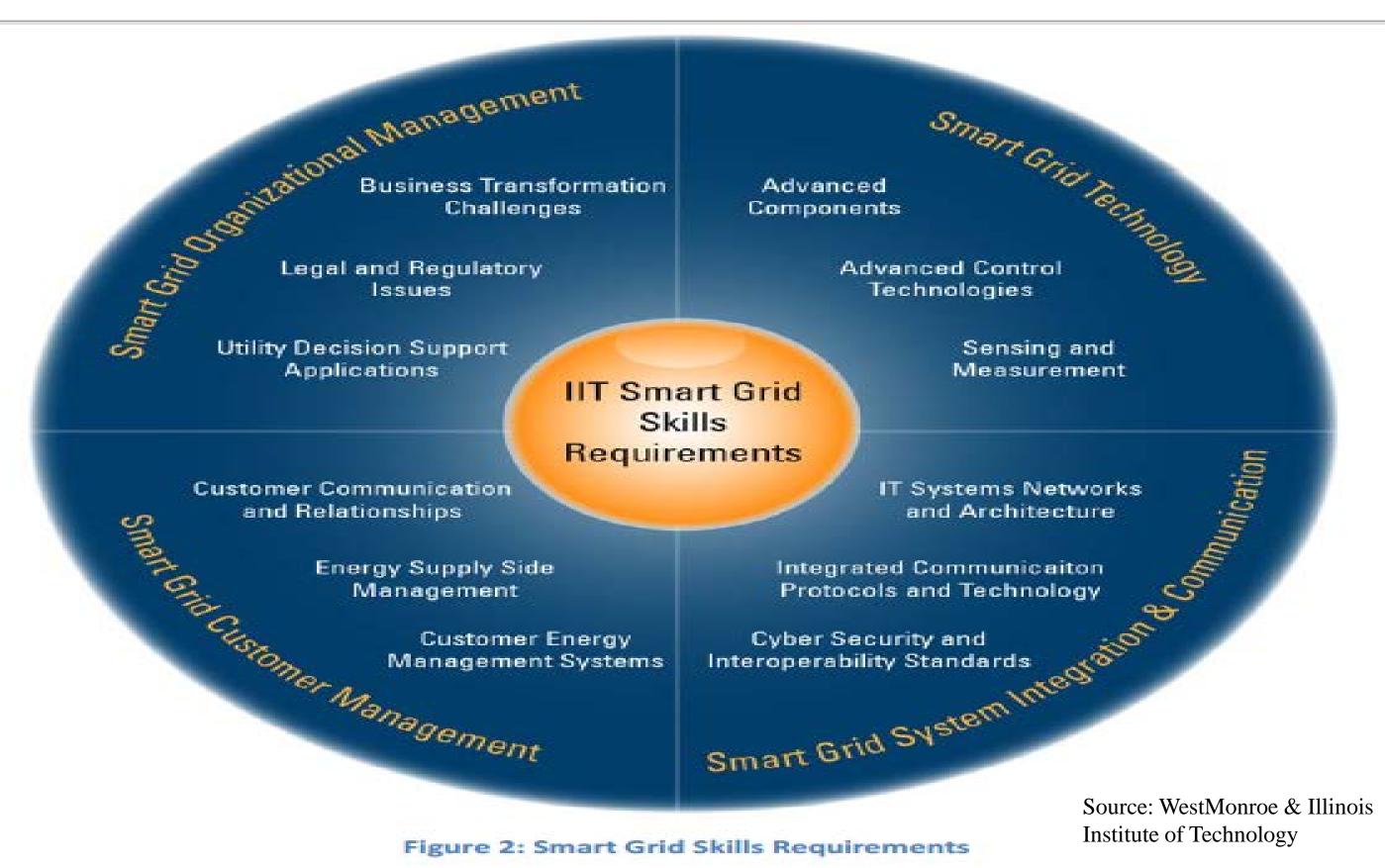


Figure 2: Smart Grid Skills Requirements

Adapted Baseline - Utility 2.0 Competencies

| P | avanced Comp | ments Control | Stes Measure Stroke Clerke | nent herholes den herhites | and Committee of Car | odes odes odes odes odes odes odes odes | Standards Standards Challen | dor Set Regulato Jard Regulato | A Vestees Super | port. Sonto Der Communication Der Sond Redation | Strongs Warran | Andreas Errent Systems |
|---|--|---|---|---|--|--|--|--|---|---|--|---|
| | | | | | | | | | | | | |
| 2 | 1 | 1 | 1 | 1 | 2 | 3 | 3 | 3 | 3 | 3 | 2 | |
| 3 | 3 | 2 | 2 | 2 | 2 | 3 | 2 | 3 | 3 | 3 | 3 | |
| 3 | 3 | 3 | 1 | 3 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 1 = Aware |
| 3 | 3 | 3 | 1 | 3 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 2 = Knowledeable |
| 3 | 3 | 3 | 1 | 3 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | 3 = Expert |
| 3 | 3 | 3 | 1 | 3 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | |
| 3 | 3 | 3 | 1 | 3 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | |
| 3 | 3 | 3 | 1 | 3 | 2 | 1 | 1 | 1 | 2 | 1 | 2 | |
| 2 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 3 | 2 | 3 | |
| 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 3 | 2 | 3 | |
| 2 | 2 | 1 | 1 | 1 | 1 | 3 | 2 | 2 | 3 | 2 | 2 | |
| 1 | 1 | 1 | 1 | 1 | 2 | 2 | 3 | 1 | 2 | 2 | 1 | |
| | | | | | | | | | | | | |
| 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | |
| 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 3 | 2 | 3 | 3 | WATER LEBERT LITT |
| 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 3 | 2 | 2 | 2 | |
| 3 | 2 | 3 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 2 | 2 | PUBLIC UTILITIE |
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Utility 2.0 Competencies - Baseline and RPU Assessed

Integrated Comm. Protocols Business Transformation and Relationships Utility 2.0 Job Competencies Adapted Baseline - Utility 2.0 Competencies Organizational/Department Classifications Officers/Executives Managers/Supervisors 2 2 2 2 3 Field Employees - Other 2 1 2 2 1 1 1 1 **Electric Operations** 2 2 Electric Field 1 2 1 1 1 2 1 2 Water Operations 3 3 2 1 1 1 2 1 2 1 Water Field 2 Field Services 3 3 3 2 1 2 2 1 1 1 1 2 Customer Service 2 1 1 1 1 2 2 Comm & PR/Program Srvc/Marketing 1 1 1 2 1 3 **Business & Support Specialists** 2 2 1 1 2 2 3 2 2 1 1 Legal & Regulatory 1 1 1 2 2 2 1 1 Functional Expert Classifications 21 Engineers - Electric **Engineers - Water** 3 3 3 3 3 3 2 2 3 2 3 3 IT/Telecom/Cyber Security/Data Management 3 3 3 2 2 3 2 2 2 Architects/Design 2 **RPU Assessed Competencies** Organizational/Department Classifications Officers/Executives (6 Emp) 2.00 1.00 1.00 1.00 1.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 Managers/Supervisors (48 Emp) 1.60 1.48 1.42 1.38 1.35 1.56 2.04 1.79 1.83 1.83 1.67 1.75 Field Employees - Other (17 Emp) 1.18 1.82 1.82 1.82 1.00 1.18 1.00 1.18 1.18 1.00 1.00 1.00 Electric Operations (29 Emp) 1.72 1.72 1.17 1.17 1.17 1.00 1.00 1.00 1.00 1.00 1.00 1.72 Electric Field (50 Emp) 1.00 1.00 1.00 1.00 1.00 2.00 1.00 1.00 1.00 1.00 1.00 1.00 Water Operations (19 Emp) 2.00 3.00 2.00 2.00 1.00 1.00 1.00 1.00 1.00 2.00 2.00 1.00 Water Field (74 Emp) 2.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 2.00 Field Services (35 Emp) 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Customer Service (58 Emp) 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 2.00 1.00 1.00 Comm & PR/Program Srvc/Marketing (18 Emp) 1.00 1.00 1.00 1.00 1.00 1.00 2.00 1.56 1.00 2.00 1.56 1.56 Business & Support Specialists (102 Emp) 1.40 1.28 1.22 1.25 1.25 1.32 2.00 1.77 1.81 1.92 1.50 1.90 12 Legal & Regulatory (2 Emp) 1.50 1.50 1.00 1.00 1.50 2.00 1.50 2.50 1.50 2.00 2.00 1.50 Functional Expert Classifications 2.00 21 Engineers - Electric (19 Emp) 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 1.00 1.00 2.00 Engineers - Water (13 Emp) 1.77 2.15 1.62 1.23 1.46 1.69 2.00 2.08 2.00 2.77 2.23 1.92 IT/Telecom/Cyber Security/Data Management (36 Emp) 1.44 1.56 1.56 1.69 1.36 1.22 1.56 1.44 1.42 1.42 1.42 1.39 Architects/Design (41 Emp) 1.90 1.76 1.90 1.07 1.07 1.07 1.15 1.07 1.17 1.88 1.76 1.76

1 = Aware 2 = Knowledeable



Initial Gap Analysis: Score Differentials

Customer Energy Manuagnagn Customer Communication and Protocols & Technologies Interosectability Standards Business Transformation Supply Side Management United Decision Support Cyber Security and Utility 2.0 Job Competencies Organizational/Department Classifications Officers/Executives (6 Emp) 0.00 0.00 0.00 0.00 0.00 0.00 -1.00 -1.00 -1.00-1.00-1.000.00 Managers/Supervisors (48 Emp) -0.65-0.44-0.96-1.17-1.17-1.33-1.40 -1.52-0.58-0.63-0.21 -1.25 Field Employees - Other (17 Emp) -1.18-1.180.820.180.000.00-0.820.18-1.00 -1.82-2.00 -1.00Electric Operations (29 Emp) -1.28 -0.83-1.00 -1.28-1.280.17 -1.83 0.00 0.00 0.00 0.00 -1.00Electric Field (50 Emp) -2.00-2.00-2.00 0.00 -2.00 -1.001.00 0.00 0.00 -1.000.00 -1.00 Water Operations (19 Emp) -1.00 0.00 -1.001.00 -2.00 -1.000.00 0.00 0.00 0.00 1.00 -1.00 Water Field (74 Emp) 0.00 -1.00 -2.00-2.00 0.00 -2.00-1.000.00 0.00 0.00-1.000.00 Field Services (35 Emp) -2.00 -2.00 -2.00 0.00-2.00 -1.000.00 0.000.00 -1.000.00-1.00 Customer Service (58 Emp) -1.000.00 0.00 0.00 0.00 0.00 -1.00-1.00-1.00 -1.00-1.00 -2.00 Comm & PR/Program Srvc/Marketing (18 Emp) -0.44-1.440.000.000.000.000.000.000.00 0.00 -1.00-0.4411 Business & Support Specialists (102 Emp) -0.60 -0.720.22 0.25 0.25 0.32 -0.23-0.19 -1.08-0.50-0.10 -1.00Legal & Regulatory (2 Emp) 0.500.500.000.000.500.00-0.50 -0.50 0.500.000.000.50**Functional Expert Classifications** 21 Engineers - Electric (19 Emp) 0.00 0.00 -1.00 22 Engineers - Water (13 Emp) -1.23 -0.85-1.38 -1.77 -1.54-1.31 0.00 0.08 -1.00 0.77 -0.77 -1.08 23 IT/Telecom/Cyber Security/Data Management (36 Emp) -1.44-1.58 -0.61 -1.44-1.44-1.31-1.64-1.78-0.56 -0.58-0.56 -0.58 Architects/Design (41 Emp) -1.10 -0.24-1.10 -0.93-0.93 -0.930.15 0.07 0.17 0.88 -0.24-0.24

Competent Above -0.499 Marginal Gap -.5 to -1.499 Significant Gap -1.5 +

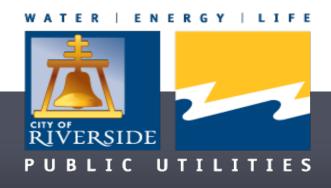


Utility 2.0 Heat Map

| 22 Engineers - Water (13 Emp) | -1.23 | -0.85 | -1.38 | -1.77 | -1.54 | -1.31 | 0.00 | 0.08 | -1.00 | 0.77 | -0.77 | -1.08 |
|-------------------------------|-------|-------|-------|-------|-------|-------|------|------|-------|------|-------|-------|
| | | | | | | | | | | | | |

Next Steps:

- Refine Heat map skills categories
- Apply to individual incumbents
- Prepare individual employee development plans
- Review classification specifications



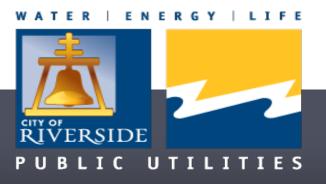
Utility 2.0 Workforce Assessment

- Begin shift from organization of the past
- Embed workforce development staff within RPU
 - Specialized skills
 - HR of today not the same organization needed for future
- Staff support for needed for the future
 - Data analytics and visualization
 - Project and technology management
 - Business process analytics



Utility 2.0 Workforce Assessment

- Knowledge transfer needed for aging workforce
 - Bridge gap on legacy systems
 - Pass critical infrastructure and historic operating knowledge to next generation
- Training needed to prepare for Utility 2.0 competencies
 - No formal training program to prepare today's employees for the future
 - Tuition reimbursement not adequate to sustain tomorrow's workforce



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT RECRUITMENT & COMPENSATION ASSESSMENT

INFRASTRUCTURE IMPROVEMENT

THRIVING FINANCIALLY

ADVANCED TECHNOLOGIES

Recruitment

- Process is largely paper based
- Automation of application process has created efficiencies
- Constraints of public agency law can impede progress
 - Example: Power Line Technicians
 - Highly mobile
 - Competitive private market sector
 - Hiring timeframes identified anecdotally as impediment



Compensation

- Recent surveys indicate RPU compensation below market
 - Not a comprehensive assessment
 - RPU market basket different from City
- IBEW compensation set to market in 2014
- Several compression issues exist



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT FINDINGS

INFRASTRUCTURE IMPROVEMENT

THRIVING FINANCIALL

ADVANCED TECHNOLOGIES



Findings – Utility 2.0 Workforce

- Current workforce does not possess the levels of knowledge or expertise to implement Utility 2.0
 - Marginal to significant skill gaps
- Investment needed in training and retraining programs
- Heightened communication skills required in all job classifications
- Need for individualized training plans





Findings – Utility 2.0 Workforce

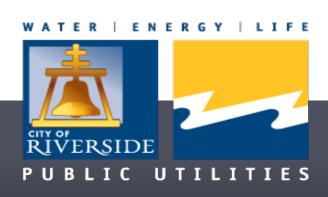
- Advanced technologies will bring new jobs, titles and roles
- Existing job classifications need to evolve
- Increased system visibility and customer communication requires additional staffing for resources and analytics
 - Data scientists & analysts
 - Programmer analysts & data control staff
 - Project & technology management staff





Findings – Aging Workforce

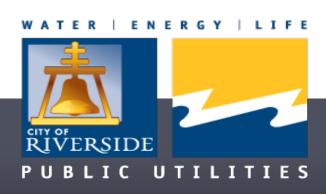
- 39% of workforce is at or near retirement age
- RPU lacks formal knowledge transfer plan and practices
- Succession planning needs to be refreshed for Utility 2.0





Findings – Recruitment & Compensation

- New organizational structures needed to compete in Utility 2.0
- Embedded workforce support with RPU is needed
- Current compensation policies & practices not competitive in rapidly evolving utility industry
 - Results in competitive disadvantage



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT OPTIONS & ALTERNATIVES

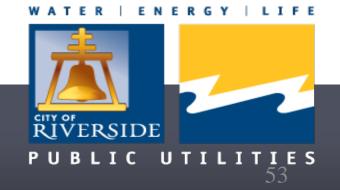
INFRASTRUCTURE IMPROVEMENT

THRIVING FINANCIALL

ADVANCED TECHNOLOGIES

Options

| | Attract | Develop | Retain |
|----------|---|--|--|
| Option 1 | Status Quo | Status Quo | Status Quo |
| Option 2 | RPU with HR support: Implement innovative workforce recommendations Sooner than other departments | Repurpose vacancies for Utility 2.0 needs: • Over/under fill • Requires flexibility in current process | Serve as:IncubatorInnovation hub |



Alternatives

- Contract labor & consultants to support Utility 2.0 implementation
- Use temporary agencies to fill vacancies



ROAD MAPS – WORKFORCE DEVELOPMENT

WORKFORCE DEVELOPMENT RECOMMENDATIONS

INFRASTRUCTURE IMPROVEMENT

THRIVING FINANCIALL

ADVANCED TECHNOLOGIES

Summary of Recommendations

People

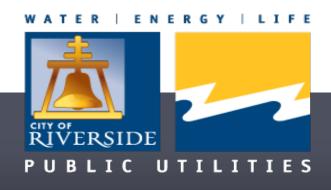
- Develop new Utility 2.0 appropriate classifications
- Embedded workforce support within RPU
- Implement formal training programs

Process

- Modify recruitment processes to be more nimble (partnership with Human Resources)
- Review compensation policies and levels more frequently

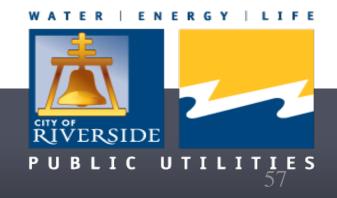
Technology

- Implement Talent Management System
 - Knowledge capture and transfer



Short-term Recommendations (1 Year)

| PEOPLE | Review job classifications-create or revise as needed Hire Programmer Analysts & Data Scientists Develop Office of Technology Management and fill staff |
|------------|---|
| PROCESS | Identify hard to recruit classifications Develop formal protocol to assess and test for competencies Assess vacant positions to identify work competencies Assist HR in developing procedures to streamline recruitment processes Develop a curriculum to address immediate training needs implement through contract education |
| TECHNOLOGY | Identify and develop a Talent Management System to support training and development activities |



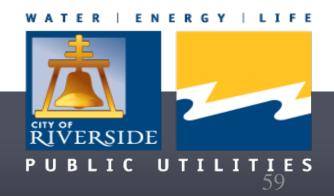
Mid-term Recommendations (1 - 2 Years)

| PEOPLE | Review job classifications-create or revise as needed Retirement succession planning Embed workforce support function within RPU |
|------------|--|
| PROCESSES | Develop specialized recruiting plans Establish and implement knowledge transfer procedures Train workforce on advanced technology equipment and software Develop individualized development plans Revise guidelines for apprenticeship program Revamp tuition reimbursement program |
| TECHNOLOGY | Implement Talent Management System |

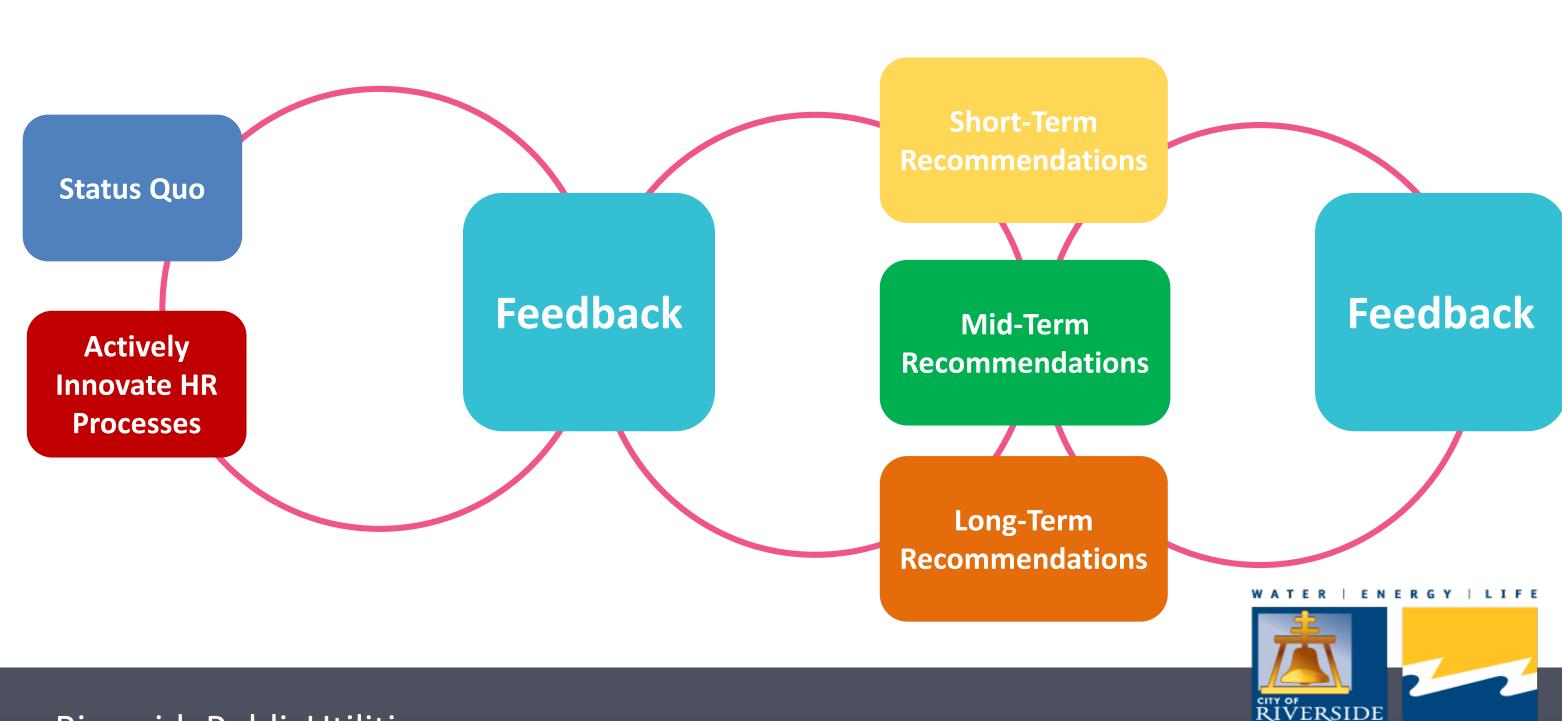


Long-term Recommendations (2+ Years)

| PEOPLE | Evaluate and review workforce needs |
|------------|--|
| PROCESSES | Review job classifications-create or revise as needed Continue training workforce on advanced technology equipment and software Develop & implement a 3-5 year training plan for competencies by functional area Create a resource plan to identify how we will fill vacancies Create procedures to add/drop positions across organization Conduct a comprehensive salary study for organization Evaluate and review processes |
| TECHNOLOGY | Evaluate and review Talent Management System |



Options & Recommendations Decided from Feedback



COMPLETED

WORKING THE PLAN Q3 - 2015 Q1 - 2016 Q2 - 2015 Q4 - 2015 2014 Q1 - 2015 Jan.-Mar. 2016 October 2015 **Draft Financial Plan** May 7, 2015 July 13, 2015 September 1, 2015 Fiber Optic Plan February 12, 2015 (5 year forecast) General Manager Joint Meeting #1 Utility 2.0 **Council Workshop** Northside Audit Performance Audit Introduction to Assessment Utility 2.0 Infrastructure & **RPU Transactions** (next phase) Utility 2.0 & Governance **Detailed Finance Audit** Workforce Finance 101 to Board and to Board and Roadmaps Council Council Oct.-Dec. 2015 July 29, 2015 Roadmap Feedback February 27, 2015 Utility 2.0 Fiscal Policies Audit Utility 2.0 **Resource Supply Organizational Review** Feedback Thriving Financially Thriving Financially Roadmaps to Board and Council August 11, 2015 **City Council** to discuss **Performance Audits** Fiscal and Reserves Policy August 28, 2015 Joint Meeting #2 Utility 2.0 - Roadmaps & Governance Board Joint Reports to City of Meeting Board Public Council Council And

Utilities

Board

Council