



Santa Clara Valley Water District

File No.: 16-0680

Agenda Date: 9/13/2016

Item No.: 4.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Mid-Year Update of the Board's Self-Assessment of its Performance for 2016.

RECOMMENDATION:

- A. Receive and discuss mid-year update of the Board's self-assessment based on 2016 performance results;
- B. As appropriate, adopt changes to Board policies and performance framework (e.g., indicators, performance measures, and targets); and
- C. Adopt recommended edits to Board Performance Measures 3A, 3B, and 6B.

SUMMARY:

The Board's Governance Process and Board Appointed Officer Linkage Policies provide the basis for the Board's performance framework, which was established in 2013 and annually reviewed starting in 2014.

The Board designed this framework using its policies as indicators and performance measures. For each performance measure, the Board set a target that it strives to achieve. Performance targets are based on legal requirements, timeframes, and direction established by the Board in its Governance Policies. The Board grouped its performance indicators and measures into five areas of performance:

- 1. Governance, Transparency and Conduct
- 2. Linkage with the Community
- 3. Policy Setting
- 4. Monitor and Review BAO Performance
- 5. Naming of District-Owned Facilities and Land

To facilitate the Board's review, staff compiles and analyzes the Board's performance data, comparing it to the Board's established targets. The data is assembled into a report for the Board to determine whether its annual performance has been met.

As part of the Board's performance review process, the Board is able to refine and improve its framework as it implements it going forward. This can include changes to Board policies, indicators, performance measures, and targets.

Background

The Board's governance policies provide for fiduciary oversight, transparency, and accountability to further organizational stewardship, which contributes both to the effectiveness of the organization and to the trust that is placed in it by stakeholders and the public it serves.

The governance policies also provide for performance monitoring of both the Board's appointed officers and itself. Specifically, the expectation that the Board will monitor its performance against its own policies is defined by Governance Process Policy 2.7:

"The Board will monitor the Board's process and performance. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-BAO Linkage categories."

The schedule for the Board's self assessment is defined by Governance Process Policy 2.7.1:

"The Board will conduct a Board performance review by the end of March for the previous calendar year and will conduct a mid-year review of Board performance by the end of September."

A. Summary of 2016 Board Performance Mid-Year Results

- Performance measure targets that have met, or are projected to be met:
 - 84% (49 of 58).
- Performance Measure targets that have not been met, or are projected to not be met:
 - 16% (9 of 58)

B. Performance Measures That Are Not Projected To Meet Performance Targets

1. Performance Measures Related to Board Policy Review

- Review and, if necessary, update the district values expressed in GP-7, annually. (Performance Measure 12A)
- Number of opportunities for public input in annual policy development process. Target = 2. (Performance Measure 24A)
- Board and BAOs annually review Board Governance Policies to determine if they have focus on intended results, not on the administrative or programmatic means of attaining those effects. (Performance Measure 25B)
- Conduct an annual review of the Board Governance Policies and adopt new or revised policies by the end of September. (Performance Measure 25C)
- Conduct Board review of Board-BAO Linkage Policies during the annual Board Governance Policy work study sessions. (Performance Measure 38A)

Rationale:

The Board is currently evaluating its overall governance framework and the corresponding policy review process. After this evaluation, the Board's review of its policies will be conducted per Board direction.

2. *Percent of standing board committees that have an annual work plan. Target = 100%. (Performance Measure 13B)*

Rationale:

As of June 30, 2016, only 6 of 9 Board Standing Committees have an annual work plan. The standing committees without work plans are: the Board Audit Committee, Joint Recycled Water Committee with City of Palo Alto, and Joint Recycled Water Committee with the City of Sunnyvale.

3. *Number of board work study sessions conducted. Annual Target = 28. (Performance Measure 33A)*

Rationale:

As of mid-year, June 30, 2016, the Board has conducted only 5 work study sessions.

The baseline target of 28 work study sessions was based on the number of work study sessions conducted in 2014, the first year of data collection.

4. *Conduct mid-year BAO performance reviews by end of April. (Performance Measure 35A)*

Rationale:

The mid-year BAO performance reviews were conducted on May 10, 2016.

5. *Conduct annual BAO performance reviews by end of September. (Performance Measure 35B)*

Rationale:

The annual BAO performance reviews have not been conducted as of June 30, 2016.

C. Recommended Edits to Board Performance Measures

There are three suggested revisions to the Board's performance measures for the Board's consideration. The proposed revisions and rationale can be found in Attachment 2.

D. Next Steps

The Board Annual Performance Report for the 2016 calendar year is scheduled to be presented to the Board on February 28, 2017.

FINANCIAL IMPACT:

Funds to support the development of the Board Performance Report are budgeted by the Office of CEO Support.

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: 2016 Mid-Year Board Performance Measure Status
Attachment 2: Recommended Edits

UNCLASSIFIED MANAGER:

Chris Elias, 408-630-2379