

**AWA DIRECTORS APPROVE AGENCY REORGANIZATION –
“PHASE ONE” TOWARD A BALANCED BUDGET**

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(Sutter Creek) At a special meeting Friday, Amador Water Agency Directors approved a staff reorganization plan that AWA Board President Don Cooper called “Phase One” in a series of moves to get the Water Agency budget to balance in 2011 – 2012.

The adopted staff reorganization plan reduces the total number of employees from 46 to 43 and cuts the number of managers at AWA in half. Since 2008, the Agency has reduced staffing from 62 to 46 full-time positions. Staff cuts, a hiring freeze and furlough days have already reduced labor costs by \$1.5 million.

The Agency is facing an estimated \$750,000 budget shortfall in spite of eliminating infrastructure projects and slashing operating expenses. In discussion, Directors emphasized that the proposed staff reorganization alone would not close the budget gap. Further operational cuts and employee concessions are needed, along with water and wastewater rate increases.

The move will save an estimated \$232,000 the first year implemented, depending on the number of retirements, severances and staff changes, said General Manager Gene Mancebo. By the third year, savings could reach \$450,000 per year.

“We wish we didn’t have to do this,” said Cooper. “Government everywhere is facing the same problems -- the current economy, the rising cost of employment benefits, gasoline prices are going up. On top of that, there have been no rate increases in some of our systems over the past five years. We have no choice but to take drastic measures if we are to meet our responsibility to provide water and wastewater service to the community.”

The 3 – 0 vote to approve the reorganization concept came with the stipulation that the staffing plan presented was tentative and that further changes would be considered by the Board. Director Robert Manassero was away on vacation and Director Gary Thomas was absent from the meeting. Thomas has recused himself from previous Board discussion on the reorganization due to a conflict of interest.

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Draft Organization Chart

