



**MEMORANDUM**  
**ITEM NO. 7**

**DATE: DECEMBER 17, 2020**

**TO: BOARD OF DIRECTORS**

**FROM: VERA ROBLES-DEWITT, BOARD PRESIDENT**

**SUBJECT: APPROVE CONTRACT WITH ALBERT ROBLES APPOINTING HIM AS SPECIAL INTERIM GENERAL MANAGER TO ACT ON BEHALF OF THE ADMINISTRATIVE BODY DURING THE TRANSITION PERIOD IN CONDUCTING THE RECRUITMENT OF THE GENERAL MANAGER AND PERFORMING OTHER DUTIES AS ASSIGNED**

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**SUMMARY**

On September 16, 2020, WRD's General Manager Robb Whitaker gave the Board of Directors written notice that he was retiring in March 2021. Thereafter, he led the Board's program to recruit a new general manager, with the Robert's Consulting firm approved by the Board on November 5, 2020. On December 3, with a legally noticed agenda item (#7) to provide direction on hiring a new WRD General Manager, the Board, by a 3-2 vote, approved appointing former Board Director Albert Robles with the intent he serve as interim and that an employment contract be negotiated.

The contract with Albert Robles to provide that he serve as Special Interim General Manager of WRD during a transition period in conducting recruitment of the General Manager and performing other duties as assigned, is attached for the Board of Directors consideration.

**BACKGROUND:**

Mr. Whitaker's September 16 Notice of Resignation, to be effective in March 2021, was unexpected, as his contract was to run for another year. The resignation was clear and stated his intent to "provide sufficient time to develop and implement a succession plan with you and to ensure as seamless a transition as possible."

Thereafter, necessary steps were taken to proceed with the recruitment of a new general manager. Recruiting firms were solicited and vetted by Mr. Whitaker and he wrote a staff report and recommended on November 5 the hiring of the firm Roberts Consulting. This allowed for a six month seamless "transition plan" to avoid impacting the momentum of projects and programs. Accordingly, during Mr. Whitaker's proposed transition period,

it was contemplated Mr. Whitaker would be around and would work with the new general manager.

At the Board's meeting on December 3, the agenda (Agenda Item 7) listing allowed for a broad discussion of "Direction on the Hiring of a new General Manager and contingent actions." Various possible actions were listed as topics including the retirement of the Assistant General Manager, promoting the Assistant General Manager to the position of General Manager, hiring former Director Albert Robles, not recruiting for the vacant assistant general manager position, and directing staff to develop a contract with Mr. Robles.

Just before the meeting, in writing, Mr. Whitaker precipitously attempted to withdraw his Retirement Notice and continue as the General Manager "indefinitely." After discussion, the Board acted as described in the Agenda Item and by the Board majority, by a 3-2 vote, determined to hire Mr. Robles as the General Manager, which they did have the authority to do as the General Counsel stated on the record. Implicit in this action was the refusal to accept Mr. Whitaker's withdrawal of his retirement. It was also implicit that a contract with Mr. Robles defining the terms of employment was necessary and needed to be negotiated and drafted.

Given the Board action, the President asked the General Counsel to commence a dialogue with Mr. Robles to develop a contract. General Counsel and Mr. Robles conferred over the weekend and the attached contract was submitted that memorializing their understanding (attached as Exhibit A.) That contract contains the following basic terms.

1. Mr. Robles is appointed as Special Interim General Manager. It is "interim" in that it is envisioned to be for a transitional six (6) month period. Over the weakened, the General Counsel had suggested a two (2) year term to Mr. Robles but Madam President is bringing forth a six (6) month interim contract.
2. That contract is "special" because Mr. Robles has special duties consisting primarily as (i) conducting the recruitment of a permanent general manager, and (ii) conducting a complete top-down review of WRD, its management, finances, and policies, and making recommendations to the Board and the new general manager for improvements in all levels of operations.
3. The total compensation and benefits would be for an amount about half the level of the current general manager. During the last two years, the total compensation and benefits of the current general manager has been spiked to almost \$550,000. There would be a huge savings to have Mr. Robles conduct the interim services during the transition period. The salary for Mr. Robles in the contract is \$275,000 and he is forgoing most other traditional

benefits such as a car allowance, telecommunications allowance, medical insurance, life insurance, vacation time and/or executive paid leave.

4. Mr. Robles would work with Mr. Whitaker during this contemplated transitional period and serve as the Interim WRD General Manager for all purposes and report directly to the WRD Board of Directors.

WRD has received letters, both from congressional and state representatives and from water purchasers. Obviously our staff report on December 3 and the discussion including with our General Counsel confused the matter. Basically, the charge was that Mr. Robles was not qualified and only being hired as a political favor. The response letter to these issues is attached as Exhibit B. The points made in letter are:

1. The process of Mr. Whitaker resigning and then unilaterally attempting to withdraw the resignation when he sees a staff report showing that there may be a different direction coming from the Board raises serious questions. The Board feels that it is time for a thorough review of all operations, and now questions if any candidate and/or recruitment firm vetted by Mr. Whitaker would approach the position with a sufficiently critical eye.
2. Mr. Whitaker's attempt to withdraw his resignation fails because the Board relied upon his resignation to take various actions including hiring the Roberts Consulting firm. Our General Counsel incorrectly suggested that we were terminating Mr. Whitaker's contract, but his resignation was voluntary and the time had passed that he could withdraw it due to detrimental reliance.
3. Mr. Robles is highly qualified, both in his 25 years of knowledge of WRD, his knowledge of the political environment in which we work, and his academic qualifications (a master's degree in public administration from USC and a juris doctorate from UC Berkeley school of law). The management of a water district doesn't require an engineering degree just like the general manager of the largest water district in California, MWD, does not have an engineering degree; it requires someone who can manage and direct staff. Moreover, even other Board members who have not supported Mr. Robles have admitted publicly to the press that Mr. Robles is qualified to perform the duties of a general manager.
4. The real objections seem to be that we are not going to conduct an open, independent recruitment. Yet, that is exactly the process we have followed. Instead of the hiring taking place in closed session (which is authorized under the law), we have engaged in a very public and open process. And the contract spells all the details. Mr. Robles' position is only interim. He will not compete for the position. Moreover, it will save WRD money if Mr. Robles undertakes the transition at half the cost of Mr. Whitaker.

All our cities need to consider if there isn't something that justifies fresh eyes where Mr. Whitaker's compensation has gone up \$100,000 in his last 2-years and his total compensation is now over \$500,000, higher than that of the General Manager of MWD with 1,800 employees. So, how is it wrong of the Board to want a very experienced person with decades of knowledge about WRD to conduct this recruitment for half the cost to find a successor general manager who can look carefully at WRD management and structure?

Exhibits:

- A. Special Interim General Manager Contract
- B. Open Letter of Explanation from President
- C. Whitaker September 16 Letter of Resignation and attempted Withdrawal in  
December
- D. Whitaker Contract and Amendments

### **FISCAL IMPACT**

Significant cost savings as identified.

### **STAFF RECOMMENDATION**

Approve the contract appointment of Albert Robles as Special Interim General Manager during a transition period to conduct an open recruitment of a General Manager and undertake a review of the organization and perform other General Manager duties.