

AGENDA

**HUMAN RESOURCES COMMITTEE MEETING
LEUCADIA WASTEWATER DISTRICT**

Tuesday, October 31, 2017 – 10:00 a.m.
1960 La Costa Avenue, Carlsbad, CA 92009

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **New Business**
 - A. Board-General Manager/Staff Relations Policy Annual Review. (Pages 2-7)
 - B. Amending the Human Resources Policy Manual. (Pages 8-11, Enclosure 4B)
 - C. Evaluate the Need for a Compensation Study. (Pages 12-13)
5. **Information Items**

None.
6. **Directors' Comments**
7. **General Manager's Comments**
8. **Adjournment**

MEMORANDUM

DATE: October 25, 2017
TO: Human Resources Committee
FROM: Paul J. Bushee, General Manager 
SUBJECT: Board-General Manager/Staff Relations Policy Annual Review

RECOMMENDATION:

Staff requests that the Human Resources Committee (HRC) recommend that the Board of Directors:

1. Receive and file the Annual Review of the LWD Board-General Manager/Staff Relations Policy; or,
2. Discuss and take other action, as appropriate.

DISCUSSION:

Tactical Goal: People/Administrative Policy Updates-Reviews/Board-General Manager/Staff Relations Policy

In January, 2007, the Board of Directors (Board) adopted Leucadia Wastewater District's (LWD) Board-General Manager/Staff Relations Policy. The policy, which was last amended on November 12, 2014, calls for an annual review by the Board of Directors.

Staff recently conducted an annual review of the existing policy. Based on this review, staff is not recommending any changes. This item has been placed on the agenda for the HRC's review and comment. If the HRC concurs with staff, this item will be placed on the November consent calendar for the Board to receive and file.

th:PJB

LEUCADIA WASTEWATER DISTRICT BOARD - GENERAL MANAGER/STAFF RELATIONS POLICY

Ref: 15-4281

I. General Provisions

A) The Board of Directors, acting as a Board, is the governing body of the Leucadia Wastewater District (District) and is accountable to the public for the District's services, finances, establishment of policy and District performance. All powers of the Board shall be exercised and performed by the Board as a body, and no individual Director, except as otherwise authorized by the Board, shall have the power to alter or amend Board policy or directions. Public statements of Board policy and direction should reflect the viewpoint of a Board majority, notwithstanding a minority position. Directors acting within the scope and authority of their position enjoy strong legal protections from personal liability. Directors could lose some of these protections and risk personal liability if they act independently in excess of their authority.

B) The General Manager serves at the pleasure of the Board and is accountable to the Board for the implementation of Board policy and directions. The General Manager is the official spokesman for the District and is responsible for its day-to-day operation and administration. Unless directed otherwise by the Board, letters that express policies or positions of the District shall be from the General Manager.

C) The staff is responsible for performing administrative and operational functions assigned by the General Manager, or his or her designee, in implementing Board policy and directions. Direction to staff shall come through formal job descriptions or by directives from the General Manager or his or her designee.

D) District Counsel is retained by the Board, and is solely accountable to the Board.

E) The District's Financial Auditor is directly accountable to the Board. The Investment and Finance Committee (IFC) shall serve as the Board's delegated point of contact and meet with the Financial Auditor as required during the audit process.

II. Board to General Manager

A) The Board shall hire a General Manager, establish his or her compensation and define the conditions of his or her employment. The General Manager shall serve at the pleasure of the Board.

B) The General Manager is responsible for performing those functions, specific or general, assigned by the Board, either in the form of job description or Board direction.

C) The General Manager shall recommend, and the Board shall approve, the organizational structure of the District.

D) The General Manager shall hire all personnel with the exception of General Counsel at his or her sole discretion. The General Manager shall recommend and the Board shall approve the District's organizational chart and compensation ranges.

E) The Board of Directors shall ultimately approve district Policy. The General Manager may recommend and provide information regarding policy matters, including information relating to the technical, administrative and fiscal ramifications of the policies being considered.

F) The General Manager shall take direction only from a Board majority, or from a duly appointed committee, acting within the scope of the District and in accordance with direction from the Board.

G) The General Manager shall act as the primary point of contact between the Board and the staff.

H) The General Manager shall provide such reports for the Board as requested, including but not limited to:

- 1) Status reports on Board directed activities.
- 2) Financial reports.
- 3) Updates on operations, maintenance, construction and personnel matters.
- 4) Emergency reports.

III. Board to Staff

A) Administration of staff is the direct responsibility of the General Manager. The General Manager shall provide policy and administrative direction to staff. Directors shall not direct staff regarding their employment duties.

B) If a Director is requesting the creation of a particular report or analysis, the matter shall be brought to the General Manager or, if appropriate, the Board of Directors. However, Directors may obtain copies of existing reports and analysis from staff.

C) Individual Directors may contact staff directly for the purpose of asking questions about, or seeking clarifications of, issues related to the District's official business. This access may be in person or via telephone, e-mail or other forms of written or verbal requests. When feasible, Directors should direct their general inquiries to Management Staff and questions regarding travel issues to the Executive Assistant. For the purposes of this policy, Management Staff includes the Administrative Services Manager, the Technical Services Manager and the Field Services Superintendent. The General Manager should be notified by staff of such contacts.

D) Individual Directors intending to use more than 30 minutes of any staff member's time for issues relating to the District's business, should make an appointment with the staff member at a mutually agreed time and date. Contact with staff members should not generally exceed one (1) hour in any one week. Contact between Directors and the General Manager is not limited.

E) Individual Directors shall be granted access to all existing public documents at the District.

F) Staff members are not precluded from speaking with Directors. However, all complaints or matters of internal discipline should follow the established chain of command.

IV. Board and Employee Political/Election Related Activities

A) Government Code § 3204 prohibits elected public officials, such as District Board Members, from directly or indirectly “using any office, authority or influence” to persuade an individual to vote, exert political influence, or take political action on behalf of any candidate, officer, or party, in exchange for aiding or obstructing that individual’s ability to secure “any position, nomination, confirmation, or promotion.” It is unlawful, therefore, for Board Members to use their positions to force employees to perform political or election related tasks, or to retaliate against employees for refusing to do so.

B) In the event that District employees volunteer to help Board Members with election or political activities, the District prohibits such conduct while at work or while on District property. The basic rule is that public entities cannot use public funds or resources to influence voters to support a political position. This prohibition naturally extends to a public employee’s use of his or her time on the job for political or election activities. Employees may not participate in political or election activities while in uniform or at work.

V. Board, General Manager and Staff to Attorneys

A) The Board may hire Attorneys as needed and establish their compensation. Attorneys shall work under the direction of the Board or its designee and shall serve at the pleasure of the Board or its designee.

B) Attorneys shall not become involved in policy decisions, except to comment on the legal ramifications of the policies being discussed or considered.

C) Attorneys shall take direction from a Board majority, from a duly appointed committee acting within the scope of its District and in accordance with direction from a Board majority or from the Board Chair.

D) Any Director may request a verbal opinion from Attorneys on matters relating to District business, including, but not limited to, clarification of potential conflicts of interest which may bear on the Director’s ability to participate in a vote. Any advice Attorneys provide shall be as legal counsel for the District and not individual Directors. Attorneys shall inform the Board if they become aware of any potential conflict of interest that may require withdrawal, disclosure, or abstention of a Director or otherwise impact the actions of the Board.

Directors may consult independent counsel on conflict of interest matters. If a potential conflict between an individual Director and the Board arises, the Director is encouraged to consult independent counsel.

E) Attorneys shall not respond to individual requests of a personal nature.

F) The General Manager is the primary point of contact between the staff and Attorneys for the assignment of work.

G) The General Manager shall be authorized to contact Attorneys at his or her discretion.

VI. Board to Other Agencies

A) Directors may contact elected officials, or staffs of other Agencies, on behalf of the Board. However, when representing the Board, Directors' comments should reflect approved Board policies or, in areas where no policy has yet been developed, the viewpoint of a majority of the Board. If the Board's viewpoint is unclear or not known, this should be stated.

B) If a Director expresses an opinion before another agency regarding District business that is inconsistent with established Board policy or is simply not covered by Board policy or action, it is requested that the Director state that he or she is expressing their own opinion and not representing the Board as a whole

VII. Emergency Situations

A) The General Manager or his/her appointee shall notify Directors of an emergency as soon as reasonably practical. The General Manager or his/her appointee shall follow-up with written reports to the Board within a reasonable time following the emergency.

VIII. Access To The Agenda

A) The Board may request items to be placed on future agendas at its regular meetings. In addition, each and every Director may place any item on the agenda provided the request is made no later than Tuesday of the week before the meeting.

B) Items placed on the agenda by an individual Director, accompanied by material submitted by that Director, shall be included in the agenda packet.

IX. Committees

A) To facilitate the fulfillment of its responsibilities, the Board may, from time to time, establish committees, as allowed by the Government and Water Codes.

B) The Board President shall appoint committee members at a meeting of the Board. For appointments made by the Board President, no action or vote by the full Board is required. However, if requested by two Directors at the meeting in which committee appointments are made, a Board vote to affirm or reject the committee appointments shall be held. If a majority of the Directors vote in favor of the committee appointments, or fail to vote against the appointments, they shall be deemed approved. If a majority of the Directors present vote against the committee appointments, they shall be deemed void, and the Board shall then make the committee appointments.

C) The General Manager shall complete, and post on the District's website, a Fair Political Practices Commission Form 806 that identifies all of the current, paid committee appointments. The General Manager shall update and post a new Form 806 on the District's website upon any of the following circumstances: 1) the number of scheduled or estimated committee meetings is changed, 2) there is a change in committee compensation, or 3) there is a change in committee membership.

D) The purpose, scope and duration of each committee shall be established by the Board.

E) Each committee will operate within the purpose and scope defined by the Board. If additional activities appear necessary to the completion of the assigned task, the committee may request additional authorization from the Board.

F) Committees will keep the Board apprised of their activities and make a full report to the Board at regularly scheduled Board meetings.

X. Policy Review

A) This policy shall be reviewed annually by the Board of Directors.

MEMORANDUM

Ref: 18-5997

DATE: October 25, 2017
 TO: Human Resources Committee
 FROM: Paul J. Bushee, General Manager
 SUBJECT: Amending the Human Resources Policy Manual

RECOMMENDATION:

Staff requests that the Human Resources Committee (HRC) recommend that the Board of Directors:

1. Adopt Resolution No. 2292 amending the Human Resources Policy Manual (HRMP).
2. Discuss and provide direction as appropriate.

BACKGROUND:

LWD's original HRPM was adopted by the Board of Directors in April 2001 and it was last updated on January 14, 2015 with major revisions to comply with applicable federal and state laws.

DISCUSSION:

The District has an Annual Sick Leave Payoff program and it is defined in Section 10.3 (G) in the District's HRMP. Staff recently learned that our procedures and the HRPM's language that defines its Sick Leave Payoff program did not comply with current IRS regulations. Therefore, staff has revised this section of the policy in order to follow IRS regulations. Staff will provide a summary of the Sick Leave Payoff program changes at the upcoming meeting.

Simultaneously, staff reviewed the HRMP in its entirety and made minor clerical revisions throughout the policy. Below please find a summary of the HRPM's revisions:

Section 3 - General Employment Practices

- Various minor changes were made to improve clarity and correct grammatical spelling and format inconsistencies throughout section 3.

Section 8 - Compensation

Section 8.4: Retirement Plan – Revised the retirement plan name to California Public Employees Retirement System (CalPERS).

Section 10 - Leave of Absence

Section 10.2 (C): Vacation Pay - Clarifies current payment procedures upon termination.

Section 10.3 (B)(G): Sick Leave – reduces employee's maximum hours of sick leave and updates language to comply with current IRS regulations.

Section 10.4: Sick Leave Sharing – revises employee's titles and clarifies current procedures.

Section 10.12: Family and Medical Leave of Absence - various minor changes were made to improve clarity and format inconsistencies.

Sections 10.13: Military Spouse Leave-This section was removed in its entirety.

Section 10.15: Civil Air Patrol Leave- This section was removed in its entirety.

The HRPM has been reviewed by the District's General Counsel and has approved the proposed HRPM.

The proposed Resolution No. 2292 which amends the HRPM is provided as Attachment 1 and contains the full strikeout text of the proposed HRPM as an enclosure.

Therefore, staff requests that the HRC recommend that the Board of Directors adopt Resolution No. 2292 amending the HRPM, or provide direction as appropriate.

th:PJB

Attachment
Enclosure

ATTACHMENT 1
RESOLUTION NO. 2292

RESOLUTION NO. 2292

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE LEUCADIA WASTEWATER DISTRICT
ADOPTING THE AMENDED HUMAN RESOURCES POLICY MANUAL

Whereas, the Leucadia Wastewater District (LWD) Board of Directors originally adopted LWD's Human Resources Policy Manual in April 2001; and,

Whereas, the Human Resources Policy Manual was last updated on January 14, 2015; and

Whereas, the Board of Directors desire to amend the Human Resources Policy Manual to reflect changes in applicable federal and state laws, as well as organizational policies.

NOW, THEREFORE, it is hereby resolved as follows:

1. The LWD Board of Directors adopts the amended LWD Human Resources Policy Manual attached hereto as Exhibit "A" and directs that it be implemented consistent with all applicable laws and related District policies.

Passed and Adopted by the Board of Directors of the Leucadia Wastewater District this 8th day of November 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:


Judy Hanson, President

Attest:

Paul J. Bushee, Secretary /Manager

MEMORANDUM

Ref: 18-5998

Date: October 25, 2017
To: Human Resources Committee
From: Paul J. Bushee, General Manager 
Subject: Evaluate the Need for a Compensation Study

RECOMMENDATION

Staff requests that the Human Resources Committee:

- 1) Discuss and take other action as appropriate.

BACKGROUND

Tactical Goal: People / Evaluate the Need for a Compensation Study

During the Budget Workshop last May, the Board of Directors discussed the need to conduct a new compensation study for Leucadia Wastewater District (LWD) employees. As a result, the Board directed staff to move forward with the budget as presented and referred the discussion of the compensation study to the Human Resources Committee (HRC) during Fiscal Year 2018 (FY18). Staff subsequently included this item in the FY18 Tactics & Action Plan and it will be presented to the HRC for discussion at the upcoming meeting.

To provide some background, LWD last conducted a compensation study in the spring of 2008. The study was prompted by an employee satisfaction survey where a number of employees expressed concerns with LWD compensation at that time. LWD contracted with Rewards Strategy Group (RSG) to conduct the study.

RSG developed a compensation program that compared LWD salaries to 18 other similar organizations. As part of the process, RSG reviewed job descriptions for LWD and the 18 organizations and developed comparable positions for each of LWD's job classifications. The study also proposed a compensation target of 10% above the average for each LWD classification. The Board of Directors reviewed and approved the proposed compensation program in May 2008.

DISCUSSION:

Staff annually performs a salary survey using the same organizations and job comparisons approved by the Board of Directors in 2008. Please note that from time to time that the comparison agencies have reclassified or changed the name of some of the original job classifications. In these instances, staff does review the job descriptions to determine the appropriate comparable job classification. Based on the salary survey information, LWD has adjusted the salary ranges of each job classification to stay in-line with the compensation target of 10% above the average.

I believe this has been a very effective tool at recruiting and retaining the best possible employees and LWD's overall performance has improved as a result. That said, it has been nine years since LWD has conducted a compensation study and some agencies have reclassified and/or changed the names of the original job classifications. In addition, the District had minor reorganizations during in 2011 and 2016, which has made obtaining and comparing the salary information more challenging.

The question before the HRC, is whether or not to conduct a new compensation study for LWD employees. The estimated cost of the study is \$30,000. Funds were not included in the FY18 Budget for the study. However, LWD may be able to absorb this cost in the existing budget or appropriate new funds if the HRC and the Board decide to move forward.

The information attached has been provided as a starting point for the HRC's discussion of this issue. Staff requests that the HRC review and discuss this information and provide direction, as appropriate.

th:PB