

Minutes

Sacramento Suburban Water District

Special Board Meeting

Friday, December 7, 2018

Call to Order

President Locke called the meeting to order at 9:00 a.m.

Pledge of Allegiance

President Locke led the Pledge of Allegiance.

Roll Call

Directors Present: Craig Locke, Dave Jones, Kathleen McPherson, Kevin Thomas and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Finance Director Dan Bills, Heather Hernandez-Fort, Matt Underwood, Dana Dean, Annette O'Leary, Kerry Smith, Eric Flaa, Kyle Jividen, Raul Palomar, Sarah Dains, Greg Bundesen, Cassie Crittenden, Daryl Vinavong, Rob Roscoe and Legal Counsel Josh Horowitz.

Public Present: William Eubanks and Doug Johnson.

Public Comment

None.

- 1. Resolution No. 18-18 A Resolution of the Board of Directors of the Sacramento Suburban Water District Amending the 2017 and 2018 Salary Band Schedules**
Dan Bills (Mr. Bills) presented the staff report.

Director Thomas moved to approve the staff recommendation; Director Wichert seconded. The motion passed by unanimous vote.

AYES:	Jones, Locke, McPherson, Thomas and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

- 2. 2018 Employee Compensation Study**

General Manager Dan York (GM York) presented the staff report.

Mr. Bills presented the PowerPoint presentation.

Legal Counsel Josh Horowitz (Mr. Horowitz) provided clarification on the California Rule regarding retirement, explaining that under the California Rule, the Board had very little discretion in adjusting pension benefits for current employees. He further explained that the rule was currently under consideration by the state Supreme Court with a ruling expected in the first half of 2019. The Board requested to be kept up to date on status.

Director Wichert pointed out that the Board approved a 4.3% COLA, and requested to have that reflected in the options.

Mr. Bills further explained the two options in the staff report.

Director Wichert inquired how big the salary band was.

Mr. Bills explained that there was a 30% differential for salaried employees, and a 20% differential for non-salaried employees, that is 30% or 20% below the maximum salary band limit.

Discussion ensued regarding the salary bands.

William Eubanks (Mr. Eubanks) inquired what the Board was trying to accomplish.

Director Jones expressed he wanted to be competitive in the marketplace.

GM York explained that he also would like to be competitive and expressed that his job was to place the best person in the position and to be able to retain them. He further explained that if something isn't done, we might lose valuable staff and/or not attract experienced new hires, and he explained that his goal was to make the District operate at the best level possible.

Mr. Eubanks supported GM York and further expressed that the District has overcome large obstacles in the past, and the Board just needed to decide what issue they wanted to solve and take it one step at a time. He additionally urged the Board to take care of their employees.

President Locke moved to accept Option 1, modified to provide \$510,000 plus \$24,000, for a total of \$534,000 for the General Manager to adjust the salary bands that will give the District a competitive advantages, as well as accept the compensation study and requested to bring the retirement benefits back in March 2019.

Director Wichert clarified that at last month's regular Board meeting, the Board approved to place salaries between the 50th and 62.5 percentile of market in the policy, and that the Board was currently voting on taking the 62.5 percentile for 2019.

President Locke did not agree with limiting the General Manager to the 62.5 percentile, as he believed the General Manager should have the latitude to make decisions on the positions that are more competitive to attract in the market.

Director McPherson expressed that she believed that option 1 of the staff recommendations was fair and reasonable, and noted that it took a while for the Board to fully understand the position of the staff.

Director Jones seconded President Locke’s motion.

Assistant General Manager Mike Huot (AGM Huot) clarified the motion was to approve Option 1, with the 62.5 salary bands, with a \$535,000 authority for the General Manager to adjust as he saw fit.

President Locke agreed, the motion passed by a 4/1 vote.

AYES:	Jones, Locke, McPherson and Thomas.	ABSTAINED:	
NOES:	Wichert.	RECUSED:	
ABSENT:			

Closed Session (Closed Session Items are not opened to the public)

The Board convened in Closed Session at 9:55 a.m. to discuss the following:

- 3. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving one case.
- 4. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(d)(4); potential for litigation involving the State Water Resources Control Board’s proceedings related to the California Water Fix and the Bay Delta Water Quality Control Plan Update.

Return to Open Session

The Board convened in open session at 10:41 a.m. There was no reportable action.

Adjournment

President Locke adjourned the meeting at 10:42 a.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District