



BEAUMONT-CHERRY VALLEY WATER DISTRICT AGENDA
560 Magnolia Avenue, Beaumont, CA 92223

MINUTES OF THE PERSONNEL COMMITTEE SPECIAL MEETING
Monday, June 1, 2020 at 5:30 p.m.

***Meeting held via teleconference pursuant to
California Government Code Section 54950 et. seq. and
California Governor's Executive Orders N-29-20 and N-33-20***

CALL TO ORDER

Chair Covington called the meeting to order at 5:31 p.m.

Announcement of Teleconference Participation

Director of Finance and Administration Yolanda Rodriguez clarified that this meeting is conducted via teleconference pursuant to California Government Code Section 54953, and under Executive Order N-29-20 and N-33-20 of the Governor of California.

The teleconference capabilities of this meeting have been identified in the Notice and Agenda for this meeting, pursuant to the Brown Act and the Governor's Executive Order. Under the Governor's Executive Order and the Gathering Guidelines of the California Department of Health due to the danger of COVID-19, the teleconference locations are not publicly accessible. The public's right to comment and participate in the meeting is being assured via teleconference capabilities.

The Beaumont-Cherry Valley Water District (BCVWD) will use sound discretion and make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to meetings.

Attendance

<i>Directors present:</i>	<i>Ramirez, Covington</i>
<i>Directors absent:</i>	<i>None.</i>
<i>Staff present:</i>	<i>General Manager Dan Jagers; Director of Finance and Administrative Services Yolanda Rodriguez, Human Resources Coordinator Sabrina Foley, Assistant Director of Operations James Bean, Administrative Assistant Erica Gonzales, Field Superintendent Knute Dahlstrom, Crew Leader Michael Morales, Accountant III Lorena Lopez, Production Maintenance II Joe Haggin</i>
<i>BCVWD Employee Association reps:</i>	<i>Erica Gonzales</i>

Director of Finance and Administration Yolanda Rodriguez verified that all members of the Personnel Committee and staff have indicated that they are able to hear the other directors clearly on the teleconference. No committee members or staff expressed any reason to believe, based on voice recognition or otherwise, that those persons representing themselves to be committee members are not truly so.

PUBLIC INPUT: *None.*

ACTION ITEMS

1. Adjustments to the Agenda:

Chair Covington advised that he intends to table Item 4.

2. Approval of the March 30, 2020 Special Meeting minutes

The Committee accepted the minutes of the Personnel Committee meeting.

3. Update on action related to Employee Benefits

Human Resources Coordinator Sabrina Foley presented the health benefit cost detail as requested by the Committee. She pointed out the 2020 costs of the District-provided health plans and enrollment overview.

Chair Covington recalled that this topic arose during discussion of the FY 2020 budget and noted that the Board of Directors was unaware of existing costs for employee medical benefits.

Chair Covington invited public comments. There were none.

General Manager Jagers advised this information is important in order to gain perspective on ongoing negotiations of the employee Memorandum of Understanding and undertake a salary survey in 2021. Chair Covington added that there are ancillary benefits that employees requested which are not District-paid.

Director Ramirez said he appreciates the information and looks forward to discussion at the end of the year.

4. Update and Direction related to Director Benefits

- a. Health coverage for Directors
- b. Medical reimbursement program
- c. Proposed Resolution 2020-___: Fixing the Employer's Contribution Under the Public Employees Medical and Hospital Care Act (PEMHCA) with Respect to Non-CalPERS Elected Directors

Chair Covington tabled this item and indicated it should return in October.

5. Employee Uniforms as Special Compensation

Chair Covington invited public comments. There were none.

General Manager Jaggars explained the intent is to bring the District into compliance with CalPERS requirements.

Ms. Foley explained this item is for informational purposes for the Committee and for the Employee Association. She explained that a notice was received from CalPERS reminding employers that a uniform allowance is a reportable (PERSable) item for special compensation for classic CalPERS members. She presented detail of the requirement and included items.

BCVWD has 19 classic CalPERS members, eight of whom receive uniforms that are qualifying under the definition of Special Uniforms for Personal Attire, Foley noted. She advised that an update will be necessary to the District's Policies and Procedures Manual section 32 and will be presented at a future Personnel Committee meeting.

The financial impact is estimated to be \$375 per year in higher reportable income which fractionally increases the compensation for which employees may be eligible, as related to CalPERS upon retirement. District contributions may vary slightly based on that increased compensation. Foley indicated she does not believe this will affect an employee's W-2 but would affect what is reported to CalPERS as income.

She advised that action to be taken includes amending the Employee Association MOU to include the definitions of uniforms as an employee benefit for CalPERS Classic members, amendment of the Policies and Procedures Manual, adjustment of reportable compensation to CalPERS, and addition of retroactive adjustments as needed to the date of discovery (2019).

In response to Chair Covington, Ms. Foley explained that this reporting was previously required by CalPERS, but the definition was vague, so this clarification was provided via Circular Letter.

Director Ramirez asked if any costs to the District would be incurred. Ms. Foley indicated this may affect employer contributions to CalPERS based on the increased amount. It is difficult to determine the impact without individual analysis. The District's accounting department will determine any retroactive corrections to be made but there should not be a substantial impact, Foley said. In response to Director Ramirez, Ms. Foley advised there is no requirement for the contributions to go to the Board for approval, but this will also involve an update to the MOU as required by CalPERS when it is up for renegotiation, she said.

Director Ramirez asked about specific financial impacts and requested the information prior to the start of the MOU negotiations. Ms. Rodriguez indicated this could be done once the amount is determined.

Mr. Jaggars reiterated that this will trigger an update to the Personnel Policies and Procedures Manual which will be taken to the full Board for final approval.

In response to Chair Covington, Mr. Jaggars clarified that more than eight field staff members wear uniforms, but the CalPERS PEPRAs are not included. Additionally, Jaggars noted, if the District purchases polo shirts for combined professional appearance, that also falls into the reportable category.

Chair Covington acknowledged this is not a large fiscal impact and concurred with Director Ramirez that this should be vetted before the MOU negotiation. Ms. Foley directed attention to the staff report attachment detailing reportable uniform estimates.

In response to Chair Covington, Ms. Foley noted this will be an ongoing adjustment and corrections will be made as the District is able to do so. She recommended that accounting and payroll apply corrections as soon as possible in order to have a good understanding of any impact moving forward to next year's budget. Ms. Foley confirmed the expiration date of the current MOU is December 31, 2021.

Ms. Gonzales, representing the Employee Association, indicated she will discuss with the other representatives to ensure communication to the field staff. Mr. Jagers stated that the Circular Letter requires the District to report this and the clarification from CalPERS is part of the full salary compensation package that is analyzed as a post-retirement benefit activity. The District will continue to analyze the cost and report. How this adds to the total benefit package for the employee, and how that might be considered, is what will be discussed moving forward, Jagers noted, along with the proper policy and procedures. In response to Chair Covington, Mr. Jagers clarified that the District has not been paying this but will be doing so.

6. District Residences and Emergency Facility Policy and properties

Chair Covington invited public comments. There were none.

Director of Finance and Administrative Services Yolanda Rodriguez explained that this is an update on District-owned housing and there is no staff recommendation. She gave background on the acquisition of properties and residential dwellings. Employees have been installed at these residences primarily to provide security, maintenance and emergency needs, she noted, and pointed out the District Residences and Facility Emergency Policy adopted in 2009.

Ms. Rodriguez shared BCVWD rental agreements and advised that the District currently owns four dwellings: three on Oak Glen Road and one on Avenida Miravilla. She explained a cost analysis of maintenance activities for the Avenida Miravilla house and explained that the tenants pay \$200 per month and are provided with water. Tenants reimburse the District for propane, sanitation and electricity.

Ms. Rodriguez pointed to the sample rental agreements. Mr. Jagers noted that the District Residences and Emergency Facility Policy should be updated. All four employees who reside in the District-owned residences are in attendance in case the Personnel Committee has questions about duties and responsibilities.

Chair Covington agreed that changes to the policy are needed and asked whether the policy is included in the District's Policies and Procedures Manual. Mr. Jagers advised it is not, and it appears that based on review of files, it appears that this policy was crafted in 2009 in response to the Grand Jury investigation. The files show that it was transmitted to the Grand Jury and it is presumed that the Board approved it, although no definitive record was found.

Chair Covington asked if minutes of the March 11, 2009 Board meeting were available and said it would be good to see the level of discussion. Mr. Jagers indicated the minutes are available.

Chair Covington pointed out that the policy and the rental agreement should come together, but they do not. The purpose is to identify the responsibility of the tenant which is usually an employee. In the future, Covington suggested, there may not be an employee who wishes to reside in one of the residences, and there should be provisions for that. It is critically important to have the residences on the property and more critical to have District staff in them, Covington stated. He recalled that in the 1990s, the houses off Oak Glan and Wildwood were staffed by Cal Fire employees, not water district employees.

The rental agreements and policy need to work together, Covington noted and pointed to the sample policies to spell out the responsibilities of the parties in order to protect the employee in the District-owned residence. He stated that input from the employees who live in the houses will be important but cannot drive the process; it must be objective.

Director Ramirez thanked staff members who have been caring for the canyon while living in the District-owned properties. He said he believes there is great benefit to having them there and in keeping the canyon consistently maintained, which is a high priority.

Ramirez suggested continuing looking through the rental agreements to assure they are fair and provide the best coverage for the District and for staff. He said he needs more time to digest the information presented but said he thinks this is moving in the right direction.

Mr. Jagers suggested it may be worthwhile to have District legal counsel look at the agreements. He noted the monthly payment of \$200 should be reviewed; the intent was to accrue monies to pay for maintenance of the residence. A financial assessment and review of maintenance items should be done to assure that the employee residing in the District-owned residence has a well-maintained facility and the District maintains its investment in the properties. Jagers also suggested an annual home inspection.

Chair Covington indicated that neither the policy nor the rental agreement appear to provide a level of order and protection for the District or the employee. One issue is that the District collects only \$2,400 per year for major renovation, and the funds disappear at the end of the year, Covington noted. Two of the houses appear to be lacking maintenance which should be done by the District, he pointed out.

Covington advised that when he was working for BCVWD, the District-owned houses became an issue, and the District needs to assure the purpose of the rentals is reasonable and clear.

Chair Covington invited comments from the employees. Mr. Bean, Mr. Morales, Mr. Haggin, and Mr. Dahlstrom indicated no comment at this time.

Mr. Jagers clarified direction to review and make recommendations to update the policy and rental agreement to reflect the current situation and remain transparent. Included would be minimum obligations and activities of the District and the employees as well as analyzing costs of maintenance and the appropriateness of the monthly \$200 for maintenance, he said. Jagers also suggested creating schedules of activities, checklists and inspections so that properties are well maintained, and employee occupant lists are current, and legal counsel review.

Chair Covington called for clarity and assurance that the employees in residence understand their obligations, and to bring the policy current. He said the District-owned homes must be well taken care of like any assets of the District. There should be some changes to how this is addressed, and the obligations must be fully understood,

Covington said. Mr. Jagers said he has not yet worked with staff at the residences to document their efforts such as maintenance. Covington indicated that the 2021 budget should show the monies that come in from the rentals as restricted funds and noted that \$2,400 per year is not sufficient to cover potential costs such as damage or roofing. Ms. Rodriguez indicated this accounting would be easy to do; it would be a Board-designated restricted fund. She noted that the policy indicates the monies collected are to accrue to pay for major maintenance.

7. Report from Human Resources Department

Ms. Foley presented the report for the period of March 26 through May 25, 2020. She noted several significant employee work anniversaries.

Ms. Foley detailed the focus of Human Resources on employee communication related the COVID-19 emergency and resulting changes.

Additionally, HR has been contributing to draft Return-to-Work procedures, protocols, and best practices, Foley continued.

Chair Covington acknowledged there is a lot going on and indicated appreciation. He said he would share information from Sacramento on return-to-work. He requested to be included in distribution of the monthly calendar of events.

8. Action List for Future Meetings

- Employee Association topics
Ms. Gonzales reported that the Employee Association had brought forth some issues that were resolved internally and did not require Committee participation.
- Policy manual updates
In response to Chair Covington, Ms. Rodriguez noted that the project is ongoing. Progress has slowed in the last couple of months due to COVID-19, but this is still a priority, she advised. Mr. Jagers advised that staff has significantly reviewed the cross-connection policy and a draft is in front of legal counsel; and other policies are under review. Ms. Foley explained that she intends to introduce a reorganization of policies and update of the document format.

9. Next Meeting Date:

Chair Covington called a special meeting for Monday, July 27, 2020 at 5:30 p.m.

ADJOURNMENT: 6:51 p.m.

Attest:



John Covington, Chairman
to the Personnel Committee of the Beaumont-Cherry Valley Water District