



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

MINUTES OF THE PERSONNEL COMMITTEE MEETING
Monday, March 22, 2021 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 5:33 p.m.

Announcement of Teleconference Participation

Director of Finance and Administrative Services 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 Field Superintendent Knute Dahlstrom Crew Leader Mike Morales Water Utility I Jeremy McCarty Administrative Assistant Lynda Kerney</i>
<i>BCVWD Employee Association reps:</i>	<i>Erica Gonzales Dustin Smith Julian Herrera</i>

Director of Finance and Administrative Services 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: None.
2. Approval of the February 22, 2021 Meeting minutes

The Committee accepted the minutes of the February 22, 2021 Personnel Committee meetings by unanimous vote.

MOVED: Ramirez	SECONDED: Covington	APPROVED
AYES:	Covington, Ramirez	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	None.	

3. Update on the status of the Memorandum of Understanding (MOU) with the Employee Association

Ms. Foley reminded the Committee that the current MOU is approved through December 31, 2021 and the General Manager is the Chief Negotiator for the District as established in the GM's employment agreement. This is the pre-bargaining stage and negotiations have not yet commenced, she advised.

Ms. Foley noted that a Request For Proposals has been published for the Classification Study and bids are due April 26. A separate RFP will be sent out for a Compensation Survey, she said. In addition, analysis will be conducted on both financial and human resources levels, she said. Once the information is compiled, there will be a Closed Session presentation to the full Board.

In response to Chair Covington, Ms. Foley assured that the Classification Study and Compensation Survey had been budgeted and explained that the Classification Study must be completed first.

Director Ramirez said he appreciated that this was moving forward. GM Jagers added that the Board made a commitment to the employees at the last MOU negotiation to do the studies again and to assure that the work is done by an outside entity to assure fairness and transparency.

Chair Covington invited public comment and comment from the employees. There were no comments.

4. Policies and Procedures Manual updates / revisions

Human Resources Coordinator Sabrina Foley presented Section 2000 proposed policies contrasted with current policies, including a new policy "Whistleblower Protection." She noted they have been approved by legal counsel, who recommended that the current Affirmative Action policy be replaced by the Equal Opportunity Policy.

Ms. Foley introduced the Policy Tracking worksheet and explained the re-arrangement of policy locations within the manual. She detailed revisions to the policies on Equal Opportunity, Access to Personnel Records, Harassment, and Sexual Harassment, and explained the new Whistleblower Protection Policy as recommended by legal counsel.

Ms. Foley responded to Committee member questions. Chair Covington commented on the refresh of the Harassment Policy to include additional protected classes. Director Ramirez asked about protections from false allegations. Ms. Foley explained that procedures include the right of the accused to issue a statement during an investigation, and the policy prevents any type of retaliation against the reporting party. Any situation may be referred to legal counsel, she noted.

Chair Covington concluded that the Committee has now reviewed enough policy items to move forward a package to the full Board.

Chair Covington moved acceptance of proposed Policy Section 2000 to the full Board of Directors for consideration of approval.

MOVED: Ramirez	SECONDED: Covington	APPROVED
AYES:	Covington, Ramirez	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	None.	

General Manager Jagers pointed out that the Table of Contents works well and provides a great road map.

Chair Covington invited public comment. There was none.

5. Status of Implementation of HR Dynamics Recommendations from the Human Resources Assessment of 2019

Human Resources Coordinator Sabrina Foley explained background on the assessment which provided 208 recommendations of varying complexity for the human resources function. It was estimated the implementation of the recommendations would take five years, she said. The Board had recently recommended an update be presented to the Personnel Committee, she said.

The 208 recommendations were organized by category and priority level, she advised. Some are dependent on completion of other tasks such as the Classification Study, Foley continued. So far, the District has implemented 129 of the recommendations (62 percent) and implementation of the entire list is on track for the five-year timeline in 2024, she reported. There is no fiscal impact yet, she noted.

Chair Covington acknowledged the 62 percent completion. Director Ramirez pointed out that it has been an overall positive experience having HR Dynamics and said it is healthy to continue to vet the policies through the Personnel Committee.

6. Report from Human Resources Department

Ms. Foley reviewed the report. She noted that a temporary customer service position was hired for the AMR/AMI project, and one employee was promoted.

Ms. Foley noted that Engineering Week was celebrated last month, and a newsletter was sent to staff. She briefed the Committee on current legislative action.

Chair Covington invited comment. There was none.

Items 7 and 8 were taken out of order.

7. Report / Update from BCVWD Employees Association

Production Maintenance II Dustin Smith advised that the employee group had compiled three options for requested changes to the Incentive Policy and was submitted to the employees for vote. Not all responses were received by the Monday deadline to be shared at this meeting, he stated. Whichever option receives the majority vote will be submitted, he said.

Mr. Jaggars explained the procedure for requested changes to the Memorandum of Understanding (MOU) and said he appreciated the early action. Ms. Foley added that the negotiations meetings will not be public meetings, but concerns may be brought to the Personnel Committee and will be matters of public record. The Personnel Committee may make recommendations to the full Board, she continued, and encouraged the employee group to continue to do the pre-negotiation work.

Chair Covington suggested communicating the process to the employee representatives to ensure understanding.

Ms. Erica Gonzales advised that the Association is continuing to perform due diligence and has a list of concerns from the employees.

8. District Residences and Emergency Facility Policy and Properties

- a. District Residences and Emergency Facility Policy revision
- b. Draft Occupancy and Employment Agreement
- c. Cost analysis
- d. Sample Scope of Work

General Manager Jaggars provided a summary of discussion and noted that the two remaining issues are the market value of the houses and the benefit of having employees living there, and whether water service should be provided or charged to the employee-occupant.

Mr. Jaggars said he examined 2021 water utility costs and detailed the analysis for the Committee. Indoor use at equivalent residential units is provided in a table in the staff report and totals \$26.07 per month, he explained. The total includes 16 ccf of consumption, the meter cost, SCE pass-through cost, and imported water pass-through cost, Jaggars explained.

Chair Covington directed the discussion to the Scope of Work (SOW) and the baseline value of the work and formula for determining the value of the work. He reminded the Committee that the previous analysis of comparable rentals to determine the rental value of a residence was done in September 2020 and is now six months old. He noted that the value of the Scope of Work would be deducted from the baseline to determine the monthly maintenance fee to be contributed by the employee-occupant. Chair Covington recommended that staff bring back current data on like parcels to determine a baseline rental value of the District-owned residences.

Mr. Jagers pointed to the estimates for the work that could be done by the employee-occupants. Each employee-occupant would have a different function in the SOW, tailored to their capabilities. He shared an example of a Call-Out Log showing typical work activities that transpired, noting that employees had responded to a building flooding and made repairs, and escorted trespassers from the Well 6 site.

Chair Covington pointed out that if an employee-occupant moves out, there would be no one to cover the SOW. He posited that the SOW is to ensure the security of the canyon and make sure that the District's facilities are not vandalized. Jagers explained the security components and gave further examples of activities such as addressing / clearing illegal dumping, and starting and stopping of wells over the weekend. The SOW would include activities specific to facilities in the canyon and the latent and active security measures, he said.

Crew Leader Mike Morales advised that it was employees who alerted the fire department to the recent forest fires and General Manager Jagers added that employees residing in the District residences and field staff have provided proactive response. Chair Covington redirected discussion to the SOW of routine maintenance events. He pointed out that the Board of Directors does not fully understand what the employee-occupants are addressing on a day-to-day basis and needs to hear about that to help define their roles and their duties as employee-occupants of the District homes.

Chair Covington emphasized the need for the SOW and comparable rentals as a baseline. He reiterated that use of employees' fully-burdened rates in the formula includes all benefits, and suggested that may be double-dipping and only an hourly rate should be used in the analysis. Covington suggested that the Committee should be looking at a percentile of the base fair market rent of the house contrasted with the SOW, such as 60-40. He acknowledged that it would be difficult to include all activity detail in a SOW and the employee-occupants are likely doing more. He acknowledged that the Committee has been discussing this for a long time, and it is down to the money part of the issue.

In response to Director Ramirez, Chair Covington indicated that he would like to continue discussion at the next meeting as there is not yet a SOW available and the analysis data is six months old. He said he would like to assure the most current information is taken to the Board.

General Manager Jagers explained there are three components to the SOW with active and passive activities. Every employee-occupant provides a passive security measure by their presence on site, and active security measure by monitoring and making contacts, he said. Active measures include cleaning up of trash, and work-related activities. He shared additional items from the Call-Out Log to demonstrate value that is difficult to quantify in a way that is reportable to the Board and acceptable to the Personnel Committee.

Chair Covington agreed there are too many variables and said it may not be possible to tie a number to it and quantify. He stated that he wants to see a SOW with what duties employees are doing on a regular basis, excluding "fluff," that will lead the Board to determine that the amount of rent at the District-owned residences should be reduced. Mr. Jagers reiterated security and operations; Chair Covington requested other categories of activities that occur on a regular basis.

Mr. Smith asked what the recourse would be if the employee-occupant was not performing the duties in the SOW. Chair Covington indicated that has been one of his concerns. Mr. Jagers answered that it would be under the purview of management; Covington concurred and said there must be a check and balance and a tracking mechanism.

Mr. Jagers reminded the Committee that a goal is not to create a taxable fringe benefit; that this is about value of the employee-occupants. He advised that there is a number determined for operations and maintenance costs as part of the equation of what monthly maintenance fee is reasonably collectible. From there, the determination is what is fair and reasonable to be traded for duties and activities, he said. He discussed the dynamic situations and difficulty quantifying the passive and active security activities, and the operations activities.

Director Ramirez said he appreciated the value assigned to the employee-occupants but acknowledged the potential viewpoint of the public that they are also doing their part, but their water charges are not being reduced. He said the employee-occupants are providing service but questioned if the service is worth the discounted rent and asked what is really fair for everyone.

Mr. Jagers indicated he understood. He contrasted the security activities of the employee-occupants to the cost of private security for the properties. Whether quantified generally or specifically, the work is still taking place, Jagers said. He requested a defined path forward on the outstanding water charge issue and the monthly maintenance fee issue.

Production Maintenance II Dustin Smith suggested installing water meters on the residences to monitor use and calculate water losses. Mr. Jagers agreed the houses would be metered. He noted the need for policy determinations of whether and how much to charge the employee-occupants for water. Mr. Smith suggested that if it is decided not to charge for outdoor use, the irrigation could be tied in before the meter.

In response to Chair Covington, Mr. Jagers indicated that he understood action items moving forward were to update the comparable rentals data, and produce a SOW, but advised that as directed, there is no way to quantify some activities. Covington directed Mr. Jagers to do his best to tie a number to the activity. Covington further directed staff to use costs of unarmed private security for comparison and clarified that his suggestion of a 60-40 percentage was a hypothetical.

Covington acknowledged the concern of Mr. Smith and said there should be a way to assure the work is being done, such as submission of a monthly activity log, and consequences if work is not performed. Mr. Jagers added that there is value that is subjective and hard to quantify.

Chair Covington noted that this is an effort to correct 20 years of bad policy and may not hit every mark. If the Board approves the policy, Covington continued, a commitment can be made that the policy will be reviewed in 12 months and adjustments made to things that are not working. Jagers suggested an audit at the six month and 12-month interval to determine how it is working.

Chair Covington emphasized a commitment to the employee-occupants to turn the District residences into livable domiciles and opined that the houses are not currently so. There must be a funding mechanism to keep those houses in repair or they will deteriorate, which is where all this started, he said. He said he had requested of Finance staff to earmark and carry over the funds collected to make the needed improvements on the residences. Ms. Rodriguez assured Covington that his request is being implemented and a fund balance is being established.

Chair Covington invited comment. There was none.

9. Action List for Future Meetings

- *Employee Association topics (none added)*
- *Policy manual updates (ongoing)*
- *Safety updates and improvements, and new procedures*
- *Workshop/Training options for staff and/or management to provide certification*

10. Next Meeting Date:

Monday, April 19, 2021 at 5:30 p.m.

ADJOURNMENT: 7:31 p.m.

Attest:



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