

1. CALL TO ORDER

Chair Yasutake called the meeting of the Executive Committee to order at 8:00 a.m. Individuals in attendance are listed below:

Executive Committee Members

Marcus Yasutake, City of Folsom
Debra Sedwick, Del Paso Manor Water District
Paul Schubert, Golden State Water Company
Robert Dugan, Placer County Water Agency
Kerry Schmitz, Sacramento County Water Agency
Dan York, Sacramento Suburban Water District
Pam Tobin, San Juan Water District

Staff Members

John Woodling, Nancy Marrier and Cecilia Partridge

Others in Attendance

Kelye McKinney, Charles Duncan and Matt Wheeler

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held June 27, 2018.

Motion/Second/Carried (M/S/C) Ms. Sedwick moved, with a second by Mr. Dugan, to approve the minutes from the June 27, 2018 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present.

4. UPDATE OF POLICY 400.2 EMPLOYEE COMPENSATION

John Woodling, Executive Director, said that RWA conducted a compensation survey in 2017, which was approved by the Executive Committee consistent with Policy 400.2. Proposed salary schedules derived from the compensation survey were very contentious when considered for approval by the RWA Board. Both the proposed salaries and the methodology of the compensation survey were questioned by a few RWA members. After modification and an additional discussion at the Executive Committee, the salary schedules were approved by the

Board in November 2017. The Executive Committee agreed to revisit Policy 400.2 and consider changes to the process for compensation surveys in the future.

Mr. Woodling gave a review of the 2017 compensation and salary setting process. As a small, professional, management-focused organization, it is the intent of the Authority to provide employee compensation at or above the labor market mean for the industry. The compensation practices of the Authority will be competitive within the industry and geographical area to attract the most qualified candidates and to minimize turnover of its employees. Once the labor budget has been approved, the Executive Director may determine at his or her discretion how to apply any approved increase to each employee's existing salary. The Executive Director shall recommend salary ranges for all employment positions with the Authority, with the exception of the Executive Director position, subject to review and approval by the Board of Directors.

RWA's job classifications and the salary range for each classification are set forth in Exhibit A to Policy 400.2. The Executive Committee will generally conduct a compensation survey at least every five years to ensure that the total compensation offered by the Authority, including salaries, wages and benefits, is consistent with this Policy. The Authority job descriptions have been updated and revised to ensure they are accurate and up to date. The same agencies were surveyed as in 2012 with the salary and benefit data collected for Authority classifications and calculated at the labor market mean and 62.5th percentile.

The data elements include entry and top step salary, PERS pick-up at the latest Classic tier, agency deferred compensation contribution, longevity at year 10 with agency contribution to health, dental and vision with the amount of the employer's cost of CalPERS is paid by the employee, the date and amount of COLA, retirement practices, retiree health benefits and paid leave benefits.

It is beneficial for the Executive Committee to update the policy to show the full board that the Executive Committee is responding to their questions. When presenting to the full board it should be clarified that the Executive Committee makes the decision when to engage a consultant for the purpose of a compensation study and provides the general scope of comparisons. The Executive Director takes the data provided by the consultant and recommends salary ranges and makes employee salary decisions. Compensation presentations to the board should include total compensation of all employee benefits. It was suggested that the Executive Committee agendaize and discuss this every year as a reminder of previous decisions and discussions to attempt to anticipate questions when presented to the full board.

Chair Yasutake reiterated that there were three points that need clarification for the full board: 1) comparison agencies used for the compensation survey; 2) is the 62.5% percentile the correct percentage to use and 3) the comparative classifications. The full board needs to understand the rationale for the data presented, what data is collected and how it is used.

The Executive Director will prepare a new draft presentation for discussion of the RWA compensation policy at the August Executive Committee meeting.

5. SUBCOMMITTEE UPDATES

The Conference Subcommittee is planning an event in spring of 2019 that will cover implementation of new water efficiency legislation. The subcommittee will meet in September to work on planning for the water efficiency event that will focus on the new legislation, the developing regulations and data and an update on where we are as a region. The committee will be looking at venues to accommodate the expected event participation. The Conference Subcommittee is planning a Delta update workshop that will follow the November Board meeting.

The Membership Subcommittee met on July 9th to strategize outreach activities to potential members, associates, and affiliates. The Subcommittee will meet to scale down the action items and focus on who best to make contacts of the agencies seen as high value targets. Mr. Dugan asked to step down as subcommittee chair and requested that Ms. Tobin assume the position of Membership Subcommittee Chair, which she agreed to do. Ms. Tobin and Mr. Greenwood will reach out to Placer Board of Realtors and El Dorado County Board of Realtors to determine their interest in joining RWA as affiliate members.

Mr. Schubert said that in a recent meeting with the City of Rancho Cordova the question was asked if RWA could be involved with educating nurseries about the proper drought resistant turf to recommend for use. The Water Efficiency Program will be asked to determine different conservation friendly alternatives and make the information available online.

6. EXECUTIVE DIRECTOR'S REPORT

John Woodling gave an oral report on legislative issues. The attempt to get the water tax passed through a trailer bill failed and it doesn't seem to be making progress. The goal of AB 2649 is to make it easier for agencies to take surface water to recharge groundwater. Mr. Woodling is chair of the ACWA Groundwater committee. ACWA has a board level policy position that groundwater recharge should be a beneficial use of water. The bill is trying to streamline the permitting process for recharge projects during times of high stream flows and extend the time period for agencies that do put water in the ground to take it back out of storage. It now appears to be essentially a brand new bill written by the State Board that will require many amendments. The Senate Natural Resource and Water Committee directed their staff to review the bill over the summer recess.

SB 998 outlines the discontinuation of residential water service in urban and community water systems. For agencies that have a shut off policy, this bill will be a law without much effect. The City of Sacramento has a shut off policy and their issue is the cost of reconnection. The legislation does not allow for the full recovery of the reconnection costs.

7. DIRECTORS' COMMENTS

Ms. Schmitz reported that Dave Underwood will be a new principal engineer with Sacramento County Water Agency. Mr. Underwood will no longer represent Fair Oaks Water District on the RWA Board of Directors.

Ms. Sedwick thanked staff and Ms. Krotoski for the presentation on OPEB at the last RWA board meeting.

Ms. Tobin said that San Juan Water District is planning an open house on October 6th. The event will include representation from different agencies. Ms. Tobin invited RWA to contact the district for more information on participation.

Chair Yasutake thanked Vice Chair Schubert for chairing the July RWA board meeting for him. Elaine Andersen has been promoted to City Manager for the City of Folsom. Ms. Andersen appointed Jim Francis as Assistant City Manager.

ADJOURNMENT

With no further business to come before the Executive Committee, Chair Yasutake adjourned the meeting at 9:50 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer