



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

*Human Resources/Labor Relations
Committee*

November 17, 2004

MEETING MINUTES

Committee Members

Bruce F. Romer, Chair
David J. Bardin
F. Alexis Roberson
Stephanie Nash

WASA Staff

Jerry N. Johnson, General Manager
Linda R. Manley, Board Secretary
Barbara A. Grier, Human Resources Director
Avis Marie Russell, General Counsel
Otho Milbourne, Benefits Manager
Stephen Cook, Labor Relations Manager

Bruce F. Romer, Chairman, called the Human Resources/Labor Relations Committee (the Committee) to order at approximately 11:00 a.m. At approximately 11:05 a.m., the Committee moved into an executive session to discuss labor relations issues. The open session reconvened at 11:45 a.m.

Otho Milbourne, Benefits Manager, briefed the Committee on the results of the selection process for a vendor to provide record keeping and investment services for the WASA Retirement Plans. Jerry N. Johnson, General Manager, explained that this presentation was provided for the Committee's review and ratification. Mr. Milbourne explained that the selection committee, assisted by Aon Consulting, WASA's Benefits Consultant, reviewed and evaluated eight (8) responses and each firm made an oral presentation to the selection committee. Based on the evaluation of 1) administrative services; 2) investment options and 3) fees, the selection committee recommended entering into final negotiations with Fidelity Investments. Committee member Dave Bardin was concerned that all employees were not participating in the WASA Retirement Plans. Mr. Milbourne explained that only employees hired after October 1987 were eligible to participate in the WASA Plans. WASA employees prior to October 1987 were participants in the Civil Service Retirement System (CSRS). Committee member F. Alexis H. Roberson asked whether the WASA Retirement Plans were better than the District Plan. Ms. Grier stated that WASA contributed up to 10% of the employee's base

pay compared to 5% by District of Columbia. Mr. Johnson stated that WASA's program was enhanced to increase participation in the 457(b) deferred compensation plan. He noted that this was a policy decision made by the Board of Directors.

Ms. Roberson inquired as to whether the plan had lost money. Mr. Johnson stated that any losses were dependent on the investment options exercised by individual employees. He also stated that the investment options are reviewed annually and if respective funds are not performing up to expectations, such funds may be replaced. Mr. Romer acknowledged that staff had fully met their obligations as trustees for the retirement plans and had done a good job. Mr. Romer suggested that as WASA matures, consideration should be given to establishing a Board of Investment Trustees that comprises employees, residents, and retirees. The General Manager accepted the suggestion for action at a future date.

Everette Lallis, Occupational Safety and Health Director, provided an overview of achievement of WASA's Comprehensive Safety Program. Mr. Lallis stated that the success of WASA's safety initiatives is a direct result of the support from the Board and Senior Management and the collaboration and participation of the unions. Mr. Lallis pointed out that there had been a reduction in accidents; lost workdays injuries and motor vehicle accidents. He also emphasized that safety issues are now a part of all design projects as a preventive measure. Mr. Johnson commended Mr. Lallis for developing and maintaining data that would permit the Authority to benchmark its safety performance and achievement against industry standards and similar organizations.

Mr. Bardin requested clarification on the term "combination utilities". Mr. Lallis explained that "combination utilities" refers to organizations with water and gas or water and electric, etc. Mr. Bardin asked for a footnote to be added to the report to clarify such utilities. Mr. Romer asked whether the Washington Suburban Sanitation Commission (WSSC) maintained similar data as WASA. Mr. Lallis acknowledged that WSSC did maintain similar data. Mr. Lallis concluded the report by stating that WASA is starting to reach national safety standards in the utility industry. Mr. Lallis also provided a brief overview of WASA's Safety Day and acknowledged that DC Emergency Management Association and Public Health contributed to the success of the program.

Ms. Roberson asked whether the statistics for the safety report were based on a 100% inspection of all WASA facilities. Mr. Lallis answered yes. She then asked what happens when a facility is cited for a safety violation, how is the issue resolved, and does the responsible supervisor cooperate. Mr. Lallis explained the process and acknowledged that supervisors do cooperate. He emphasized that, if a serious safety issue should occur, a plan is developed by the Safety Department and

appropriate/involved department to resolve the issues. Ms. Roberson questioned the availability of funds to handle safety violations based on past experience. Mr. Johnson assured Ms. Roberson that funding is not an issue when it comes to safety.

Tanya Delon, Manager of Risk Management, provided a briefing to the Committee on the financial aspects of WASA Safety initiatives and workers compensation program. She focused on the 50% reduction in lost workdays and a significant decline in worker's compensation claims from 2002-2004. Mr. Bardin recommended that the safety and risk management information be forwarded to Public Affairs for distribution to the media.

Mr. Bardin requested discussion on three (3) of the questions that he submitted on the Human Resources/Labor Relations Report and Work Plan. The questions focused on customer service recruitment, workforce diversity, and the number of disciplinary actions for FY 2004. Ms. Grier provided responses to Mr. Bardin's questions.

Ms. Roberson inquired as to whether the Authority had responded to the question on personnel files that had been raised by Barbara Milton, President, AFGE Local 631. Ms. Grier stated that the Authority had not responded to the letter. Ms. Roberson requested that the Committee be provide with a copy of the response.

There was no other business.

The meeting was adjourned at 12:45 p.m.