



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

*Human Resources and Labor Relations
Committee*

July 22, 2009

MEETING MINUTES

Committee Members

Anthony H. Griffin, Chair
Keith M. Stone
Kathleen Boucher
Howard C. Gibbs

WASA Staff

Avis Marie Russell, Interim General Manager
Barbara A. Grier, Assistant General Manager
Katrina Wiggins, Human Resources Director
Olu Adebo, Chief Financial Officer
Linda R. Manley, Board Secretary

Board Member

David J. Bardin

Anthony H. Griffin, Chairman, called the meeting to order at 11:05 a.m. The meeting began with a report by Barbara A. Grier, Assistant General Manager, Support Services, on the financial impact of extending the retirement health savings plan and floating holiday. She reported that it would cost \$3,383,000 the first year and \$400,000 each subsequent year to fund the retirement health savings plan. The first year cost is high due primarily because of the conversion of a substantial sick leave balance that under current policy is not a vested benefit. Regarding the floating holiday, Ms. Grier stated the cost would be approximately \$43,000. She noted that there is no additional cost to the Authority for extending the new domestic partner health benefit to the unions.

Howard Gibbs, Committee member, asked whether a retiree medical plan is currently offered to post-1987 retirees. Avis Marie Russell, Interim General Manager, responded that there is no current health retiree benefit for union employees. However, she noted that the health savings plan was offered to the Unions during negotiation but was declined.

Katrina Wiggins, Human Resources Director, provided an overview of the Human Resources Labor Relations Report. She noted four critical managerial positions had

recently been filled. In addition, staff is testing a new applicant tracking program for three months and plans to implement the program fully in October 2009. Ms. Wiggins reported that staff recently participated in the 2nd Annual Latino Outreach Event sponsored by the DC Mayor's Office on Latino Affairs. Finally, she reported that this is the fourth year that the Authority has mailed a "Total Rewards Statement" to employees. The statement highlights the value of an employee's cash, health and welfare, retirement and statutory benefits. Mr. Griffin asked what percentage the Authority pays for fringe benefits. Olu Adebo, Chief Financial Officer, responded that the fringe benefit rate is approximately 24%.

David Bardin, Board member, reminded the Committee that at the last meeting, the General Manager reported that several middle managers would be leaving the Authority in the near future. He asked staff to report on the status of these vacancies. Ms. Russell responded that the Board has requested that the Authority continue recruiting for vacant senior staff positions except that of Chief Engineer.

In reviewing the report, Mr. Griffin noted that there were seven retirements year-to-date. He commented that the unions have asserted that a high number of employees are retiring and inquired as to whether this number of retirements is consistent with previous years. Ms. Grier confirmed that this number is consistent with past years.

Mr. Bardin asked if the Authority has a succession plan and if so, would the Committee place it on the agenda for discussion at a future committee meeting. Ms. Russell responded that the Authority had undertaken a succession planning project that had resulted in recommendations to executive staff. However, no action has yet been taken. She advised that staff will update the Committee at the next meeting.

Mr. Gibbs noted that senior staff recently received training on electronic business communication. He stated that such training is important for all staff. Ms. Russell stated that the Authority offers the training that covers a number of topics including ethics training but does not require certification. Ms. Grier advised that the training will be available to all employees during the fourth quarter and will be offered during new employee orientation.

Mr. Griffin commented that his organization requires employees to take a security test and that failure to do so result in the individual losing his or her computer privileges. In addition, he stated that the logon protocol requires the employee to acknowledge the computer usage policy.

Mr. Bardin inquired about the status of the WASA Reads Program and the remedial reading and math skills training implemented several years ago. He asked that the Committee be provided an update on the program at the next meeting.

Mr. Gibbs asked why the Human Resources Labor Relations Committee report does not include any information regarding safety. Mr. Griffin noted that the Committee is usually provided with an Annual Safety Report. Ms. Grier said that an overview of the Authority's Safety Program is scheduled for the September Committee meeting.

Ms. Russell advised that the Authority continues to update its policies to conform to the recently revised personnel regulations. She stated that there are two provisions that require Board action, severance pay criteria and the legal holiday schedule.

Ms. Wiggins advised that the revised personnel regulations require the Board of Directors to adopt criteria that allows the General Manager to authorize severance pay to full-time nonunion employees who are either voluntarily or involuntarily (not for cause) separated from Authority employment when he/she determines that such payment is in the Authority's best interest. It was proposed that severance be calculated at four weeks pay for each year of service, up to three months for managers and non-managers and up to six months for director-level employees and executives. Staff requested the Committee to recommend adoption by the Board.

Mr. Griffin asked if the Authority had reviewed the severance guidelines of other organizations. Ms. Wiggins responded that such a review had been conducted and the Authority's proposed criteria is comparable. Ms. Russell advised that the proposed criteria are actually consistent with the former regulations that applied to department directors and above. She added that experience had shown that if the Authority had more flexibility in offering such severance, WASA might have been able to avoid some costly litigation.

Kathleen Boucher, Committee member, asked if the amount of severance is tied to the amount of annual leave of an employee. Ms. Wiggins responded that it is not. Ms. Boucher also asked if the severance would be granted to any merit system employees. Ms. Grier indicated that as the severance pay criteria as currently drafted, would cover a small number of non-managers.

Mr. Griffin asked if the granting of severance was automatic. Ms. Grier responded that it was not, that it would be granted solely at the General Manager's discretion, on a case by case basis. Ms. Boucher was concerned that the criteria was not specific, she felt that it could lead to arbitrary results. Mr. Griffin noted that when criteria is too specific it

can remove the necessary flexibility. The Committee agreed to recommend adoption by the Board of Directors.

Ms. Wiggins informed the Committee that the revised Personnel Regulations require the Board of Directors to determine the holidays that are observed by the Authority. The General Manager will establish the schedule of holidays and determine the leave year. Staff requested that the Committee recommend approval by resolution, the eleven legal holidays currently observed by the Authority: New Year's Day; Martin Luther King Jr. Birthday; Presidential Inauguration Day (every 4 years); President's Day; Memorial Day; Independence Day; Labor Day; Columbus Day; Veterans Day; Thanksgiving Day and Christmas Day.

Keith M. Stone, Committee member, asked why the floating holiday was not listed. Ms. Grier indicated that the list included legal holidays and that the floating holiday is actually a paid day off chosen by the employee and is not subject to holiday pay requirements.

Mr. Bardin noted that some of the holidays had specific dates while others did not and asked what, if any, impact it had. Ms. Grier responded that the Authority has traditionally followed the federal government in its recognition of the date that the holiday is observed. She further noted that the General Manager issues the schedule of holidays annually. The Committee agreed to move the recommendation to the Board of Directors for approval.

Mr. Griffin acknowledged that he was absent from the last Committee meeting and thanked Mr. Stone for serving as the acting Chairman. Mr. Stone reminded Mr. Griffin that during the last meeting, the Unions requested a written response to questions posed by them. Mr. Griffin responded that the letter had been signed.

There being no further business, the Committee adjourned at 11:50 a.m.