



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

*Human Resources/Labor Relations
Committee*

September 15, 2004

MEETING MINUTES

Committee Members

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

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 10:45 a.m.

Otho Milbourne, Benefits Manager, informed the Committee of the results of the negotiations of the 2005 health and welfare insurance premiums. The overall increase in the employee and employer annualized premiums is 7.1% or \$254,673 for the medical and dental plans. There is no increase in the MAMSI PPO renewal and a 7.54% in the HMO rate. There was a 15.78% increase in Kaiser Permanente's rate, with minor plan design changes. Delta Dental's rate increased by 8.87%; however, this rate was guaranteed for two years. National Pacific Dental's contract provided for a 6.4% increase. Mr. Milbourne noted that the national trend for increases in health benefits costs is 14.1% for medical insurance, 7.3% for dental PPO's and 5.0% for dental HMO's.

The only voluntary supplemental employee paid benefit with a premium increase is the Cigna voluntary long-term disability plan, with a 5.9% increase. Committee member David Bardin requested information on employee enrollment for each of the medical and dental plans.

Barbara A. Grier, Human Resources Director, presented an overview of the Human

Resources Staff Report. Mr. Bardin requested staff to discontinue the use of color and shading when preparing reports for the Committee. He also requested a status report on hiring for the Water Quality Branch. Mr. Bardin asked the Chairman when would the Committee begin discussions of the human resources issues identified in the Holder Report. Mr. Romer asked the General Manager to provide an update at the next meeting. Committee member Alexis Roberson suggested that staff review the Plato Learning System for the adult literacy program. She indicated that she has had good experience with this product.

Jerry N. Johnson, General Manager, reviewed the provisions of the Employment of Relatives policy with the Committee. Mr. Johnson noted that Authority employees are prohibited from exercising direct or indirect supervisory authority over another employee who is a relative or significant other. The employee is obligated to notify the Authority. In such cases, one employee will be transferred to an equivalent position for which he or she is qualified provided no other employee is displaced. Failure to notify the Authority will result in disciplinary action up to termination. Mr. Romer noted that the Authority's policy is similar to Montgomery County's policy. Mr. Bardin stated that he believes that relatives or significant others in peer relationships should be of concern. Mr. Johnson stated that a peer does not supervisor or evaluate the other employee. He stated that such a policy would be extremely difficult to administer. Committee member Alfonso Cornish pointed out that employment of relatives policies typically address a supervisor-subordinate relationship. Mr. Bardin requested that the form be revised to explicitly state that both direct and indirect supervisory relationships must be reported.

Mr. Johnson presented an oral response to Committee member Lucy Murray's request for a legal opinion and answer to questions regarding the reemployment of Michelle Cowan as the Director of Finance and Budget. Mr. Johnson's responses to the questions are contained in Attachment 1. He stated that WASA does have a conflict of interest policy in the Procurement Policies and Procedures but WASA does not have a conflict of interest policy in the Personnel Policies and Procedures Manual. However, the District of Columbia Water and Sewer Authority Personnel Regulations does have a conflict of interest provision. Mr. Johnson noted that this provision does not address re-employment nor does it prohibit an employee from going to work for a WASA contractor.

Ms. Roberson stated that she was aware that the District of Columbia government prohibits individuals employed in certain senior level positions from being employed by a contractor doing business with the District government and asked that it be researched as to whether this provision applied to the Authority. Mr. Bardin pointed out that the federal government did not prohibit former employees from being employed by a federal contractor but did restrict the individual from working on any engagement with their

former agency. Mr. Bardin stated that the Authority had hired Public Financial Management (PFM) as its financial advisor. Ms. Cowan worked with the contractor to represent the Authority's interest. Upon joining PFM, she remained on the Authority's team, in terms of the Authority's interest, but changed employer. He concluded that based on the circumstances described by Mr. Johnson, there was no conflict. However, he wanted the matter to remain open until after the Committee has been presented with the written legal opinion from the General Counsel, Avis Marie Russell. Mr. Cornish stated that he did not see a conflict of interest problem. Mr. Romer stated that although this has been a rare occurrence in Montgomery County, he was aware of two instances when it was in the best interest of the County to re-employ former employees that were similarly situated as Ms. Cowan. Mr. Johnson stated that he would provide the Committee with the formal legal opinion and the written responses to the questions.

Mr. Romer advised the Committee that he received a letter from Barbara Milton, President, Local 631, in which she alleged that Dr. Michelle Smith-Jefferies, WASA Medical Director, falsified her Curricula Vitae. Ms. Milton requested that the Committee ensure that Dr. Smith-Jefferies is *"ethical and qualified to administer WASA's program and adequately advise WASA regarding medical matters"*. Ms. Grier presented the Committee with an overview of the contract with Providence Hospital Wellness Institute for occupational health services. The contract requires the designation of a Medical Director to oversee the implementation of the Authority's occupational health program. The Medical Director must be a licensed physician certified in occupational or internal medicine.

Ms. Grier explained that in connection with an arbitration hearing held in August 2004, Ms. Milton requested a statement of Dr. Smith-Jefferies' qualifications. Staff provided Ms. Milton with a copy of Dr. Smith-Jefferies' Curricula Vitae, which was submitted to the Authority on February 21, 2003 as a part of Providence Hospital's technical proposal. Ms. Milton largely based her allegations on dated information contained in the Curricula Vitae. Ms. Grier reported that Ms. Milton's allegations were unfounded. Attachment 2 contains the specific responses to the allegations.

Mr. Johnson stated that he was disappointed with the union leadership for attacking Dr. Smith-Jefferies' credentials, which are outstanding, in an attempt to influence the outcome of the arbitration. He stated that it is not Dr. Smith-Jefferies' ethics that should be questioned. Mr. Johnson apologized to Dr. Smith-Jefferies for any inconvenience. Committee member Cornish also apologized to Dr. Smith-Jefferies on behalf of the Committee. He stated that Dr. Smith-Jefferies' credentials as indicated in her Curricula Vitae were impressive and beyond reproach. Dr. Smith-Jefferies and her attorney, Hugh Farrell, were present.

Ms. Grier presented a summary of the Reduction-In-Force (RIF) process. In addition, she provided an overview of the reorganization in the Materiel Management Branch. Ms. Grier noted the reorganization resulted in the reduction in headcount from 20 to 17. However, only one employee was separated under the reduction-in-force procedures. She noted that this employee failed to apply for any new positions in the branch or for vacancies elsewhere in the Authority. Ms. Roberson requested information on the number of employees that were separated as a result of reorganization.

Stephen Cook, Labor Manager, provided an update on the unit modification hearing. He stated that the Authority has completed presenting its case. The unions are scheduled to present their case on October 18, 2004 through October 20, 2004. He also advised the Committee that the General Manager received notice from AFSCME Local 2091 formally withdrawing from the proceeding. Mr. Cook reported that a letter had been received from John Gage, AFGE National President, requesting that all dues collected from AFGE Local 872 be forwarded directly to the national office. Mr. Gage indicated that this action is the result of Local 872 failing to pay the per capita tax per the AFGE constitution.

Mr. Romer noted that staff provided an update of the Committee's work plan. He stated that the work plan would be discussed at the next Committee meeting. Mr. Johnson distributed several safety and workers' compensation charts showing a decline in claims and lost workdays injuries. He stated that Everett Lallis, Occupation Health and Safety Director, and Tanya De Leon, Risk Manager, would provide detailed reports at the next meeting.

There was no other business.

The meeting was adjourned at 12:35 p.m.