

RE: PERSONNEL RELATED MATTERS
DISCUSS

The Chief Engineer and General Manager advised that a presentation by American Federation of State, County and Municipal Employees (AFSCME) was requested.

The Chairperson called on the following speaker:

Mr. Glen Acosta, Senior Engineer and President of AFSCME, addressed the Committee regarding labor negotiations.

District Counsel advised that the Committee meet in closed session pursuant to Section 54957.6 of the California Government Code *Conference with Labor Negotiators. Agency Designated Representatives: Robert Ferrante, Chief Engineer and General Manager; Martha Tremblay, Assistant Chief Engineer and Assistant General Manager; Matt Eaton, Deputy Assistant Chief Engineer; and Jennifer Allen, Human Resources Director* to discuss matters concerning the self-represented and non-represented employee units.

The Chairperson took the Committee into closed session at 12:11 p.m. pursuant to Section 54957.6 of the California Government Code *Conference with Labor Negotiators. Agency Designated Representatives: Robert Ferrante, Chief Engineer and General Manager; Martha Tremblay, Assistant Chief Engineer and Assistant General Manager; Matt Eaton, Deputy Assistant Chief Engineer; and Jennifer Allen, Human Resources Director* to discuss the matters referred to by District Counsel.

The Chairperson reconvened the meeting in regular session at 1:05 p.m. District Counsel advised that no action was taken of a nature that requires disclosure pursuant to Government Code Section 54957.1.

RE: WASTEWATER REVENUE
PROGRAM - DEFER

Upon motion of the Chairperson, duly seconded and unanimously carried, the item was deferred to the next meeting.

RE: DIRECTOR COMPENSATION - DISCUSS

The Chief Engineer and General Manager stated that the Directors' stipend, \$125 per meeting, is prescribed by an ordinance, in accordance with the County Sanitation District Act (Health and Safety Code Section 4733). An increase cannot exceed five percent per year. Adoption of an ordinance must take place after public notice and a public hearing. The ordinance is effective 60 days after adoption.

The history of Director compensation, as was shown on a slide, was discussed. The last increase took place in 2001. A Director's stipend is \$125 per meeting, except for District No. 5 and South Bay Cities District. These Districts agreed that they would receive \$125 for one District and half the amount for the other District (\$187.50) since they meet at one location.

Similar agencies' compensations were shown on a table. District No. 2, the administrative District, handles all matters for the Joint Outfall System Districts (JOS). The other Districts handle non-JOS matters which are generally smaller in scale.

In response to Director Finlay, the Chief Engineer and General Manager stated that Orange County Sanitation District (OCSD) has appointed Directors. Several years ago, OCSD consolidated multiple districts into one system and one district, which operates like District No. 2.

The Chief Engineer and General Manager showed a slide of the Directors' stipends for all represented Districts. The actual 2023 total Director pay was \$180,500.

The Chairperson stated that several Directors requested that staff review the Director stipend increase and discuss the matter with the Directors.

Director Barger stated that she was concerned that an increase in Director stipend could be negatively received, specifically in the Antelope Valley, if proposed at the same time as a public notice of a service charge rate increase.

The Chief Engineer and General Manager reviewed indicators since the last increase in 2001. The Consumer Price Index (CPI) has increased 85 percent or 3.7 percent per year since 2001. If the stipend was increased to match CPI, it would increase from \$125 to \$230. If there is an increase of \$25 to the Director stipend, this would result in a 20 percent increase (0.9 percent per year since 2001). If there was an increase of \$50, this would result in a 40 percent increase (1.7 percent per year since 2001).

Four options were shown on a slide. These options are as follows: 1) increase stipend per meeting; 2) institute a cost-of-living adjustment (for example, a CPI increase for each year of a three-year period, not to exceed 5 percent); 3) cap number of meetings per day; or 4) no change. He stated that staff is not seeking direction on this matter today, but the matter can be discussed further at the next meeting in February.

In response to Director Horvath, the Chief Engineer and General Manager stated that the rationale for a stipend is to ensure Director attendance and compensate for their time, especially considering some Directors have to travel.

Director Barakat stated that some Directors do not get paid by their cities, must take time off work to attend Board meetings, must travel a distance, and end up losing money. These Directors appreciate stipends and mileage reimbursements.

Upon motion of the Chairperson, duly seconded and unanimously carried, the item was continued to the next meeting.

RE: DIRECTOR ORIENTATION - DEFER
meeting.

Upon motion of the Chairperson, duly seconded and unanimously carried, the item was deferred to the next meeting.

The meeting was adjourned by the Chairperson.

CATHY WARNER
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary

/ee