



# Memorandum

## MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: June 8, 2018  
TO: Board of Directors  
FROM: Committee Co-Chair Theis  
SUBJECT: Summary of Personnel Committee Meeting of June 6, 2018

The Personnel Committee met on June 6<sup>th</sup> at 10:30 a.m., at the District administrative offices. Committee members in attendance were Directors Campbell and Downey (via conference call). Staff members in attendance were Tim Flanagan, Peter Skinner, Tim Brownell, Berta Torres, Garth Gregson, Guy Petraborg and Becky Aguilar. District Legal Counsel Rob Wellington was also in attendance. The purpose of the meeting was to review the Personnel budget costs included in the Preliminary Budget for fiscal year 2018/19 and receive General Manager comments.

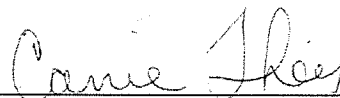
1. **Final Budget for Fiscal Year 2018/19.** The Committee was provided information on the final budget since a large portion of the budget is for personnel expenses. Finance & Administration Director Peter Skinner provided information on the rate increase and its impacts to residential and commercial customers. Disposal rates will continue to be the lowest in the region. Discussion was held on debt issuance. The final budget assumes \$10 million in debt and staff is reviewing the possibility of a higher amount. Staff has identified several capital needs that exceed the amount of debt budgeted. General Manager stated that for the past 10 years, the District has deferred many capital maintenance items and the establishment of a capital reserves because of economy issues.

Finance and Administration Director provided baseline capital spending, which showed that next year \$16.4 million is needed for capital expenditures and end of year cash balances for reserves. Director of Engineering shared information on potential capital projects, that were not included in the budget, but could potentially increase the capital budget by \$2.2 million for next year. These projects required further analysis. Staff provided reasons for acquiring more debt now such as using debt to fund long-lived assets, secure funds to enable investment in potential projects, protected the District from changes in business conditions, taking advantage of low rates and eliminating transaction costs of multiple financing.

2. **Position Title Changes.** The Committee received information from HR Manager Berta Torres regarding changing the titles of certain positions for better alignment with the District's organizational structure, to provide clarity and be more descriptive of roles, and to facilitate the recruitment process by attracting the candidates with the requisite skills based on a more-descriptive title. Director Downey moved, it was seconded, and unanimously carried to support staff recommendation of position title changes.

3. **At-Will Employees Compensation Adjustment.** The HR Manager informed the committee that historically unrepresented, at will, employees have been given rate adjustments in line with the represented employees in similar positions and requested the committee's support to continue the practice by providing a 3% rate increase for at-will/non-exempt employees and a 3.2% rate increase for at-will/exempt employees to match the rate increases being requested for the represented employees pursuant to their respective MOUs and to prevent wage compression and maintain internal equity. Director Downey moved, it was seconded, and unanimously carried to support staff recommendation and present to the full Board for approval at the June 22, 2018 meeting.

4. **General Manager Performance Review Process.** The Committee reviewed the evaluation procedure for the General Manager, as stipulated in the procedure outline. Discussion was held regarding the consolidation of data and the idea of having it done by a third party. The committee decided that the Board Members submit their performance review to the HR Manager who would then consolidate the data, as done the past year, and that the procedure be revised to reflect the change. The Committee discussed whether to invite external parties to participate in the General Manager's 360-degree survey that was requested during the General Manager's 2017 evaluation, so that it be included in the 2018 General Manager evaluation process. The Committee recommended that the 360-degree survey be completed by the General Manager's direct reports and other internal staff only. It was moved, seconded, and unanimously carried to revise the General Manager Review process to reflect the change noted above related to submittal and collation of data and that the Committee's recommendation regarding the 360 degree survey be presented to the Board for their further consideration and direction to staff.
  
5. **General Manager Comments.** General Manager stated that staff is working hard as there are a lot of challenges in the recycling market with the restrictions placed by China. He stated that it has affected District employee as they are working with a different matrix. Management has met with employees to discuss the issues. Staff intends to have a dialogue with the Personnel Committee with recommendations prior to negotiations.  
  
General Manager commented that the joint memorandum of understanding with Salinas Valley Recycles for collaborative effort is being developed. It has been recommended from the County and City of Salinas that a joint committee of Board members (absent general managers) meet to continue to discuss alternatives and shared approaches.  
  
The District will hold its annual community Household Hazardous Waste (HHW) Event/E-waste collection event on June 30, 2018 at Monterey Peninsula Community College.
  
6. **Next Meeting Date: Wednesday, July 11, 2018, 10:30 a.m.**



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Carrie Theis