



LAS VIRGENES MUNICIPAL WATER DISTRICT
4232 Las Virgenes Road, Calabasas CA 91302

MINUTES
SPECIAL MEETING

2:00 PM

November 7, 2018

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Josie Guzman.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **2:00 p.m.** by Board President Peterson in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Len Polan, Glen Peterson, and Lee Renger

Absent: None

Staff Present: David Pedersen, General Manager
David Lippman, Director of Facilities and Operations
Joe McDermott, Director of Resource Conservation and Public Outreach
Don Patterson, Director of Finance and Administration
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

Director Renger moved to approve the agenda. Motion seconded by Director Polan. Motion carried unanimously.

3. PUBLIC COMMENTS

None.

4. ILLUSTRATIVE AND/OR VERBAL PRESENTATIONN AGENDA ITEMS

A Review of Draft Employee Total Compensation Study

Provide feedback on the Draft Employee Total Compensation Study.

Lynda Lo-Hill distributed a handout containing her research regarding the cost of living indices for the agencies surveyed for the Draft Classification and Total Compensation Study Report. She stated that eight of the surveyed agencies were above the cost of living index, and eight of the surveyed agencies were below the cost of living index by using Los Angeles as a base with a cost of living index of 195. She also stated that choosing a median number would appear to be a better approach for analyzing salaries. She asked for clarification regarding the term "90% of the 75th percentile," and the reason the analysis was done for salaries, salaries plus benefits, and salaries plus benefits excluding Social Security. Don Patterson, Director of Finance and Administration, noted that the District used the Los Angeles/Long Beach Cost of Living Index rather than indices for individual cities. Director Lewitt added that the District's service area is not indicative of the entire Los Angeles County area.

General Manager David Pedersen presented the report and PowerPoint presentation regarding the purpose and process of the Draft Employee Total Compensation Study.

Jennifer Ramos, representing CPS HR Consulting, continued the PowerPoint presentation and reviewed the following: classifications studied; data collected; methodology for labor market identification, labor market, and comparable classifications; District-wide overview; labor market ranking; and District-wide results. She noted that the District was ranked 11 out of 19 agencies surveyed, which placed the District in the middle. She responded to a question regarding the difference between the median and the mean by stating that the mean is the average number of matches, whereas the median is lining up the matches and selecting the number in the middle. She further responded to a question regarding the reason the Alameda County Water District was surveyed by stating that this agency was included due to the similar types of services provided. General Manager David Pedersen added that a smaller subset of comparators and in closer proximity to the District could have been selected; however, it would have ended up with a smaller set of comparator agencies and it was decided that from a statistical standpoint it would be better to have a larger group of comparator agencies, so that there would be less chance of statistical anomalies.

Ms. Ramos continued the PowerPoint presentation and reviewed the results by classification, which were calculated based on median.

General Manager David Pedersen addressed the District's compensation philosophy.

Ms. Ramos continued the PowerPoint presentation and reviewed the total compensation with and without FICA, and the proposed changes to the classifications studied.

General Manager David Pedersen continued the PowerPoint presentation and reviewed the preliminary observations, which included the prevalence of anomalies with respect to the District's current compensation philosophy. He noted that the District is 0.92% below market median by salary only, 2.25% below market by total compensation and 5.42% below market by total compensation without FICA. He also reviewed a pie chart showing that 39%, representing 17 positions, were in the inverted compensation range; 23%, representing 10 positions, were in range; 5%, representing two positions, were above range; and 33%, representing 14 positions, were below market range. He stated that of the 17 positions in the inverted compensation range, eight positions were below the median, and nine positions were above the median. He reviewed the next steps, which would include taking feedback from the Board, finalizing the study, discussing the compensation philosophy and utilizing the study as one of the tools for negotiations.

A discussion ensued regarding Social Security contributions including FICA and Medicare, deferred compensation contributions, CalPERS contributions, benefit summary tables and existing internal relationships.

General Manager David Pedersen stated that the Board's feedback would be incorporated into the final report and brought back at a future meeting. He also stated that staff would bring back the District's compensation philosophy for a future agenda with the history and data on how it evolved, so the Board could discuss and consider whether changes would be warranted.

Board President Peterson spoke in support of a total compensation range from the median to the 75th percentile, eliminating the 90% factor.

Director Lewitt requested that the percentages for salary and Social Security be included.

5. CLOSED SESSION

A Conference with Labor Negotiator (Government Code Section 54957.6):

Agency Designated Representatives: David W. Pedersen, General Manager; Donald Patterson, Director of Finance and Administration; Sherri Paniagua, Human Resources Director; and Kristi Recchia, Liebert Cassidy Whitmore

Employee Organizations: General and Office Units represented by the Service Employees International Union Local 721

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Agency Designated Representatives: David W. Pedersen, General Manager; Donald Patterson, Director of Finance and Administration; Sherri Paniagua, Human Resources Director; and Kristi Recchia, Liebert Cassidy Whitmore

Employee Organization: Las Virgenes Manager, Supervisor, Professional and Confidential Employees Association

The Board recessed to Closed Session at 3:33 p.m. and reconvened to Open Session at 3:57 p.m.

Keith Lemieux, District Counsel, announced that that during the Closed Session the Board received a report regarding labor negotiations and there was no reportable action.

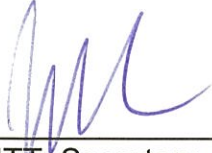
6. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 3:57 p.m.



GLEN PETERSON, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:



JAY LEWITT, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)