

**Minutes of Meeting
Administration, Personnel & Communications (APC) Committee
September 21, 2011**

Present: Chair Linda Wishard, Jan Neese, Don Paczkowski, Judy Wallace, Lois Willis, Board Liaison Allan Hitchcock and General Manager Earl Foster. Kay Andrews was in the audience.

Chair Wishard called the meeting to order at 5:05 p.m.

AGENDA ITEMS:

COMPENSATION/BENEFITS REQUEST FOR PROPOSAL (RFP)

Paczkowski explained his criteria for developing the document and briefly reviewed the key points. He described the Scope of Work and pointed out how important he feels it is that we select appropriate organizations to use for comparisons.

Board Member Andrews suggested that we contact or consider joining some of the regional MUD associations to get access to salary information from their members. Foster said he will contact the Texas Rural Water Association to see if we can purchase their salary survey at a reasonable price. He stated that he doesn't feel it is feasible for us to join, given that their annual dues are \$5,000.

Neese moved that we accept the draft of the RFP with the addition of Wishard's phone number and email address and that it be sent to the following consultants:

- Ray Associates, Inc. (Katherine Ray)
- Intelligent Compensation (Bob Cartwright)
- Penicle Group (Lynn Miller)
- Compensation and Organization Solutions (Constance Mullen)

Foster said that he will have the District staff mail the RFPs to the vendors.

A discussion ensued about whether the Board of Directors needs to approve the RFP, and Foster agreed to contact Board President Karl Ansbach the following morning to get his opinion. If Ansbach feels the Board must approve the document, Foster will ask if it can be added to the September 28 Board meeting agenda. Foster also said he will talk to Ansbach about his expectations on the timing for the APC to complete the survey process.

PERSONNEL MANUAL (ARTICLES I – III)

Wishard started the discussion by recommending the APC review the sections in phases to make it more manageable.

Paczkowski suggested that we add language that the policies do not necessarily cover every situation that might arise.

A discussion ensued about the difference between policies and guidelines.

Andrews suggested language that specifies the purposes of the District facilities, tools, etc. and the ramifications for employees using them inappropriately (i.e., to work on their personal vehicles). The APC agreed we will insert the appropriate language when we review that section of the manual.

The decision was made to remove benefits information from the Personnel Manual and to have a separate benefits summary for employees. Wallace volunteered to draft such a summary and to send it to the APC members for review.

Neese volunteered to review Texas Water Code 128, Chapters 49 and 54 to see if it contained any requirements relative to personnel manuals or employee handbooks. She will report back to the APC on this.

After we discussed several other sections, Wishard volunteered to review and make recommended changes on all sections of Articles I through III and to send them to the APC members for review. We agreed that we will have the District's attorney review the final draft.

ARTICLE II, 2.6 – COMPENSATION ADJUSTMENTS

It was agreed that Foster will recommend the language from the June 28, 2011 APC meeting minutes to the Board (these minutes have not previously been presented to the Board).

Foster suggested that we use October 1 for merit increases. Since we will not be able to implement increases by that date this year, he will suggest to the Board that we give them in late December or early January and begin the new schedule in 2012.

ETHICS POLICY

Wallace gave a brief overview of the revisions she made to the current Code of Ethics. The changes are in accordance with the agreements the Board reached at the June 28, 2011 meeting. It was decided that Wallace will remove all language regarding "employees" since this is a *Board* policy. Necessary language regarding ethics violations by *employees* will be added to the appropriate place in the Personnel Manual when we get to that section.

Foster recommended that any suggested revisions to the Code of Ethics be sent to Wishard, who will then work with Staff to get it on the October Board meeting agenda.

EXIT INTERVIEW

Paczkowski gave a brief overview of the exit interview he conducted with an employee who recently resigned. He said that the employee expressed some disappointment with the change to an 80/20 benefit plan (from 90/10), but that his real reason for leaving was that his new job will be much closer to his home, and he will be allowed to take his truck home each evening. His salary will be slightly less than at the District, but he felt the truck made up for that.

OTHER

There was some discussion about the August 3 APC meeting minutes submitted by Neese. Foster agreed to review the latest version and send recommended edits to Wishard.

With no further business to be discussed, the meeting was adjourned at 7:25 p.m. The next APC committee meeting will be held at 5:00 on Wednesday, October 19.

Submitted by Judy Wallace