

Budget and Administration/Personnel Committee

Draft MINUTES
Friday, December 9, 2005
2:00 pm

RTC Conference Room
1523 Pacific Avenue
Santa Cruz, CA 95060

Attendees: Members: Commissioner Jan Beautz
Commission Alternate Gustavo Gonzalez
Commissioner Ellen Pirie
Commission Alternate Andy Schiffrin

Others: Ellen Aldridge, RTC consultant
Bob Scott, RTC consultant
Dania Torres-Wong, County Personnel Director
Rahn Garcia, County Counsel
Ligi Leong, CAO's Office
Les White, SCMTD General Manager

RTC Staff: Pat Dellin, RTC staff
Karena Pushnik, RTC staff
Tegan Speiser, RTC staff

The meeting was called to order at 2:11 pm by Committee Chair Schiffrin.

1. Introductions – Self-introductions were made.
2. Additions/Changes to Agenda – Acting Executive Director Dellin distributed material relating to item 6.
3. Oral Communications – Acting Executive Director Dellin announced that yesterday the Coastal Conservancy approved the RTC's request for a \$10 million reimbursable grant for the RTC's acquisition of the Santa Cruz Branch Rail Line.

CONSENT AGENDA

The consent agenda was unanimously approved (Pirie/Beautz).

4. Approved the minutes of November 2, 2005 meeting as submitted.
5. Approved the minutes of November 10, 2005 meeting as submitted.

REGULAR AGENDA

6. Accept Update on Establishing the RTC as an Autonomous Governmental Entity

Interim Executive Director Dellin stated that at the last meeting, the Committee asked staff to bring back for further discussion the approved integrated work plan and timeline for RTC autonomy. In the interim, Sr. Planner Tegan Speiser met with Committee Chair Schiffrin to answer specific workplan questions. Following that meeting, a few revisions and clarifications were made to the plan including deleting the former task #21 which had to do with better integrating the RTC's budgeting system with the County's accounting system. (While this is an important goal, this task is not specifically related to autonomy.)

A question was raised about whether both the policies and administrative procedures will come to the Commission for approval. The Chair expressed his preference for a comprehensive policy and procedures manual similar to the County's system where updates periodically come to the Board for approval. Ms. Speiser said that a common system used by many organizations is to have a policy board adopt various policies and the management establish procedures to carry out the policies and update them as needed. Les White reported that Santa Cruz Metro has a hybrid system: a single manual with two sections, one with board policies and substantive procedures like bus passes and another with administrative procedures approved by the General Manager.

Consultant Ellen Aldridge reported on the recent meeting between County Personnel and Administrative staff, the RTC Executive Director, RTC consultant Ellen Aldridge and County Counsel regarding coordination issues related to RTC autonomy. As requested by the RTC, the County Administrative Officer (CAO) agreed to designate Pat Dellin as the labor relations contact person to bargain about policies and procedures that will take place upon RTC autonomy. A letter from the CAO confirming this designation will be forthcoming with the understanding that this authority will be limited to post-transition issues. Upon Ms. Dellin's departure from the position, the CAO will redesignate this authority to either an interim or new Executive Director.

7. Accept update and Provide Input on Recruitment of the RTC Executive Director

Marketing - Interim Executive Director Dellin said that the ED recruitment brochures have now been printed and widely distributed and ads placed in various publications.

Employment Agreement - The employment contract for the new Executive Director was also discussed at the recent meeting between County Administrative and Personnel staff, RTC management and consultant and County Counsel. At this meeting, County and RTC staff came to an understanding that there would be a three-way employment contract between the Commission, the County and the individual. The contract would specify the terms and conditions of employment that would apply while this individual was a County employee and state that if and when the RTC transition to autonomy occurred, the new successor employer would be the Commission. The contract would also outline the terms and conditions that would apply upon the transition to RTC employment which could be different than those under the County. The County terms and conditions would be done pursuant to County rules for management at the time the contract is executed. This position is currently not considered a County Department Head, but is part of the Executive Management Bargaining Unit.

The flexibility with County compensation will be in terms of salary, not in the other benefits of employment because the County is not interested in or, in some cases such as health or retirement, not able to offer something different for the RTC Executive Director than it provides for other managers. In terms of legal constraints, some provisions of executive compensation are set in County Code and others set by Board policy.

The County plans to look at some of its policies (including the severance provisions in the County Code) to determine if they are current. A survey is planned to see what other agencies do in terms of severance and, if needed, amend the County Code to affect all managers county-wide. Ms. Dellin said that the contract severance provision may be important to someone entering into a new community with the knowledge that the board is divided on key issues.

It was discussed that the Commission may be willing to go to Board of Supervisors with requests to change some County policy provisions for the position once the top candidate is identified. If the impediments are in the County Code, it could be amended to say that these provisions apply, except as provided by an employment agreement for non-civil service positions.

Compensation Study – Dania Torres-Wong reported the County Personnel has conducted a compensation study for this position. She presented the draft survey results of the total compensation packages for similar positions in the eight counties that the County typically uses for salary comparisons including TAMC in Monterey County. As requested by RTC staff, Personnel also looked at other agencies that might be comparable to the RTC and included comparison data for San Luis Obispo Council of Governments, AMBAG, and Santa Barbara County Association of Governments. Compared to these two groups, total compensation for the RTC's ED position is between 7.5% to 13% less than market.

Ms. Dellin pointed out that TAMC and AMBAG are the closest comparison agencies, since they are in our region. Since the executive directors for both of these agencies have employment contracts, the amount listed in terms of salary is what they are actually paid. What is listed for RTC is the top step of the salary range. Some Committee members thought the statistics should compare the size of transportation agency budget and staff rather than statistics of the County. It was also discussed that TAMC should be included with the RTPA comparison group not the counties.

There was some discussion about how the process of negotiating compensation might work. The RTC's labor relations consultant Ellen Aldridge and County Counsel Rahn Garcia will confer and clarify for the Committee whether the ED's compensation can be discussed in closed session under the Brown Act.

No action was taken on this item at this time. However, the draft salary survey information could be useful if the RTC needs to go to the Board of Supervisors and justify an increase in salary for the ED. The Personnel Director said that the Personnel Department does not plan to recommend any parity salary adjustment for County Executive Management. She added that the survey is in draft form and that they are willing to work with RTC staff to fine tune.

8. Next Meeting Times – The Budget and Administration/Personnel Committee will be held on these Thursdays at 3pm: January 12, February 9 and March 9.

Staff was requested to explore holding the next few Committee meetings at the County Building. Commissioner Pirie indicated that she will not be able to attend the January 12th meeting, but is interested in receiving a progress report on the recruitment.

9. Closed Session – Performance Evaluation of the Executive Director

10. Adjournment - The meeting was adjourned following the closed session.

Respectfully submitted,

Tegan Speiser, Staff

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