

BOARD MEETING DATE: April 6, 2018

AGENDA NO. 25

PROPOSAL: Approve an Amendment to Executive Management Agreement with General Counsel

SYNOPSIS: This action is to present an amendment of the Executive Management Agreement with the General Counsel. Upon review of comparable terms for the Executive Officer, it is recommended that the provision relating to the application of the compensatory time policy for managers be removed, and that the General Counsel's salary be increased by an equivalent amount.

COMMITTEE: Administrative, March 9, 2018; Recommended for Approval

RECOMMENDED ACTION:

Approve amendments to the Executive Management Agreement with the General Counsel to amend salary and benefit provisions, removing the application of compensatory time accrual and sell back provisions and adjusting the salary accordingly. Proposed amendments are shown in Attachment A.

Dr. William A. Burke
Chairman

AJO:mm

Background

On February 2, 2018, the Board appointed Bayron Gilchrist as General Counsel, and approved an Executive Management Agreement with Mr. Gilchrist, which sets forth the terms and conditions of his employment. The Agreement includes a provision allowing the General Counsel to earn compensatory time in the same manner and under the same conditions as SCAQMD management employees. In addition, the Agreement provides that the General Counsel may sell back up to 60 hours of compensatory time earned each year, and will be paid for the balance of any compensatory leave hours at the time of his termination. These provisions were in the Executive Management Agreement of the previous General Counsel, Kurt Wiese. At the February Board meeting, the issue was raised as to whether these provisions are consistent with other executive management agreements and whether this compensatory time should instead be reflected as salary. In comparison, the Executive Officer's Executive Management

Agreement includes a provision that specifically excludes him from the SCAQMD policy for compensatory time for overtime for management employees.

Proposal

It is recommended that the provisions in the General Counsel's Executive Management Agreement, in relation to compensatory time, be made consistent with the same provisions for the Executive Officer. This proposal is to amend the Agreement with the General Counsel to exclude him from the SCAQMD policy for compensatory time for overtime for management employees. To offset this reduction in benefits, the salary is proposed to be increased by an amount equivalent to the sell back of 60 hours of compensatory time. Specifically, the General Counsel's base salary would be increased from \$202,684 to \$208,531. Proposed changes to the Executive Management Agreement with the General Counsel are reflected in Attachment A.

Resource Impacts

The amendments are an offset of compensation provisions in the General Counsel's employment contract; there are minimal financial impacts.

Attachment

A. Proposed Revisions to Executive Management Agreement with General Counsel

ATTACHMENT A
AMENDMENTS TO EXECUTIVE MANAGEMENT AGREEMENT
GENERAL COUNSEL

EXECUTIVE MANAGEMENT AGREEMENT
between
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
and
GENERAL COUNSEL

I. TERMS OF AGREEMENT

- B. General Counsel shall initially receive a base salary of \$202,684. The term "base salary" shall not include any benefits that the General Counsel shall receive under the terms of this Agreement. The District Board may consider increases to the General Counsel's base salary based on his annual performance evaluation and as part of the District's annual budget process. Said annual salary shall be less federal and state taxes which are also applicable to other employees of the District and shall be payable every two weeks commencing on the first applicable payday following Board approval of this Agreement.

Effective April 6, 2018, General Counsel shall receive a base salary of \$208,531.
Effective July 1, 2018, General Counsel shall receive a base salary increase of 2.75% (~~\$208,258~~\$214,265). Effective July 1, 2019, General Counsel shall receive a base salary increase of 2.75% (~~\$213,985~~\$220,158). Effective July 1, 2020, General Counsel shall receive a base salary increase of 2.75% (~~\$219,870~~\$226,212). The District Board will determine subsequent increases to the General Counsel's base salary, at the time and in the manner it deems appropriate.

- D. The receipt of benefits customarily given to regular employees does not create a property interest for General Counsel in his job. General Counsel shall be entitled to receive the following additional fringe benefits during this Agreement based upon the conditions as set forth below. In no event shall the District's liability exceed the actual cost to the District of the benefits described herein.

11. Other.

- f. Personal Time. Customarily, overtime is inherent in an executive manager's position. General Counsel will be accorded reasonable flexibility in absenting himself from the office for brief intervals, not to exceed one-half the General Counsel's assigned work day per occasion, if personal reasons so require. ~~General Counsel will be granted compensatory, but not paid time, on an hour-for-hour basis, for five or more hours of overtime worked in a single day. Annual sell back of and termination pay for accrued compensatory time will be in accordance with the then current District policy for management employees, except that General Counsel may sell back up to 60 hours of accrued unused compensatory time per year.~~ The District's policy as to compensatory time for overtime for management employees will not apply to the General Counsel.