



SPECIAL AND REGULAR MEETING

**BOARD OF DIRECTORS
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**

Wednesday, September 25, 2024

*The Board of Directors conducted this meeting in accordance with
California Government Code section 54953.*

DRAFT MINUTES

**SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA
REGIONAL OPEN SPACE DISTRICT – CLOSED SESSION**

President MacNiven called the special meeting of the Midpeninsula Regional Open Space District to order at 5:01 p.m.

ROLL CALL

Members Present: Jed Cyr, Craig Gleason, Karen Holman, Zoe Kersteen-Tucker, Yoriko Kishimoto, Margaret MacNiven, and Curt Riffle

Members Absent: None

Staff Present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Controller Mike Foster, and District Clerk/Assistant to the General Manager Maria Soria

President MacNiven announced that the public has the opportunity to comment on the agenda, and the opportunity to listen to this meeting through the internet or via telephone. This information can be found on the meeting agenda, which was physically posted at the District's Administrative Office, and on the District website.

1. CONFERENCE WITH LABOR NEGOTIATORS. (Government Code Section 54957.6)

Agency designated representatives: Board Appointee Evaluation Committee (Directors MacNiven, Cyr, and Riffle)

Unrepresented Employees: Controller, General Counsel, General Manager

Public comment opened at 5:01 p.m.

District Clerk/Assistant to the General Manager Maria Soria reported no public comments were submitted for the closed session.

Public comment closed at 5:01 p.m.

The Board convened into closed session.

ADJOURNMENT

President MacNiven adjourned the special meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 6:52 p.m.

REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

President MacNiven called the regular meeting of the Midpeninsula Regional Open Space District to order at 7:00 p.m.

ROLL CALL

Members Present: Jed Cyr, Craig Gleason, Karen Holman, Zoe Kersteen-Tucker, Yoriko Kishimoto, Margaret MacNiven, and Curt Riffle

Members Absent: None

Staff Present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Assistant General Manager Susanna Chan, Assistant General Manager Brian Malone, Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, District Clerk/Assistant to the General Manager Maria Soria, Executive Assistant/Deputy District Clerk Shaylynn Nelson, Executive Assistant/Deputy District Clerk Stephanie Gross, Human Resources Supervisor Rebecca Wolf, Human Resources Manager Candice Basnight, and DEI Specialist Katie Gilmur

President MacNiven announced that the public has the opportunity to comment on the agenda, and the opportunity to listen to this meeting through the internet or via telephone. This information can be found on the meeting agenda, which was physically posted at the District's Administrative Office, and on the District website.

REPORT OUT OF CLOSED SESSION

President MacNiven reported the Board met in closed session, and no reportable action was taken.

ORAL COMMUNICATIONS

Public comment opened at 7:01 p.m.

District Clerk Maria Soria reported there were no public speakers for this item.

Public comment closed at 7:01 p.m.

ADOPTION OF AGENDA

Motion: Director Cyr moved, and Director Gleason seconded the motion to adopt the agenda.

ROLL CALL VOTE: 7-0-0

CONSENT CALENDAR

Director Riffle commented on Agenda Item #3, thanking staff for their hard work and contributions to making the District a great place.

Public comment opened at 7:03 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 7:03 p.m.

Motion: Director Riffle moved, and Director Kishimoto seconded the motion to approve the Consent Calendar.

ROLL CALL VOTE: 7-0-0

1. **Approve the September 11, 2024 Board meeting minutes**
2. **Approve Claims Report**
3. **Annual Year-End Report for Fiscal Year ending June 30, 2024 (R-24-116)**
Staff Contact: Ana María Ruiz, General Manager, General Manager’s Office
General Manager’s Recommendation:
Informational item only. No Board action required.
4. **Partnership Agreement for Little Butano Creek Fish Passage and Habitat Enhancement Project (R-24-117)**
Staff Contact: David Liefert, Water Resources Specialist III, Natural Resources
General Manager’s Recommendation: Authorize the General Manager to enter a Partnership Agreement with the San Mateo Resource Conservation District for the completion of a fisheries restoration project on Cloverdale Ranch Open Space Preserve.
5. **Award of Contract for Driveway Repairs at the Hawthorns Alpine Road Residence (R-24-118)**
Staff Contact: Jean Chung, Property Management Specialist II, Land and Facilities
General Manager’s Recommendations:
 1. Award a contract to Always Paving Inc., of Hayward, California for Driveway Repairs at the Hawthorns Alpine Road Residence for a total base bid of \$54,621 and additional alternative for base rock in the amount of \$4,500.00, for a total not-to-exceed contract amount of \$59,121.

2. Authorize a 10% contingency in the amount of \$5,912 to be reserved for unanticipated issues, bringing the total not-to-exceed contract amount to \$65,033.

BOARD BUSINESS

6. Presentation of the Fiscal Year 2023-24 Accomplishments Video

General Manager Ana Ruiz remarked on the District's annual accomplishments and noted that it is astounding what was accomplished as an organization in terms of land preservation and that the acreage continues to grow. Additionally, the District continues to work on protecting the natural resources, restoring habitats, protecting endangered species, protecting rare species, improving, enhancing, and expanding public access, and supporting local agriculture on the coastside. She credited the District's talented staff for these achievements, noting that all the work is done on behalf of the public and the natural environment to protect the area's beauty and value.

Director Holman requested the video to be made available to share.

Ms. Ruiz stated it would be shared through e-news and staff will forward the link to the Board.

Public comment opened at 7:10 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 7:10 p.m.

No board action required.

7. Appointment of Four Measure AA Bond Oversight Committee Members (R-24-119)

Ms. Soria reported that the Board of Directors held interviews at the September 11, 2024 Board meeting in which 6 applicants were interviewed for four vacant seats on the Bond Oversight Committee (BOC) for a four-year term. Based on those rankings, the top four candidates are Bruce Tolley, Paul Betlem, Brooks Esser, and Brian Cilker. She reviewed the number of representatives per ward, including the three members currently serving on the BOC. She asked if the Board had any questions or if they would like to proceed with selecting the four highest-ranking applicants.

Public comment opened at 7:12 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 7:12 p.m.

Director Riffle thanked the BOC members for their dedication and support, including those who have agreed to serve again. He also expressed gratitude to the staff for supporting the committee, noting that their involvement reflects well with committee members desiring to come back to

serve for an additional term. He also noted that there were more people who applied than the available seats and expressed satisfaction with the process and the outcome.

Director Kishimoto agreed with Director Riffle's comments and in addition thanked the District Clerk for a great process.

President MacNiven thanked Chief Financial Officer/Director of Administrative Services Stefan Jaskulak for organizing the BOC meetings and congratulated Mr. Tolley, Mr. Betlem, Mr. Esser, and Mr. Cilker for their appointment to the BOC.

Motion: Director Cyr moved, and Director Kishimoto seconded the motion to appoint Bruce Tolley, Paul Betlem, Brooks Esser, and Brian Cilker to serve a four-year term on the Measure AA Bond Oversight Committee for a four-year term.

ROLL CALL VOTE: 7-0-0

8. Compensation Philosophy Informational Presentation (R-24-120)

Ms. Ruiz provided opening remarks and acknowledged staff attendance at the meeting. She noted that this item is of high interest to the staff and herself, as the compensation philosophy is key for the District to remain competitive in attracting and retaining talented, dedicated staff committed to preserving land, protecting natural resources, supporting local agriculture, and connecting people to nature. She reported that the initial presentation covers the compensation philosophy, a list of comparable agencies for conducting compensation studies, and other relevant data, along with preliminary options for how to update the current policy. No Board action will be taken tonight. Instead, the Board will have time to review the information, ask questions, and may request further data or analysis, and provide initial feedback to consider in developing a future recommendation.

Additionally, Ms. Ruiz stated that over the last several years, the District has taken many other actions and placed great effort to recognize and support the workforce and to remain competitive in the labor market. For example, the District worked extensively to arrive at strong, positive, and well supported Memorandums of Understandings with the Midpeninsula Rangers Peace Officers Association and with the Field Employees Association that included numerous enhancements for each group. A number of these enhancements have also been provided to the Office, Supervisory, and Management staff, including Industrial Disability Retirement and increased employer contributions to medical, and retiree health contribution.

Ms. Ruiz further noted that in November 2022, the Board approved a 4% salary adjustment to address inflation issues, and thanked the Board for their approval of this unprecedented midyear action that is uncommon for public agencies to take. The adjustment was applied to all staff, including the represented staff outside of the normal negotiating process. Moreover, the District continues to grow, adding new positions each year. Since Fiscal Year 2021-22 (FY22), the Board has approved 29 new full time equivalent positions, with 9 more this fiscal year and 17 projected in FY26 and FY27. Many of these roles have provided promotional opportunities with corresponding pay increases. Also, a wellness reimbursement program was recently implemented. In the near term, staff will be evaluating opportunities for expanding the levels within each classification series to offer additional promotional and growth opportunities that

meet District needs. Additionally, leadership training and academies will continue to prepare emerging supervisors and managers. Where needed, the District will also conduct classification studies. Moreover, she noted that the Board received three letters from staff, including one from the Planning department. The concerns raised by the Planners highlight the importance of the upcoming classification study, which will begin no later than mid-January, and possibly sooner. She then introduced Mr. Jaskulak.

Mr. Jaskulak provided the presentation, beginning with a historical summary starting from 2013 to date. He outlined District efforts to remain competitive with both compensation and non-monetary benefits and reviewed the Base Wage Adjustments and Consumer Price Index (CPI) for All Urban Consumers in the Bay area. He then displayed the benefits and optional programs offered by the District, highlighting the programs added within the last two years. Despite best efforts, the District has observed smaller applicant pools, repeated or failed recruitments, and reduced employee tenures. He noted that the Financial and Operational Sustainability Model (FOSM) Refresh forecasts the District to grow by close to 100 full-time positions over the next 10 years, in addition to the vacancies created by normal turnover. He went on to review the cost and impact of replacing employees. He continued with presenting the existing 14 comparable agencies established in 2013. He then defined the cost of labor modifier, which is a percentage difference in wages obtained from the Economic Research Institute (ERI), that is applied to those comparable agencies that are located outside of the District's geographic area to provide a more accurate wage comparison with local salaries.

President MacNiven asked if it takes into account the cost of living in these areas.

Mr. Jaskulak responded cost of labor is independent from the CPI and the cost of living. The District uses the CPI inflation to maintain the purchasing power of the labor force. In the recent past, consistent with prior negotiations, a 3% increase has been added to salaries, reflecting the average CPI to ensure wages keep track with increases in prices.

Director Kersteen-Tucker asked for further clarification as she is not sure how the higher cost of living in the Bay Area is reflected.

Managing Director Katie Kaneko from Gallagher explained that the cost of labor reflects the level of pay that employers are providing in order to attract and retain talent, which is indirectly influenced by cost of living. The Bay Area has the highest cost of labor in the state due to fierce competition for talent and a higher density pool of employers. The cost of living is high in the Bay Area partly because it is a desirable place to live, with attractive employment, and employers need to pay higher to attract and retain that talent. That is what the ERI is measuring with many data point across the country that reflect the competitiveness of wages. ERI is different from cost of living, which primarily measures the cost of consumer goods and is often influenced by housing.

Mr. Jaskulak continued the presentation and reviewed Board Policy 2.03 that was established in 2015.

Ms. Soria reported that the Zoom connection was lost at 7:43 p.m. and needed to restart the Zoom link. The meeting resumed at 7:45 p.m.

Mr. Jaskulak continued the presentation and stated that the Board gives the General Manager authority to periodically direct a compensation study to be performed either organization-wide or for specific departments, work groups or classifications. He went on to describe the outcome of the 2022–2024 compensation studies and reviewed the recruitment and retention data from 2018 to date. The turnover rates vary significantly from industry to industry; however, for local government, turnover rates should ideally be lower than 10% and the District is currently holding steady at the 8.5% range and aims to stay below 10%. The employee separation data shows that there were 66 separations in the last 6 years with separated employees holding an average of 3 years of service at the District. 58 were voluntary, 6 released from probation and 2 were other. Also, 19 employees retired with an average of 18 years of service. He highlighted some of the reasons for leaving that were captured during a voluntary exit interview.

Mr. Jaskulak provided an overview of the compensation philosophies from other agencies, and reviewed the comparable agencies analysis which is based on 6 comparison factors: geographic proximity, open space acreage, full-time equivalents, agency expenditure, cost of living, and comparable services. A low overall comparison score indicates a good match, while a high score does not. 28 different comparable agencies were evaluated using these factors.

Director Kishimoto inquired why SamTrans was not included in the list of comparator agencies, noting that while it is not open space, there are many comparable positions.

Mr. Jaskulak responded that SamTrans could potentially be added, but the current focus has been cities, counties, open space, and regional and recreation park districts.

Director Kishimoto suggested that other special districts should also be evaluated.

Mr. Jaskulak continued the presentation and reiterated the definitions of the criteria used to rank the comparable agencies: organizational type and structure, staff and operational budget size, population size, similar services, geographic location and labor market. Using that criteria on all 28 agencies, 13 comparable agencies rose to the top with four of these agencies located outside the area (County of San Diego, County of Boulder, City of Boulder and County of Riverside). These four are proposed to be replaced with the next four highest ranking agencies since they are more local to the District (East Bay Municipal Utility District, City of San Jose, City of Santa Cruz, and East Bay Regional Park District).

Director Riffle asked for clarification of his understanding that the four other highest ranking comparable agencies, which are replacing the out of area comparable agencies, are geographically closer but are not as good of a match.

Mr. Jaskulak stated that it was true, and it would reduce the number of comparable agencies that require a cost of labor modifier to two agencies, the City of Santa Cruz and County of Sonoma. In addition, using agencies that are more local to the District better reflects the market from where the District draws employees.

Director Riffle commented that he understood the value of being closer but noted there is somewhat of a tradeoff and that location is being weighted higher.

Director Kersteen-Tucker commented that she was surprised that East Bay Regional Parks District (EBRPD) ranked as a low match and inquired if it was because they are much larger in comparison to the District.

Mr. Jaskulak explained he does not have a breakdown of the scores, but EBRPD is much larger than the District and has many more bargaining units.

Ms. Kaneko stated that there are a lot of measurements that are taken into consideration. Population served, full-time equivalents and budgeted expenditures are all criteria that are evaluated, and she believes these criteria caused EBRPD to rank on the lower scale. She explained that the analysis is based on objective data. Once the data is gathered, the agencies that are most similar in profile and ranked closest are initially presented. Subsequently, the client is asked whether there are any agencies the client consistently recruits from, competes with, or feels are more similar, which could be considered to be swapped in or added. She noted that there is also subjective criteria or other business reasons to continue the conversation about the comparable agencies that should be surveyed. Furthermore, she stated that the initial ranking was based on the pure data that came from each of these comparable agencies.

Director Kersteen-Tucker asked if staff is tracking which agencies employees are leaving to, and if they are also analyzing this data by specific departments, and if not, could this be done.

Ms. Ruiz stated that it is part of the exit interview process and this is voluntary information that employees provide.

Mr. Jaskulak stated that the information is not fully tracked but can be gathered from the exit interviews.

Ms. Ruiz explained that, due to the District's wide range of classifications and disciplines, it can be challenging to find agencies that provide enough matches to give statistically valid results for compensation and classification studies.

Mr. Jaskulak continued the presentation and stated that a survey was conducted with 12 sample positions using the comparable agencies under consideration using the District's current compensation philosophy. The results of the sample study revealed that only updating the comparable agencies without any changes to the compensation philosophy is not likely to result in meaningful base wage increases to classifications throughout the organization.

Director Riffle questioned why the District should consider replacing the comparable agencies based on the sample analysis.

Mr. Jaskulak stated that the assessment was based only on the 12 sample positions across the organization and emphasized that there is value in changing the comparable to reflect the market from which the District is recruiting and retaining employees.

Director Riffle mentioned that it goes back to putting more weight on location rather than potentially best matching what the District does.

Mr. Jaskulak mentioned that the list of new potential comparable agencies as a whole allows for statistically valid assessments of all District positions.

Mr. Riffle commented that the perception factor often arises in compensation conversations even if justifications are provided. He expressed support for the changes to help neutralize staff concerns.

Director Gleason mentioned that a written comment submitted by staff was specific to the City of Santa Cruz and inquired why a closer city on the comparable list was not chosen.

Mr. Jaskulak stated that the next comparable agency would be the County of Sacramento, which is also far, and the next after that would be the City and County of San Francisco. Neither negates the fact that a number of staff actually live in Santa Cruz, that Santa Cruz is within the recruitment area, and that the District manages land in the County of Santa Cruz.

Director Kersteen-Tucker stated that she supports the potential changes to the comparable agencies list. She also reflected on Director Kishimoto's comments about adding SamTrans. While SamTrans may not be entirely comparable to the District, it does have departments like public affairs, real property, and administration, which are relevant. While a biologist might not apply there, other comparable agencies cover those positions.

Ms. Kaneko continued the presentation and spoke about the task of having to determine a consistent philosophy relative to pay. Most often, public sector agencies target the market median pay, in which half of the data points are above, and half of the data points are below. She noted that there are agencies that deviate from that philosophy whether it is for a fiscal consideration or for attraction and retention of employees. She recommends that if the District is deviating off median, to look for the most consistent point and create the philosophy from there, which she feels is the market median. She stated that it is common to hear the suggestion of aiming for the 60th percentile, however, she explained that the percentile is restricted to the data array, which in this case would be at the most 14 agencies that have a match for that benchmark, and a minimum of 4 matches are required for a statistically valid analysis. Percentiles are sensitive to the data array, and if there are significant outliers, it can create inconsistencies in the measurement within that data array. A larger data set typically shows a clearer trend on compensation and recommends establishing a point above or below the median that reflects what aligns with the organization's goals for attracting and retaining talent.

Director Gleason asked for clarification of his understanding that instead of using a specific percentile, such as 70th, it is better to adopt a percent above median approach if the goal is to pay above the median.

Ms. Ruiz pointed out that the understanding of percentage versus percentile is key to the compensation philosophy and noted that it is not intuitive and is statistically based. She asked the Board if it would be beneficial for staff to provide more explanation or additional examples.

Director Cyr said that the key element is to make sure everyone understands why certain choices will be made in updating the philosophy.

Ms. Ruiz stated that the number and the spread of data points factors heavily in percentile calculations. Since most agencies aim for the median, within our array of comparable agencies, it can be common to have most comparable salaries lie within a very tight span clustered at the median. When this occurs, targeting the 70th percentile will not have much of an impact on adjusting existing salaries. However, applying a percentage increase, like 5% from median, could result in a notable change to internal salaries.

Ms. Kaneko and Mr. Jaskulak continued the presentation and reviewed the compensation philosophy options and the impacts and costs using the percentile numbers versus the percent above the median approach using the 52 benchmarked positions.

Director Cyr expressed concern on how to develop a philosophy that works for the District and is also explainable.

President MacNiven commented that the planners felt they were behind in pay.

Mr. Jaskulak clarified that the concerns raised by Planners requires focusing on individual job classifications within the Planner series, whereas the current discussion is about an organization-wide approach and determining what philosophy will be applied to everyone across the board.

President MacNiven asked about the difference between a compensation and classification study.

Mr. Jaskulak explained that a classification study focuses on job descriptions and how employees spend most of their time. In contrast, the compensation study analyzes existing data sets to make comparisons. He stated that a classification study for the Planners is expected to start mid-January, possibly sooner.

Ms. Kaneko added that a class description is developed based on the findings of a classification study, which analyzes the body of work that is being performed and looks to see if that work has evolved or changed and ensures that the class description fully represents the body of work. The updated class description is subsequently used to best match against the positions of other agencies. When evaluating each comparable agency, the class description is evaluated to confirm that the work is at least 70% comparable.

Ms. Ruiz stated that she has compiled the Board questions she has heard and invited any additional Board requests for information or analysis. She noted that the amount of additional analysis, research, or data collection requested will determine whether they will need to hold another informational session.

Diversity, Equity, and Inclusion (DEI) Specialist Katie Gilmur continued the presentation by providing a high summary of the employee survey results. She noted that there were 146 participants and 423 comments, and then proceeded to highlight the key findings related to job satisfaction, compensation philosophy, and benefits. Additionally, she highlighted the constructive feedback received from the participants.

Public comment opened at 8:56 p.m.

Ryan Augustine commented that he is a ranger with the District and the secretary of the Midpeninsula Rangers Peace Officers Association (MRPOA). He commented that while there has been a budget increase for rangers and lead rangers over the years for 31 positions, there are currently only 21 active positions, resulting in a 32% vacancy rate, noting two individuals are currently in the academy. He pointed out that a common theme for rangers and lead rangers leaving the District is the cost of housing and compensation. They are paying over 30% of their income for an average one-bedroom/bath apartment, particularly in Santa Clara County and equal or more in San Mateo County. He expressed doubt that changing comparable agencies to more local agencies would significantly improve recruitment and retention, and the members of the MRPOA recognize the adjustment that is applied, but the limiting factor is the 5% over the median compensation. He noted that there are only 4 comparable agencies for rangers and with the new comparable agencies there may be 5.

Public comment closed at 8:59 p.m.

Director Riffle commented that he felt this was a good introduction and believes the District is heading on the right track, although acknowledging that there is still much work ahead. He expressed a preference for completing the work sooner rather than later and noted that he did not see anything concerning tonight. Additionally, he mentioned that a few comment letters received seems to align in the same direction.

Director Kishimoto asked Ms. Kaneko to clarify her recommendation on page 9 of the staff report where it states, "Modify the range allowed in the compensation target from the current "below median or above 60% percentile" to plus or minus five percent".

Ms. Kaneko stated that with a small dataset, adopting a philosophy that is based on a percent above the median would be the recommendation.

Ms. Ruiz stated that the current philosophy combines both percentile and median. What is being suggested is to use median with a percentage.

Director Kishimoto suggested that the terminologies used need to be clearly explained to the staff, Board, and public.

Ms. Ruiz asked Mr. Jaskulak to elaborate another consideration in the board report that has not been discussed, which is removing a certain statement in the current philosophy related to "Y" rating.

Mr. Jaskulak explained that currently, if a classification salary is higher than the bandwidth of the compensation philosophy, that classification would need to be Y rated, meaning the employee would not receive the typical 3% annual increase until their salary aligns and catches up with the market.

Ms. Ruiz stated that this has happened in the past, and the employees affected feel the impact. She noted that, given the changes being considered, one potential idea is to remove Y rating and to address the salary alignment differently.

Director Kersteen-Tucker commented that the District is looking to create longer runways within certain job classifications to address the current challenge of bringing in new employees at or near the top of the salary range and asked whether this approach would change the top salary level for those classifications.

Mr. Jaskulak explained that the FOSM Refresh recommends analyzing career ladders and seeing if additional positions could be added to lengthen the professional trajectory within the District. The District also implements flexible positions, meaning an employee can automatically promote, for example, from a level one to a level two, based on eligibility once the salary ranges overlaps.

Ms. Ruiz referred to the Capital Project Manager series to provide one possible example of how these changes may possibly unfold. The District currently has Capital Project Manager II, III, and Senior positions. There is an opportunity to potentially consider adding a Capital Project Manager I and IV, as well as a position between Senior and department manager. She noted that there is no guarantee that each department can be arranged in this way. Notwithstanding, these types of changes would create additional levels within each series to add promotional opportunities. This would create a longer runway for career and salary growth. The District will need to study whether this is a viable option, and it seems like a possibility given the District's expanding operational needs.

Director Kersteen-Tucker inquired how a compensation study, which may raise wages, would tie into a classification study.

Human Resource Manager Candice Basnight responded a compensation study compares District salaries with the salaries for similar positions within the comparable agencies list to confirm whether any salary adjustments are needed to remain aligned with the District's compensation philosophy. A classification study is used to update the class descriptions for District positions to ensure that the class descriptions accurately reflect the current scope and scale of the job duties. The class description is the tool that is used to accurately match District positions with the corresponding positions of our comparable agencies.

Director Kersteen-Tucker asked whether the concepts of employee engagement, recognition, development and great management will be part of the compensation or classification studies or whether the District is only looking at monetary changes.

Ms. Ruiz replied the District is looking at non-monetary benefits as well. Every year, the District has the internal Leadership Academy and also participates in an external Leadership Academy, with both focused on staff development.

Director Kersteen-Tucker inquired if additional opportunities will be considered outside of the existing suite of growth opportunities.

Ms. Gilmur added that this topic has come up in the DEI survey and the compiled data will become part of the action plan. There are areas in which the District will continue to grow and address but not necessarily as part of the compensation philosophy.

Director Kersteen-Tucker acknowledged the District has added several benefits and that these enhancements are part of a bigger picture which the District is moving forward. She asked for additional information on why the District uses the median rather than the average.

Ms. Kaneko explained the average takes outliers into consideration so if there is a consistently low or high paying agency it could skew the numbers. The median focuses on the exact center data point which tends to be where most comparables are clustered. The median is a better representation of the labor market, and noted most agencies use the median but the occasional agency does use the average.

Director Gleason expressed support for modifying the list of comparable agencies. In previous Board discussions, he recalls a few Board members commenting that if the District intends to be leaders in the field, then the pay should correspond. He further expressed appreciation for pursuing the median plus a percentage since it is easy to explain and understand while also reflecting the philosophy of pay among the leaders. He stated adding positions to the career ladder and having higher level individual contributor positions is a great idea and he has seen it be successful in other organizations. He inquired whether the District has observed greater difficulty hiring since environmental jobs are becoming increasingly important in both public sectors and in industry, or whether more people are correspondingly entering the field due to the demand. He further inquired if these impacts to the job market should be considered for the District's compensation philosophy. He expressed the comment letters provided by staff were meaningful, particularly the letter from the Senior Planners, and asked how the District would address the requests listed in the letter, such as the issue of the Planners compensation relative to a classification study.

Mr. Jaskulak concurred and explained that is why the District is pursuing a classification study, to ensure the pay is reflective of the work and matches the correct comparable positions. The past compensation study relied on existing job description classifications because it was a compensation study and not a classification study.

Director Gleason highlighted the Planners' request to be involved in the classification study process.

Mr. Jaskulak explained the Planners will be involved since their input is essential to understanding the work performed.

Ms. Ruiz explained that the process is highly involved and requires substantial input from the planners. Information will need to be collected directly from them as part of the classification study to assess job functions, duties, responsibilities, the percentage of time spent on various tasks, levels of supervision, independent work, and the required skill set and education for each position. Validating this information helps create a clear picture of each role, allowing job descriptions to be updated accordingly. This data will then be compared with the Board-approved list of comparable agencies, to identify if there are necessary adjustments. Sometimes there is a direct match, and sometimes a bracketed match will occur, which may be the case here.

Ms. Kaneko reiterated that it is the incumbents doing the work, along with attaining the perspective of their immediate supervisor and one level up. She stressed the importance of understanding the needs of the class series to ensure that it is reflective of those needs as well as

what is currently done. She highlighted the importance of the class descriptions, as they serve as the foundation for making the appropriate match.

Ms. Basnight noted a concern with the prior compensation study was staff did not have sufficient time to digest the information and provide feedback. She explained compensation studies tend to move more quickly and the District will ensure with the upcoming classification study that there will be sufficient time to meet with staff and gather information.

Director Holman suggested addressing housing concerns was one area the District could alleviate the burdens on staff. She inquired if any thought had been given to providing additional employee housing.

Mr. Jaskulak responded that there are 44 rental units with a percentage allocated as employees housing. As housing is vacated, additional units can be allocated for employee housing.

Assistant General Manager Brian Malone estimates that employee housing has risen over time from 25% to 75% of all District housing units.

Ms. Ruiz noted that the 330 Distel Circle office property, which the District sold, is slated to become an affordable housing project. As part of the sale, the District reserved approximately six units for staff housing.

Director Holman responded she had not forgotten about the terms of the sale and when she was suggesting developing additional housing, she was not envisioning staff building it but rather that the District could partner with an external organization to accomplish the goal of increasing employee retention.

Ms. Ruiz inquired if the Board had any last requests for information, data collection, or research before staff returned to the Board. She stated the Board could also e-mail requests to her.

Director Riffle inquired about the next steps.

Mr. Jaskulak reported that staff will return to the Board with the requested information and analysis. He noted that he is clear on Board feedback regarding the comparable agencies, but less so on the philosophy. He senses a shift towards median plus, but raised the question of how much above median, whether it should be median plus 5 or 10%, or perhaps the 70th percentile plus 10% to be in the lead.

Director Riffle stated he would like the District to make progress and is interested in more specificity in how the District intends to move forward.

Director Kishimoto inquired if this item should return to the Action Plan and Budget Committee (Committee) for further development.

Director Riffle responded it could return to the Committee, but he does not have a clear sense of how the District intends to move forward.

Mr. Jaskulak responded that all the questions have been notated, and staff will provide additional information and conduct further analysis based on tonight's discussion. Also, staff will review the list of comparable agencies to identify any other recommended agencies and see if that changes any of the findings and will also gather additional staff feedback and input. All the information will be compiled into a recommendation to be presented to the Board, unless the Board feels another informational discussion is necessary.

Director Riffle inquired if it would be helpful to assign the compensation philosophy to the Committee to move the project forward.

Mr. Jaskulak replied that it could be assigned to the Committee. Organizing a meeting with the Committee does put an additional step in the process but it could speed the process up in the end.

Director Riffle recommended assigning the compensation philosophy to Committee as an option for Board consideration to keep the project on track.

President MacNiven suggested staff coming back to the Board before the end of January.

Director Holman commented that if the Board is considering sending the matter to the Committee, why not just give that direction now to be more efficient.

Mr. Jaskulak stated that staff can meet with the Committee before the holidays and then meet with the entire Board after the holidays.

Director Holman asked if there was consensus among the Board to take this item to the Committee first.

Director Kishimoto agreed that the item should be directed to the Committee before bringing it back to the full Board. She also sees value in reviewing the median versus the average or a combination. Additionally, that the compensation guiding principle will need to be updated to incorporate the new information.

Ms. Ruiz stated that a Committee meeting can be included and mentioned the desire to give staff another opportunity to understand the same information that the Board received tonight. She has heard from staff and they too would like another opportunity for input.

Mr. Jaskulak supported having the item go to the Committee so that there is an intermediate step that attains feedback from the Committee members to solidify the recommendations that will be presented to the full Board at the end of January.

No board action required.

INFORMATIONAL REPORTS

A. Committee Reports

Director Gleason reported that the Bear Creek Stables Ad Hoc Committee met on September 12, and the Site Planning and Architecture team presented their work and discussed the remaining

timeline and how to move forward. Director Riffle suggested a separate meeting for staff and the three ad hoc committee members to address this process, which took place on September 19. Director Kersteen-Tucker reported that the Planning and Natural Resources Committee met on September 17 and provided an overview of the meeting in which staff presented on the Hawthorns Area Plan Working Group recommendations.

Director Gleason reported that the Hawthorns Historic Complex Ad Hoc Committee met on September 24 along with Directors Riffle and Holman and provided an update.

B. Staff Reports

Ms. Ruiz commended Public Affairs, Land & Facilities staff, and others who were involved in the preparations for the commemorative bench event that was held at La Honda Creek Open Space Preserve for former Board member Larry Hassett.

C. Director Reports

Director Cyr reported that he was delighted to attend the bench commemoration for former Board member Hassett and echoed Ms. Ruiz comments that the preparations for the event were fantastic. He reported that he also attended the Hawthorns Historic Complex tour on September 19 and the La Honda Creek Restoration projects tour on September 23.

Director Kishimoto reported attending the La Honda Creek Restoration projects tour on September 23 and the Save the Redwoods League annual meeting on September 21. She also attended a BCDC meeting on September 25 and presented to the League of Cities the same day. On September 23, she attended a California Special Districts meeting regarding proposed changes to LAFCO policies on out-of-service areas and other issues. She noted that these changes will be on LAFCO's agenda soon but believes the District will not be affected and will know staff know more about it.

Director Holman reported that the Green Foothills annual event is on September 29 and encouraged everyone to attend. This year's special honoree is Anna Eshoo, who is concluding her time in Congress. She also mentioned to Ms. Ruiz her recommendation to consider hosting an event to honor of both Anna Eshoo and Joe Simitian as they conclude their terms, in recognition of the significant support they have provided to the District. She asked Ms. Ruiz what steps would need to be taken to make this event possible.

Ms. Ruiz suggested meeting to discuss and get a sense of some of the possibilities for an event.

Director Holman reported attending the La Honda Creek Restoration projects tour on September 23 and expressed appreciation for the opportunity to be on the land.

Director Kersteen-Tucker reported participating in several tours, including the Hawthorns Historic Complex tour, and thanked staff for organizing it. She also attended multiple meetings regarding the potential acquisition of the Bay City Nursery property, the bench commemoration for former Board member Hassett, the La Honda Creek Restoration projects tour, and joined the ranger badging celebration today.

Director Gleason reported touring the Laurel Curve Wildlife Crossing with the Land Trust of Santa Cruz County, describing it as both fun and educational. He mentioned receiving an interesting document from Pathways for Wildlife that provides valuable information about the before and after and mentioned that he will pass it on to the District Clerk to share with the Directors.

ADJOURNMENT

President MacNiven adjourned the regular meeting of the Board of Directors of the Midpeninsula Regional Open Space District meeting at 10:01 p.m.

Maria Soria, MMC
District Clerk