



**SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT**

Post Office Box 339, Oceano, California 93475-0339
1600 Aloha, Oceano, California 93445-9735
Telephone (805) 489-6666 FAX (805) 489-2765
www.sslocsd.us

**AGENDA
BOARD OF DIRECTORS MEETING
Oceano Community Services District Board Room
1655 Front Street, Oceano, CA 93445**

**THURSDAY, JUNE 14, 2018
6:00 P.M.**

Board Members

Linda Austin, Chair
Barbara Nicolls, Vice Chair
Jim Hill, Director

Agencies

Oceano Community Services District
City of Grover Beach
City of Arroyo Grande

Alternate Board Members

Karen White, Director
Mariam Shah, Director
Tim Brown, Director

Oceano Community Services District
City of Grover Beach
City of Arroyo Grande

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- 1. CALL TO ORDER AND ROLL CALL**
 - 2. PLEDGE OF ALLEGIANCE**
 - 3. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA**

This public comment period is an invitation to members of the community to present comments, thoughts or suggestions on matters scheduled on this agenda. Comments should be limited to those matters which are within the jurisdiction of the District. The Brown Act restricts the Board from taking formal action on matters not published on the agenda. In response to your comments, the Chair or presiding Board Member may:

- Direct Staff to assist or coordinate with you.
- Direct Staff to place your issue or matter on a future Board meeting agenda.

Please adhere to the following procedures when addressing the Board:

- Comments should be limited to three (3) minutes or less.
- Your comments should be directed to the Board as a whole and not directed to individual Board members.
- Slanderous, profane or personal remarks against any Board Member, Staff or member of the audience shall not be permitted

Any writing or document pertaining to an open-session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the offices of the Oceano CSD, a member agency located at 1655 Front Street, Oceano, California. Consistent with the Americans with Disabilities Act (ADA) and California Government Code §54954.2, requests for

disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires modification or accommodation in order to participate at the above referenced public meeting by contacting the District Administrator or Bookkeeper/Secretary at (805) 481-6903. So that the District may address your request in a timely manner, please contact the District two business days in advance of the meeting.

4. ACTION ITEMS:

4A. CONSIDERATION OF EMPLOYMENT CONTRACT AND ADOPTION OF RESOLUTION NO. 2018-396; DISTRICT ADMINISTRATOR

Recommendation: Adopt Resolution No. 2018-396, Approving the Contract for District Administrator.

5. ADJOURNMENT

**The next regularly scheduled Board Meeting on June 20, 2018, 6:00 pm at the
Oceano Community Services District Board Room,
1655 Front Street, Oceano, CA**



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STAFF REPORT

Date: June 14, 2018
To: Board of Directors
From: Richard Sweet and Paul J. Karp, Technical Consultants
Subject: **ADOPTION OF RESOLUTION NO. 2018-396 APPROVING AND DIRECTING THE CHAIR TO EXECUTE THE EMPLOYMENT CONTRACT WITH JEREMY GHENT FOR THE POSITION OF DISTRICT ADMINISTRATOR**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2018-396 approving and directing the Chair to execute the employment contract with Jeremy Ghent for the position of District Administrator.

BACKGROUND:

At its meeting of November 1, 2017, the Board approved initiating the recruitment of a District Administrator. At its meeting of December 6, 2017, the Board approved a contract with CPS HR for recruitment of a District Administrator. At a special meeting on May 4, 2018, the Board interviewed a number of candidates and reduced the number of candidates to three. On May 11, 2018, the Board interviewed the three final candidates, ranked the candidates and authorized the preparation of an employment contract.

DISCUSSION:

At its meeting of June 6, 2018, the Board met with the highest ranked candidate, Jeremy Ghent, to discuss terms of an employment contract. Mr. Ghent is a licensed civil engineer, holds a master's degree in civil engineering, has worked as a civil engineer for 18 years and presently is the Wastewater Operations Manager for the County of San Luis Obispo.

The proposed contract with Mr. Ghent is Attachment "A." Primary terms of the contract are:

Start Date	July 2, 2018
Length of Contract	Three (3) years
Compensation	\$12,500 per month
Annual Increase	2.5% (consistent with SEIU contract w/employees)
Mileage Reimbursement	IRS Rate (presently \$0.54 per mile)
Cell Phone Stipend	\$100 per month
Employee Vacation Leave	16 days with increase of one day annually to 22 days (consistent with SEIU contract w/employees)
Management Leave	Five days annually
Termination	Prior to 2 nd anniversary – twelve months compensation; after 2 nd anniversary - 6 months compensation.
Retirement	Consistent with SEIU contract w/District employees

OPTIONS

1. Adopt Resolution No. 2018-396 approving and directing the Chair to execute the employment contract with Jeremy Ghent for the position of District Administrator. This is the staff recommendation.
2. Renegotiate the terms of the contract.
3. Provide other direction to staff.

Attachment "A": Employment Agreement between the South San Luis Obispo County Sanitation District and Jeremy Ghent for District Administrator Services

RESOLUTION NO. 2018-396

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
DIRECTING THE CHAIR TO EXECUTE AN EMPLOYMENT CONTRACT
WITH JEREMY GHENT FOR THE POSITION OF DISTRICT ADMINISTRATOR**

WHEREAS, the District has conducted an extensive search for a District Administrator and desires to appoint the best qualified candidate to the position; and

WHEREAS, the District is committed to developing and promoting an effective and professional Management Team, including the District Administrator; and

WHEREAS, the District Administrator shall be an "at-will" employee and shall serve at the pleasure of the District; and

WHEREAS, it is the desire of the District to provide certain benefits, establish certain conditions of employment, and set working conditions of Employee; and

WHEREAS, it is the desire of the District to provide inducement for Employee to remain in such employment; assist in the maintenance of the health and well-being of Employee; provide a just means for terminating the service of Employee at such time as he may be unable to discharge fully his duties or when the District desires to otherwise terminate his employment; act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Employee and against morally questionable personal financial dealings; and establish a clear and mutually understood system of compensating Employee.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of the South San Luis Obispo County Sanitation District, San Luis Obispo County, California, as follows:

That the Chair of the South San Luis Obispo Sanitation District be directed to execute the Employment Contract with Jeremy Ghent for the position of District Administrator.

PASSED AND ADOPTED at a regular meeting of the South San Luis Obispo County Sanitation District on June 14, 2018.

Upon motion of Director _____, seconded by Director _____ and on the following roll call vote to wit:

AYES:

NOES:

ABSENT:

CONFLICTS:

RESOLUTION NO. 2018-396

CERTIFICATION:

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a regular meeting of the South San Luis Obispo County Sanitation District held on June 14, 2018.

**CHAIR OF THE BOARD OF DIRECTORS
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

ATTEST:

DISTRICT SECRETARY

APPROVED AS TO FORM:

BY: _____
**KEITH F. COLLINS
DISTRICT COUNSEL**

APPROVED AS TO CONTENT:

BY: _____
**PAUL J. KARP OR RICHARD SWEET
TECHNICAL CONSULTANTS**

**EMPLOYMENT AGREEMENT BETWEEN THE
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
AND JEREMY GHENT FOR
DISTRICT ADMINISTRATOR SERVICES**

This Agreement (hereinafter referred to as the "Agreement") is entered into this ____ the day of June, 2018, ("Effective Date") by and between the South San Luis Obispo County Sanitation District, acting through the District Board of Directors, (hereinafter referred to as "District") and Jeremy Ghent, (hereinafter referred to as the "Employee"), with reference to the following:

WHEREAS, the District has conducted an extensive search for a District Administrator and desires to appoint the best qualified candidate to the position; and

WHEREAS, the District is committed to developing and promoting an effective and professional Management Team, including the District Administrator; and

WHEREAS, the District Administrator shall be an "at-will" employee and shall serve at the pleasure of the District; and

WHEREAS, it is the desire of the District to provide certain benefits, establish certain conditions of employment, and set working conditions of Employee; and

WHEREAS, it is the desire of the District to: provide inducement for Employee to remain in such employment; assist in the maintenance of the health and well-being of Employee; provide a just means for terminating the service of Employee at such time as he may be unable to discharge fully his duties or when the District desires to otherwise terminate his employment; act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Employee and against morally questionable personal financial dealings; and establish a clear and mutually understood system of compensating Employee.

NOW, THEREFORE, in consideration of the promises, terms, and conditions in this Agreement, the District and Employee agree as follows:

1. TERM OF EMPLOYMENT.

- A. Employee's status shall be "at-will" and shall serve at the pleasure of the District. Nothing in this Agreement or any other existing or future District document, not specifically amending this Agreement, shall prevent, limit or otherwise interfere with the right of the District to terminate the employment of Employee at any time and for any reason, or for no reason, subject to the provisions specified in Section 3 of this Agreement.
- B. Subject to the conditions set forth in this Agreement, Employee shall be employed in the position of District Administrator for a thirty-six (36) month period commencing on July 2, 2018 ("Start Date") and continuing through July 1, 2021.
- C. The term of employment may be extended at any time prior to the expiration of this Agreement by the mutual consent of District and the Employee. Such consent must be evidenced by a written Amendment to this Agreement approved by the Board and signed by the District and the Employee.

2. COMMITMENTS OF THE PARTIES.

- A. Employee Commitments.

i. Duties, Responsibilities and Authority.

1. District retains Employee to perform the duties of the District Administrator and any other duties as may be required by the Board of Directors which are not inconsistent with the provisions of this Agreement or the law.
2. The Employee shall have those powers and perform all of the duties of the District Administrator as set forth in the laws of the State of California, District Ordinances, and District policies and procedures approved by the District from time to time.
3. The Employee shall be subject to all District rules, regulations and policies applicable to employees and management and to any subsequently adopted laws, regulations and policies, which do not conflict with this Agreement or the law.
4. The Employee shall, subject to the direction and control of the District Board of Directors, exercise administrative supervision over the District and its employees so that the statutory and other legal duties of the District are fully satisfied.
5. The Employee shall serve the District diligently and to the best of his/her abilities in all respects and shall always act in District's best interest in fulfilling its legal responsibilities as a county sanitation district organized under California Health and Safety Code Section 4700 et seq..
6. Each week, except for extenuating circumstances, the Employee agrees to make sufficient time available to each member of the District Board of Directors to provide an opportunity to be briefed on District issues.
7. The Employee agrees to remain in the exclusive employment of District during the term of this Agreement and shall not accept other employment or perform other services for compensation without having first obtained written permission from the Board, which the Board may withhold at its sole discretion.

ii. Hours of Work.

1. The Employee is an FLSA exempt, at-will employee but is expected to engage in the hours of work that are necessary to fulfill the obligations of the District Administrator's position. The Employee is a full-time employee expected to work the normal business hours of the District and is expected to be available at all times unless on official leave and has designated a full-time management employee in an acting capacity as District Administrator.
2. It is recognized the Employee must devote a great deal of time to the business of the District outside of the District's customary office hours, and to that end the Employee's schedule of work each day and week shall vary in accordance with the work required to be performed. The Employee shall spend sufficient hours onsite to perform the District Administrator's duties; however, the Employee has discretion over the Employee's work schedule and work location.

B. District Commitments.

1. Salary.

1. The District agrees to pay Employee \$12,500.00 monthly. Employee shall be paid in accordance with the District's customary payroll practices.
2. The District will make adjustments in compensation based upon performance. At the first annual evaluation, if the District provides the Employee with a satisfactory or better evaluation, then he shall receive a 2.5% increase in salary. If at the second annual evaluation the District provides the employee with a satisfactory or better evaluation, then he shall receive a 2.5% increase in salary. Any increases in salary shall be paid retroactive to the respective anniversary date of the Employee's start date. No other increase in salary shall be considered during the term of this Agreement.
3. Any future decrease in the salary of the Employee will be made by the Board of Directors only in the event that a decrease is made in the salaries of all District employees. In such event the percentage decrease in the salary of Employee shall be no more than the average percentage decrease of all other District employees.

ii. Benefits.

In addition to the Employee's salary, the Employee shall receive the following benefits:

1. Group Insurance. At the Employee's election, District agrees to provide, either: (1) the same type and level of medical insurance benefits as provided to the Plant Superintendent, or (2) a cash reimbursement benefit equal to the dollar amount of the "Employee Only" District Flex Dollar Contribution as provided to the Plant Superintendent. Employee is obligated to maintain a level of medical insurance commensurate with that provided by the District. Additionally, District agrees to provide Employee the same type and level of dental, disability and life insurance as provided to the Plant Superintendent. The Employee may change options during any open enrollment or qualifying event.
2. Retirement. District agrees to provide the same type and level of retirement benefits as provided to employees as defined in the Memorandum of Understanding between the South San Luis Obispo County Sanitation District and the Service Employees' International Union Local 620, as adopted by Resolution 2017-379. To the extent allowable under the law, District shall pay the full employee contribution rate, which is currently 8%.
3. Travel Expenses. District Administrator duties require that he have at all times during his employment with the District the use of a personal automobile for travel within the course and scope of employment. District agrees to reimburse Employee at the current and regularly updated non-taxable IRS rate for mileage.
4. Business Expenses. District agrees to reimburse the Employee for District-related business expenses and travel expenses, subject to State law and such rules, regulations and policies as the District has or may establish and

amend from time to time.

5. Association Dues. District agrees to pay on behalf of the Employee any annual licensing or professional association dues as required for membership in professional organizations common to the field of wastewater, special district management, public administration, and/or if the Employee's membership in the Association is reasonably considered to be beneficial to the District.
6. The District agrees to pay the travel and subsistence expenses of the Employee to pursue official functions for the District, and meetings and occasions to continue the professional development of the Employee, including, but not limited to, national, state, regional and local training conferences; short courses, institutes and seminars; and, governmental groups and committees upon which the Employee serves as a member subject to annual review and approval by the District Board of Directors.
7. Cellphone Stipend. Employee shall be reimbursed at the rate of \$100.00 per month for maintaining a working cellphone provided that said cellphone provides "24-7" District employee and Board member access to the District Administrator.
8. Holidays, Vacation and Sick Leave. District agrees that policies, rules and regulations of District for the Plant Superintendent relating to holidays, vacation and sick leave and other leaves of absence as they now exist, or as may be amended, shall apply to the Employee with the following exception.
 - a. At the start of the term of this Agreement, District agrees to provide a vacation bank of 40 hours.
 - b. Employee's vacation leave accrual will begin at 16 days annually and will increase one (1) day for each year of continual service up to a maximum of 22 days.
9. Management Leave. The District recognizes that extraordinary efforts may be required of the Employee to fulfill the responsibilities of the District Administrator position, and that the District Administrator position is designated as being exempt from the overtime provisions of the Fair Labor Standards Act. The District agrees to provide five (5) days of Administrative Leave at the start of the term of this Agreement and then on January 1 for each remaining year of the Agreement. An additional five (5) days may, upon written request of Employee, be granted annually at the discretion of the Board of Directors.

C. District Board of Directors Commitments.

- i. The District Board of Directors sets policy for the governance and administration of the District, and it implements its policies through the District Administrator.
- ii. The District Board of Directors recognizes that to meet the challenges facing the District they must exercise decisive policy leadership. As one step in carrying out this leadership responsibility, the District Board of Directors commits to spending time each year outside of regular Board Meetings to work with the District Administrator.

- iii. The District Board of Directors will work with Administrator and staff on creating and revisiting the District's Strategic Plan, for setting goals and priorities for the District, and to work on issues that may be inhibiting the maximal achievement of District goals.

D. Mutual Commitments.

i. Strategic Workshops.

1. As soon as practicable after the Employee's Start Date, the District Board of Directors and the Employee will meet to review the District's existing Strategic Plan and/or set out goals and priorities for the Employee to implement prior to the Employee's annual performance evaluation or such other dates as determined in the course of the meeting.
2. Thereafter the review and update of the District Board of Directors' Strategic Plan will occur following each election that changes the membership of the Board between January 1st and March 31st. For purposes of clarity, the District Board of Directors and the Employee shall further establish a relative priority among those strategic goals and objectives within the Strategic Plan.

ii. Annual Performance Evaluation.

1. The District Board of Directors shall conduct an evaluation of the Employee's performance at least once each year. The District and Employee agree that performance evaluations, for the purpose of mid-course corrections, may occur at any time. The parties agree that the initial evaluation shall occur within 180 days of the Employee's Start Date and then no later than 30 days following the anniversary of Employee's Start Date and each year thereafter.
2. The annual review and evaluation shall be in accordance with specific criteria developed jointly by the District Board of Directors and the Employee during the initial strategic planning and goal setting workshop described in Section 2.D.i.1 above.
3. In addition to the annual strategic plan workshops, the District Board of Directors and the Employee may further define such goals and performance objectives during the annual evaluation as they mutually determine are necessary for the proper operation of the District and for the attainment of the District Board of Directors' policy objectives. The District and the Employee shall further establish a relative priority among those goals and performance objectives. The parties may use an outside facilitator paid for by the District to assist with conducting the Employee's annual performance evaluation.

3. TERMINATION AND SEVERANCE.

The following provisions shall apply to the District's termination of Employee:

- i. The District shall have the right to terminate this Agreement at any time with or without cause. Termination shall require a vote of the District Board of Directors and a thirty (30) day written notice to the Employee.
- ii. Except as provided in Section 3.iii below, in the event that the District terminates this Agreement, as provided in Section 3.i above, prior to the 2nd anniversary of this

Agreement the District shall pay the Employee twelve (12) months current salary in twelve (12) consecutive monthly installments. In the event the District terminates this Agreement following the 2nd anniversary of this Agreement the District shall pay the Employee six (6) months current salary in six (6) consecutive monthly installments, consistent with normal District payroll practices. Payments shall be made with all appropriate payroll deductions taken. Accrued vacation, holidays and other accrued time shall be paid on the termination date. Employee shall be entitled to continued health insurance benefits in accordance with applicable law, at Employee's expense, and shall also be entitled to any retiree medical benefits as they apply to other full-time management positions. Payment in accordance with this Section 3.ii will release the District from any further obligation under this Agreement. Should the Employee subsequently be convicted of any crime related to his performance under this Agreement, such as fraud, he will forfeit any funds paid pursuant to this provision and reimburse the District all such funds received.

- iii. In the event that the Employee: (1) materially breaches this Agreement and fails or is unavailable to cure the breach within 15 days' notice given by District; (2) is convicted of a felony, or misdemeanor involving moral turpitude; (3) fails to perform his duties to the extent that it is established that such failure of his performance amounts to malfeasance or material dereliction of duty; or (4) fails or refuses to follow a direct, lawful order by the District, then District may immediately terminate this Agreement without obligation to pay any severance payments to Employee pursuant to Section 3.ii.
- iv. Employee shall not be removed during the ninety (90) day period preceding or following any election that has the effect of changing the membership of the District Board of Directors, or during the 90-day period following any change in membership of the District Board of Directors.
- v. Given the at-will nature of the position of District Administrator, an important element of the Employment Agreement pertains to termination. It is in both the District's interest and that of the Employee that any separation of the District Administrator is done in a businesslike manner.

4. RESIGNATION.

The following provisions shall apply to the Employee's termination of this Agreement:

- i. In the event that the Employee voluntarily resigns from the position of District Administrator, Employee agrees to provide District with a minimum of thirty (30) days' written notice, unless the parties agree otherwise. The Employee shall not be entitled to any salary or benefits after the actual dates of resignation, except as provided in Section 4.ii.
- ii. The Employee shall be entitled to continued health benefits in accordance with applicable law, at Employee's expense, and is also entitled to any retiree medical benefits as they apply to other full-time management positions.
- iii. During the period from the stated intent to resign and the date of resignation, the Employee shall continue to faithfully and competently perform the duties of District Administrator as set forth in this Agreement.

5. GENERAL PROVISIONS.

- i. Amendments. This Agreement may be amended at any time by mutual

written agreement of the District Board of Directors and the Employee.

ii. Conflict of Interest.

1. The District Administrator shall not engage in any business or transaction or shall have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties. Personal as distinguished from financial interest includes interest arising from blood or marriage relationships or close business, personal, or political associations. This section shall not serve to prohibit independent acts or other forms of enterprise during those hours not covered by active District employment, providing such acts do not constitute a conflict of interest as defined herein and are approved by the Board as set forth in Section 2.A.i.7, above.
2. The District Administrator shall also be subject to the conflict of interest provisions of the California Government Code and any conflict of interest code applicable to the Employee's District employment.

iii. Indemnification. The District shall defend, save harmless and indemnify the Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as District Administrator. The District may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

iv. Severability. If any clause, sentence, part, section or portion of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, such clause, sentence, part, section, or portion found shall be rendered as though it were not part of this Agreement and the remaining parts of this Agreement shall be fully binding and enforceable by the Parties hereto.

6. NOTICES.

Any written notices required by the Agreement shall be either given in person or by first class mail with the postage prepaid and address as follows:

To District: Chair, Board of Directors
 South San Luis Obispo County Sanitation District
 1600 Aloha Place
 Oceano, CA 93445

To Employee: Jeremy Ghent
 South San Luis Obispo County Sanitation District
 1600 Aloha Place
 Oceano, CA 93445

7. ENTIRE AGREEMENT.

This Agreement supersedes any and all other agreements and/or understandings, whether oral

or in writing, concerning District Administrator's employment hereunder.

In Witness Whereof, District and the Employee have executed this Agreement as of the date first written above.

South San Luis Obispo County Sanitation District

Linda Austin, Chair (Date)

Employee

Jeremy Ghent (Date)

ATTEST

Clerk of the Board (Date)

APPROVED AS TO FORM

Attorney for District (Date)