

**Organizational Synergy & Human Resources Committee
September 23, 2004 Meeting**

Draft Minutes

Members Present: Stephen Cassano, Committee Chairman
Michael Pace, Board Chairman (present beginning at 9:00 a.m.)
Mark Cooper
Jim Francis

CRRA Staff Present: Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Laurie Hunt, Managing Director of Legal Services
Chris Hyfield, Human Resources Manager
Kristen Greig, Legal Temp

Chairman Cassano called the meeting to order at 8:40 a.m. and noted that there was a quorum.

1. Approval of Minutes of the July 14, 2004 Finance Committee Meeting

Chairman Sullivan requested a motion to accept the minutes of the July 14, 2004 Organizational Synergy & Human Resources Committee meeting. The motion made by Director Cooper was seconded by Director Francis.

Mr. Kirk stated that that on page 3 the last sentence in the fourth paragraph should read, "Mr. Kirk explained that his concern was that the hourly field employees already worked a 40 hour week and everyone else was nominally working 37.5 hours."

Mr. Kirk noted that the third paragraph on page 4 should be corrected to read, "The issue was tabled with no action taken."

The minutes as amended were approved unanimously.

Mr. Hyfield gave an update of the positions that were vacant as of the previous meeting and noted that all vacancies would be filled upon the hiring of one more Scale Enforcement specialist.

Mr. Kirk explained that it was necessary for CRRA to utilize its employees for enforcement at the Bridgeport project to show customer towns that CRRA was looking out for their interests. Mr. Kirk said the SWAB Board was pleased with the improvements CRRA had recently made and noted that CRRA was working with the

SWAB Board to ensure the Bridgeport project had sufficient options available to them after the expiration of the contract.

2. Review of Informational Material

Employee Awards Policy

Mr. Hyfield stated that CRRA management was seeking the ability to recognize outstanding performance by employees. Mr. Hyfield explained that the value of the award was limited to \$100.00 and because the award was a taxable fringe benefit, anything less than \$50.00 would be negated by taxes and other deductions. Mr. Kirk explained that the motivation for this policy was the relocation of the office. There was an internal committee of employees who did a remarkable job organizing and effecting the move and those employees spent a great deal of time beyond the required work day. Mr. Kirk said that when management wanted to recognize those employees, they realized that they did not have a mechanism to do so. Mr. Kirk stated that expenses associated with the program would be budgeted into the Employee Activities line item. Mr. Kirk noted that awards would be given infrequently and only when appropriate.

Mr. Francis noted that the Board had been reluctant to have any type of bonus policy, but stated that the company might be beyond that. Mr. Francis stated that it was possible that the program could become a “revolving door” thereby losing the intention of recognizing true merit. Mr. Francis said the program could also de-motivate employees if they saw other employees receiving the award. Mr. Hyfield responded that awards would be given between a supervisor and their direct report on a one-on-one basis. Director Francis stated that could cause pressure on the supervisors to share awards equally. Mr. Kirk said that he would be required to sign off on all awards and would make certain that the awards were not abused.

Chairman Cassano stated that there should be a trial period of six months to ensure it was not being abused. Chairman Cassano also said the policy should be reviewed by the Board for their approval and to ensure such a policy was in accordance with the legislation. Attorney Hunt said she would confirm whether the legislation allowed bonuses/awards. Chairman Pace said he supported the policy and did not view it as a bonus, but as a token of appreciation for extraordinary performance. Chairman Pace said he did not feel the matter needed to be brought to the Board of Directors.

Chairman Cassano requested a motion to accept the Employee Awards Policy with a review after six months. The motion was made by Director Francis and seconded by Director Cooper. The motion was approved unanimously. Chairman Cassano noted that no Board action was necessary.

Workplace Violence Policy

Mr. Hyfield explained that the Workplace Violence Policy and Progressive Discipline Policies were referenced in the Employee Handbook, yet formal policies did not exist. Mr. Hyfield stated that the policies contained language from the Handbook with additions from policies he had worked on in the past. Mr. Hyfield said the policies would be included in the updated version of the Handbook and posted on the Intranet.

The Committee tabled the issue pending further legal review.

Progressive Discipline Policy

Director Cooper stated that the language in Section 2.3 of the policy that stated an employee could be discharged for cause could potentially conflict with CRRA's "at-will" employment policy.

Mr. Kirk suggested that Attorney Escalera review the policy to ensure CRRA's "at-will" employment status was not weakened by any language in the policy. Mr. Kirk said his concern was that by identifying possible reasons for an employee's discharge, the list could be misconstrued as an all-inclusive list. Mr. Hyfield said the list was intended to give employees a point of reference with specific examples.

Mr. Hyfield stated that the language, "the employee will be discharged for cause" could be stricken to eliminate any potential conflicts. Director Cooper stated that the "at-will" employment policy could already be weakened if any other personnel policies implied that there were specific reasons for discharge. Mr. Hyfield explained that the language in the policies was taken directly from the Handbook, which was provided by Attorney Escalera, and the additions had passed previous legal review.

The Committee decided that the "discharged for cause" language would be stricken and Attorney Escalera would further review the policy.

3. Review and Recommend for Board Approval Continuation of Health/Dental/Life/Short-term & Long Term Disability Insurance Programs

Mr. Hyfield stated that the proposed resolution was for continuation of the existing policies without a broker. Mr. Hyfield explained that CRRA continued with its existing benefits packages when RC Knox was hired and those packages were in the process of being reviewed. In the meantime, the resolution allowed continuation of the existing benefits directly through the carriers.

Chairman Pace asked if the plans were for employees or families. Mr. Hyfield responded that the plans covered both employees and their families.

Chairman Pace asked if the benefits plan currently reimbursed employees a percentage of the cost if they waived the benefits. Mr. Hyfield stated that was not currently an option offered to employees, but prospective employees had recently asked the question. Mr. Bolduc suggested that RC Knox examine that possibility further.

Chairman Cassano asked what the financial impact would be for continuing the coverage for six months. Mr. Hyfield responded that it was a continuation of the existing rate. Mr. Kirk asked if CRRA received a credit for removing the broker. Chairman Cassano stated there was a savings of a couple thousand dollars.

Chairman Cassano requested a motion to recommend the continuation of the insurance programs to the Board. The motion made by Director Cooper and seconded by Director Francis was approved unanimously.

4. Executive Session

Chairman Cassano requested a motion to go into an Executive Session to discuss human resources issues. Chairman Cassano requested that the following people remain for executive session, in addition to the Committee members:

Mr. Kirk
Mr. Bolduc
Attorney Hunt
Mr. Hyfield

The motion made by Director O'Brien and seconded by Chairman Pace was approved unanimously.

The Executive Session began at 9:10 a.m. and concluded at 9:30 a.m. Chairman Cassano noted that no votes were taken in Executive Session.

ADJOURNMENT

Chairman Cassano requested a motion to adjourn the meeting. The motion made by Director Francis and seconded by Director Cooper was passed unanimously.

The meeting was adjourned at 9:30 a.m.

Respectfully submitted,

Kristen Greig
Secretary to the Board/Paralegal