

**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

August 16, 2021

**Special Pay for Arizona Department of Environmental Quality
Operator and Other Certifications**

Background

In October 2014, the Board authorized the General Manager to create, implement, approve, and revise personnel policies to ensure District operation. The only exception was that any policy with a financial impact would be brought to the Board for consideration.

Issues

The Arizona Department of Environmental Quality (ADEQ) oversees an operator certification program that includes Water Distribution, Water Treatment, Wastewater Collections, and Wastewater Treatment with four grades of proficiency in each operator track. Operator certifications in various tracks and grade levels are required for the successful operation of the District's various water systems.

Each of the District's job classifications state whether or not an ADEQ operator certification is required to perform the job duties, along with the requisite certification and grade level. A District employee is required to possess the required certifications per the job classification prior to interviewing for any such position.

Over the past years, many District staff have obtained operator certifications beyond that which is required for their job classification. Each of these additional certifications increases the District's cumulative knowledge on operations and maintenance of the distribution system. Additionally, these additional certifications directly benefits the District's mission to deliver safe, reliable water to our customers.

As the District provides special pay for other certifications and licenses, i.e. Commercial Driver's Licenses and Crane Certification, it is recommended that these additional ADEQ operator certifications also be compensated via special pay. Given the steps involved to register, test and obtain an operator certification, a Special Pay for ADEQ Operator Certifications Personnel Policy was drafted. The primary element of the policy states that each operator certification/grade beyond the requirements of the job classification would result in an increase in the employee's compensation by \$0.25/hour. This effect would be cumulative based on the number of certifications/grades beyond the requirements of the employee's job description.

While this policy would appropriately compensate District staff who sought certifications beyond their required job classification, the policy would further motivate employee continued development. Additionally, the policy enhances the District's succession plan. Succession planning and related activities are the District's number one specific performance objective for calendar year 2021. The draft policy also provides clarification regarding how this special pay would apply if a job classification is revised as well as for internal promotions.

There may be instances where special pay could be offered for other certifications beneficial to the District, i.e. a formal welding certification that enables in-house welding and fabrication capability versus relying on more expensive contracting support. As these various certifications/licenses are still being analyzed, it is recommended that these policies be brought back to the Board for consideration unless the total special pay for a particular category does not exceed the General Manager's authority per the District's procurement policy.

Recommendation

It is recommended that the Board of Directors authorize the General Manager to approve the Personnel Policy for Special Pay for Arizona Department of Environmental Quality Operator Certifications and to revise the policy as necessary to ensure the goals of this policy are achieved. It is also recommended that the General Manager shall be authorized to approve special pay for other certifications beneficial to District operations so long as the total annual financial impact for each special pay category is less than the General Manager's authority in the District's Procurement Policy.

Suggested Motion

I move to authorize the General Manager to approve the Special Pay for Arizona Department of Environmental Quality Operator Certifications Personnel Policy and to revise the policy as necessary to ensure the goals of this policy are achieved. I also move that the General Manager shall be authorized to approve special pay for other certifications beneficial to District operations so long as the total annual financial impact for each special pay category is less than the General Manager's authority in the District's Procurement Policy.

Respectfully submitted,

Joseph Olsen, P.E.
General Manager