

**MINUTES OF THE REGULAR MEETING
OF THE HOUSING AUTHORITY
CITY OF SAN DIEGO, CALIFORNIA
TUESDAY, SEPTEMBER 29, 1998**

Present: Members Mathis, Stevens, Wear, Stallings, McCarty, Kehoe, Vargas, and Warden.
Absent: Chair Golding.

CALL TO ORDER

Vice Chair Wear called the meeting to order at 11:25 a.m.

PUBLIC COMMENT

There were no requests for public comment.

CONSENT AGENDA

**MOTION BY COUNCILMEMBER MCCARTY TO APPROVE THE FOLLOWING ITEMS
ON CONSENT:**

1 APPROVAL OF THE MINUTES

Approval of the Minutes of the Meeting of September 8, 1998.

**2 HCR98-126 - Governor's 15% Special Project Funds Grant (Council
Districts 3, 4, 8)**

Recommendation: That the Housing Authority ratify the grant application to the California Employment Development Department for the Governor's 15% Special Project Funds, accept the grant award in the amount of \$1,439,057, and amend the Housing Commission's budget to include these funds.

3 HCR98-108 - Award of Construction Contract for Roofing and Various Other Improvements at 7777 Belden Street (District 5)

Recommendation: That the Housing Authority approve the award of contract in the amount of \$336,482 with a ten percent contingency (\$33,648) to address potential change orders for items not anticipated and identified in the original scope of work, to Stricker Roofing, Inc. dba Stricker Organization, and authorize the Executive Director to execute the contract and expend the contingency.

4 Using Remaining HUD Public Housing Development Funds for Modernization Activities at Various Public Housing Sites (Citywide)

Recommendation: That the Housing Authority adopt a resolution in support of using remaining Public Housing Development funds to make improvements to scattered public housing sites and amend the Housing Commission's FY99 Budget to incorporate these funds.

5 HCR98-109 - Pension Plan

Recommendation: That the Housing Authority adopt the amended San Diego Housing Commission Pension Plan Document to: 1) delete definitions of "Highly Compensated Employee" and "Non-Highly Compensated Employee" to comply with the Tax Payer Relief Act of 1997, 2) delete provisions for after-tax voluntary contribution testing and non-compliance limits for "Highly Compensated Employees" no longer applicable, 3) incorporate the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994, 4) modify the definition of "Earnings", 5) modify the definition of "Compensation", 6) add language to eliminate combined plan contributions and benefit limits, and 7) modify Plan to permit payment of small benefits, up to \$5,000 due a terminated participant.

6 HCR98-Implementation of Classification and Compensation Plan, Memorandum of Understanding, and Personnel Policies

Recommendation: That the Housing Authority 1) approve the proposed implementation of the classification and compensation plan prepared by Commission staff in consultation with employees and their bargaining representatives; 2) approve a revision to the union-negotiated Memorandum of Understanding (MOU) with Service Employees International Union, Local 535, and salary and benefit changes impacting represented employees effective October 1, 1998, and classification and compensation study implementation

revisions effective January 1, 1999; and 3) approve salary and benefit changes for nonrepresented employees consistent with the proposed Memorandum of Understanding for represented employees and revise Personnel Policies consistent with the proposed classification and compensation implementation report.

QUESTIONS WERE ASKED REGARDING ITEMS 6 AND 5:

Councilmember Warden raised a question regarding the fiscal impact of the proposed policy of rewarding bonuses to employees. Housing Commission Executive Director Elizabeth Morris clarified that the policy proposed a reward system for short-term outstanding performance for up to \$500 per person, and that a specific budget would be created within the overall personnel budget, with a fiscal impact not to exceed \$15,000.

Councilmember Warden expressed that she thought it unusual that this Pension Plan includes a car allowance. Mr. Ron Novello, of the Housing Commission, clarified that in the State of California, many items have been added to the compensation base for calculating retirement benefits, and that car allowances are being included. Both the Commission's attorney and pension consultant agree with this definition. Ms. Warden stated that she would vote to approve the Pension Plan, but would not vote in support of this particular issue.

Councilmember Stevens sought better understanding of the car allowance issue in terms of income tax. Mr. Novello explained that the car allowance is taxable income.

MOTION SECONDED BY COUNCILMEMBER KEHOE.

MOTION CARRIED BY A VOTE OF 8-0 ON ITEMS 1, 2, 3, 4, 6, AND A VOTE OF 7-1 ON ITEM 5, WITH COUNCILMEMBER WARDEN CASTING A "NO", AND WITH CHAIR GOLDING BEING ABSENT.

ADJOURNMENT

Vice Chair Wear adjourned the meeting at 11:32 a.m.