

RESOLUTION NO. 2017-06

APPROVING AN ADJUSTMENT TO THE SALARY OF THE GENERAL MANAGER OF THE MID-PENINSULA WATER DISTRICT AND THE THIRD AMENDMENT TO THE GENERAL MANAGER'S EMPLOYMENT AGREEMENT

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MID-PENINSULA WATER DISTRICT

WHEREAS, by Resolution No. 2012-13, the Mid-Peninsula Water District Board of Directors appointed Tammy Rudock as the new General Manager and approved the execution of an Employment Agreement with her that was dated December 21, 2012; and

WHEREAS, the Employment Agreement calls for an annual performance evaluation and salary review around the anniversary date of the General Manager's employment; and

WHEREAS, the District Board commenced this annual review at its regular Board meeting on December 15, 2016; and

WHEREAS, at the Special Board meeting on March 20, 2017, the Board completed the evaluation and proposed a \$6,029 increase to the base salary of the General Manager commencing as of January 1, 2017, directing the District Counsel to place this matter on the Board meeting agenda of March 23, 2017, for final action.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Mid-Peninsula Water District hereby approves an increase in the salary of the General Manager effective January 1, 2017, bringing her total base salary to \$178,279; and

BE IT FURTHER RESOLVED that the Board approves the Third Amendment to the General Manager's Employment Agreement that reflects the aforementioned increase and her current salary level.

REGULARLY passed and adopted this 23rd day of March 2017.

AYES: Vella, Warden, Zucca, Linvill, and Stuebing

NOES: 0

ABSENCES: 0

ATTEST:


DISTRICT SECRETARY


PRESIDENT, BOARD OF DIRECTORS



**THIRD AMENDMENT TO
EMPLOYMENT AGREEMENT**

THIS THIRD AMENDMENT TO EMPLOYMENT AGREEMENT is made as of the 1st day of January 2017, by and between the Mid-Peninsula Water District (hereinafter referred to as "DISTRICT") and Tammy A. Rudock (hereinafter referred to as "EMPLOYEE").

A. The Parties entered into an EMPLOYMENT AGREEMENT ("Agreement") under which EMPLOYEE is employed in the position of General Manager of the DISTRICT;

B. The Board of Directors conducted an annual performance evaluation of EMPLOYEE commencing in October of 2014 and took action to increase EMPLOYEE's salary to \$162,500 pursuant to Resolution No. 2015-01; and

C. The Board of Directors conducted an annual performance evaluation of EMPLOYEE commencing in December of 2015 and took action to increase EMPLOYEE's salary to \$172,250 pursuant to Resolution No. 2016-01;

D. Following an annual performance evaluation, which commenced in December of 2016, the Board of Directors took action to increase EMPLOYEE's salary to \$178,279 pursuant to Resolution No. 2017-06; and

E. The Board of Directors desires to amend the Employment Agreement with the General Manager to reflect the adjustment in EMPLOYEE's salary level.

NOW THEREFORE, the Parties agree to amend the Agreement as follows:

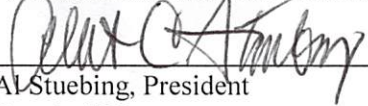
1. Section 3.1, Salary, is hereby amended by deleting the first sentence in its entirety and replacing it with the following:

Effective as of January 1, 2017, the District agrees to pay Employee a salary at the annualized rate of \$178,279 for Employee's faithful and diligent performance of the duties and obligations of General Manager, payable in installments in accordance with the District's customary payroll practices.

2. Except for those changes expressly specified in this Third Amendment, all other provisions, requirements, conditions, and sections of the Agreement, as previously amended, remain in full force and effect.

IN WITNESS WHEREOF, this Third Amendment to the Agreement is entered into as of the date first written above by the duly authorized representatives of the parties.

MID-PENINSULA WATER DISTRICT

By: 
Al Stuebing, President
Board of Directors

TAMMY A. RUDOCK



Summary--Overall Rating : 3.6

The board agrees with and accepts GM Rudock's self-assessment. The above overall rating shows that the board is satisfied with Tammy's performance and her continued growth in the GM position. The board is especially pleased with the following accomplishments made in 2016: the capital improvement plan culminating in the district's issuance of \$18,570,000 in certificates of participation, and the completion of the projects outlined in her evaluation, especially the personnel manual and the District's water modelling study.

For 2017, the board would like to see a renewed focus on the district's relationship with the City of Belmont particularly on the operations side. Since joining the district, Tammy has made great progress in taking positive steps to resolve this situation. Director Warden and Director Zucca will meet with Tammy to develop a plan for 2017. Metrics from that plan will be included in Tammy's 2017 performance agreement.

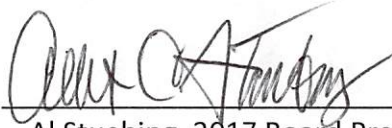
In addition, the board would like to see a strategic focus on competitiveness. Compared to the rates of similar water agencies, the district's water rates are higher than the board would like to see them. We need to increase our efficiency, continue to consider ways to manage costs, and ensure that the revenues and fees we collect are tracked and put to the optimal use possible. Also, staff reports for board actions should include the fiscal impact of the action and list all reasonable alternatives to the action.

In the area of leadership attributes, the board recognizes Tammy's skill in her "drive for results" (one of the measures in her performance evaluation). But sometimes Tammy's focus on results leaves critical team members behind. Tammy can continue to develop in this area by looking for feedback and other cues that may indicate that the drive for results may need to slow down to ensure that critical team members are on board.

Finally, GM Rudock needs to take a hard look at the allocation of her time particularly when it involves participation and her involvement in area and statewide committees. She needs to be able to convince the board of the value added to our small District.

The board hereby sets the GM salary for 2017 at \$178,280 which is a 3.5% increase.

 March 31, 2017
Tammy Rudock, General Manager


Al Stuebing, 2017 Board President