Career Service Board Meeting #2408
Minutes
Thursday, March 17, 2022, 9:00am

Microsoft Teams

Karen DuWaldt, Co-Chair
David Hayes, Co-Chair
Patricia Barela Rivera
Erin Brown
LaNee Reynolds

I. Opening: The meeting was called to order at 9:03am by Board Co-Chair Karen DuWaldt. All other members of the Career Service Board were present in addition to Bob Wolf, Sr. Asst. City Attorney to the Board, and Kathy Nesbitt, Executive Director, Office of Human Resources (“OHR”).

1. Approval of the Agenda for the March 17, 2022 Board Meeting.
   Board Member Patricia Barela Rivera made a motion, seconded by Board Co-Chair Karen DuWaldt, to approve the agenda for the March 17, 2022 meeting, which was approved unanimously by the Board.

2. Approval of the Minutes for the February 24, 2022 Board Meeting.
   Board Member David Hayes made a motion, seconded by Board Member LaNee Reynolds, to approve the minutes for the February 24, 2022 meeting, which was approved unanimously by the Board.

II. Board Comments: None.

III. Public Comments: None.

IV. Public Hearing:

1. Public Hearing Notice No. 663 – Prevailing Wage: DIA Glycol System

   Conor Wildt, Sr. Classification & Compensation Analyst, presented Public Hearing Notice No. 663 to adopt a change in the pay and/or fringe benefits of the prevailing wage classifications, “DIA-Glycol System” in accordance with section 20-76(c)(3) of the Denver Revised Municipal Code.

<table>
<thead>
<tr>
<th>Current Base Wage</th>
<th>Current Fringes</th>
<th>Current Total</th>
<th>Proposed Base Wage</th>
<th>Proposed Fringes</th>
<th>Proposed Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deicing Facility Operator</td>
<td>$28.22</td>
<td>$7.80</td>
<td>$29.08</td>
<td>$29.08</td>
<td>$7.96</td>
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<td>Maintenance Mechanic</td>
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<td>$7.74</td>
<td>$35.47</td>
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<td>Glycol Plant Specialist</td>
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<td>$6.54</td>
<td>$23.90</td>
<td>$17.36</td>
<td>$6.60</td>
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</tbody>
</table>

   The Service Contract Act wage determination method was used to determine base wage and fringe benefits.
Board Co-Chair David Hayes noted two of the classifications indicate a total compensation increase of approximately one dollar, while the other classification indicated a total increase of six cents year-over-year. Mr. Hayes asked if there is a lag in the compensation data, given the currently tight labor market.

Mr. Wildt responded the prevailing wage process is very prescriptive in terms of analysis and sources and the compensation data does not always reflect current market conditions due to the lag in updating the information. The last update to the wages under the Service Contract Act was in December 2021.

Mr. Hayes commented it makes him uncomfortable to see inconsistency in the trends being presented by the various prevailing wage notices, and it begs the question of whether the methodology and survey data is consistent. Mr. Hayes stated he understands the limitations of what data sources can be used under the city’s ordinance.

Nicole de Gioia-Keane noted Class & Comp could provide analysis of compensation trends for the classifications covered by the prevailing wage ordinance over a certain period of time if that would be helpful.

Mr. Hayes stated he was recalling the Auditor’s statement last year that certain classifications for contractors doing business with the city have lagging compensation.

Ms. de Gioia-Keane noted Class & Comp had recently learned the Department of Labor’s Wage and Hour Division is looking to do a major overhaul of the Davis-Bacon Act, including reviewing the survey data used, in order to address the issue of classifications not receiving timely pay increases consistent with market conditions.

OHR has been partnering with the Auditor, the Mayor’s Office, and City Council to discuss moving the prevailing wage process from OHR and the Board, which is mandated under Charter to survey pay and benefits for the career service employees of the city, not necessarily for contractors doing business with the city, to a third-party consultant. OHR must continue to follow the process outlined in ordinance.

Mr. Hayes agreed and stated it was important for the Board to be able to state the overall process and methodology undertaken by OHR has been consistent for prevailing wages.

Bob Wolf, Sr. Asst. City Attorney to the Board, commented it was also important to remember this process, including methodology, is entirely proscribed by ordinance, which OHR must follow as it is the law. If there are going to be changes, the ordinance itself has to be changed.

A motion was made by Board Co-Chair David Hayes, which was seconded by Board Member LaNee Reynolds, to approve Public Hearing Notice 663, which was unanimously approved by the Board.

2. Public Hearing Notice No. 664 – Prevailing Wage: DIA Oil & Gas Positions

Conor Wildt, Sr. Classification & Compensation Analyst, presented Public Hearing Notice No. 664 to adopt a change in the pay and/or fringe benefits of the prevailing wage classifications, “DIA Oil & Gas” in accordance with section 20-76(c)(3) of the Denver Revised Municipal Code.

<table>
<thead>
<tr>
<th>Current</th>
<th>Proposed</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base Wage</td>
<td>Fringes</td>
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<tr>
<td>Derrick Hand/Roustabout</td>
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<td>Mechanic</td>
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<td>Rig/Drill Operator</td>
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<tr>
<td>Truck Driver</td>
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<td>$7.35</td>
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</tbody>
</table>
The Service Contract Act wage determination method was used to determine base wage and fringe benefits.

A motion was made by Board Member Erin Brown, which was seconded by Board Member Patricia Barela Rivera, to approve Public Hearing Notice 664, which was unanimously approved by the Board.

V. Director’s Briefing:

1. OHR Update – Kathy Nesbitt

Kathy Nesbitt gave an update to the Board on current OHR issues. Ms. Nesbitt noted the city is moving forward with its hybrid workforce plan, from being fully at-home to a hybrid environment in which part of the week is in-person, which is challenging and difficult for some employees. OHR is in the process of finalizing Frequently Asked Questions on the city’s intranet to make the transition as seamless as possible.

The RFP for the city’s medical plans is continuing and bids are being evaluated by our outside consultant, Lockton, as well as a subcommittee of the Employee Health Insurance Committee (“EHIC”). In addition, as Nicole de Gioia-Keane noted earlier, we are evaluating our prevailing wage process and preparing an RFP to retain a third-party consultant.

Ms. Nesbitt noted her first sixty days as executive director is approaching and all is going well as she has met with many of the appointees and department heads. Ms. Nesbitt noted she had received a lot of very good feedback regarding OHR’s direction, which she will come back to the Board to share, along with her strategy for going forward.

Board Member Erin Brown asked if the city’s hybrid plan is standardized across all agencies and what is the number of days required in-office.

Ms. Nesbitt responded employees in agencies under the Mayor are expected to report in-person two days per week, which independent agencies have agreed to follow as well. Each agency will have flexibility in the implementation, as some agencies that are newly created or have expanded substantially may not have sufficient office seating for all of their staff.

Ms. Nesbitt noted the in-person requirement encourages employee collaboration and discussion, which may be accomplished by having teams come into the office on the same day, with others working in the field directly with other agencies.

Ms. Brown commented that one issue that was discussed during her time as the Mayor’s Deputy Chief of Staff was the sensitivity around equity; specifically that some jobs in the city, such as working for DOTI, do not allow for a hybrid environment and there was discussion of developing incentives to address that issue.

Ms. Nesbitt replied equity was one of the reasons the Mayor has re-instated the in-person requirement, as some employees do not have the privilege of working from home in their jobs, and all city employees are here to serve and must connect in-person with each other. While there is continuing discussion about incentives, the cost is prohibitive and it may be difficult to implement.

Board Member LaNee Reynolds asked how the city is handling individuals who have either moved out-of-state or further away from the Denver Metro area.

Ms. Nesbitt responded there are approximately 10 employees citywide who have gone through the process of reconsideration, and many of these individuals were approved on the basis they were temporary as they were leaving the city. The current policy allows for up to 20 days out-of-state before a formal request must be made.

There is also an exception committee consisting of Ms. Nesbitt and several individuals in the Mayor’s Office to review requests and the process for doing this has been communicated to all appointees and department heads.
In general, some IT positions that are essentially 100% remote in the general marketplace will continue to be allowed to work from home as these jobs can be done remotely. There may be other, very limited, exceptions granted for employees who have moved two or three hours away and are critical to the city, as well as those agencies who do not have sufficient space in-office.

2. Career Service Hearing Office Update – Ryan Brand & Edward Tilbury

Career Service Hearings Officers Ryan Brand and Edward Tilbury gave an update to the Board on current Hearing Office issues. Board Co-Chair Karen DuWaldt officially welcomed Hearings Officer Tilbury to the city and congratulated Hearings Officer Brand for his recent promotion.

Mr. Tilbury thanked the Board for the welcome and stated he has been pleased with his first six weeks in the office, during which time has presided over six excise and license hearings, one career service appeal, and issued one career service hearing decision. Mr. Tilbury noted he had recently completed the training modules for new employees, as well as supervisors/managers, and stated the office had an excellent team with Paralegal Raquel Trujillo and Mr. Brand.

Mr. Brand reviewed the 2021 activities of the Hearing Office, noting last year had been the 3rd busiest in the eight years he has been with the city. 73 appeals were filed, which is 25% higher than the number filed in 2020 and 2019, however, a relatively high percentage of these appeals were settled without issuing a decision. Mr. Brand noted this is a good development for both parties.

63 requests for mediation were filed last year, with an 89% acceptance rate whether the other party agrees or not, which is another indicator of issues being settled, rather than filing an appeal.

For Excise & Licenses, the Hearing Office adjudicated 171 cases last year, several of which were high-profile including the Pinkerton licensing matter relating to the shooting and death of a protestor during the Black Lives Matter incidents, the Beta nightclub, and Purple Martini. Mr. Brand stated this is an indication that Excise & Licenses has confidence in the quality of the Hearing Office’s work.

The office also adjudicated 17 Parks & Recreation cases as well as a few matters for the Department of Small Business and Forestry. Mr. Brand stated he and Mr. Tilbury would continue to offer their hearing services when appropriate to other agencies, as this reduces the expense of hiring contractors as hearing officers and leverages the hearing office.

In 2021, the Hearing Office came in 30% below its budget and maintained staffing at three FTE. Mr. Brand noted he and Mr. Tilbury would be reviewing the office workload in the coming months to decide whether to backfill the Legal Clerk position, which they would discuss with the Board.

2022 has been off to a busy start as well, with approximately 80 appeals filed and 8 decisions pending issuance. In compliance with the Mayor’s decision to implement a hybrid workplace with two days per week in-person, we will alternate weeks in the office individually to reach the two days requirement.

Mr. Brand and Mr. Tilbury will continue to offer hybrid hearings, including the option of a virtual hearing, which both Hearing Officers feel strongly has been successful for all parties involved and resulted in more efficient and timely hearings.

Board Co-Chair Karen DuWaldt asked for an example of a hearing undertaken for Excise & Licenses, to which Mr. Brand provided several overviews of the kind of matters coming before the Hearing Officer.

Board Co-Chair David Hayes recalled there was some discussion a few years ago regarding whether it was best to continue to have a third-party mediation firm, or to have the hearings officers undertake that. Mr. Brand replied the consensus was both OHR and employees preferred to have a third-party who is not a city employee. There is a contract through the Human Rights Division that continues to retain Steve Charbonneau’s firm to handle mediation requests.

Rory McLuster, Deputy Director of OHR, provided an update on the mediation process and noted it was important for OHR to receive reports regarding the number of requests.
Board Member LaNee Reynolds asked a follow-up question regarding how the return to a hybrid work plan was impacting the city’s recruiting process.

Cindy Bishop, Deputy Director of OHR, replied Talent Acquisition is tracking the number of job offer declines due to not offering a remote work option, as well the impact to retention, and to-date, there has not been a significant change. OHR will monitor the job market to see how the remote offering is trending over time.

Ms. McLuster commented there has not been a significant change to the city’s turnover rate and many private sector employers are also implementing a hybrid workplace model.

The Board thanked everyone for today’s update on OHR and the Hearing Office.

VI. Adjournment: Adjournment was at 10:00am.