

# LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

## MEMORANDUM

**DATE:** JANUARY 25, 2022

**TO:** BOARD OF DIRECTORS  
Lake Arrowhead Community Services District

**FROM:** CATHERINE CERRI, General Manager

**SUBJECT:** CONSIDER APPROVAL OF SIDE LETTER NO. 3  
BETWEEN LAKE ARROWHEAD COMMUNITY  
SERVICES DISTRICT AND THE MANAGERS,  
SUPERVISORS AND CONFIDENTIAL EMPLOYEES  
UNIT AMENDING THE CURRENT MEMORANDUM  
OF UNDERSTANDING SECTIONS 4.1.5 COST OF  
LIVING ALLOWANCE AND 4.2.1 SALARY SURVEY

### A. RECOMMENDATION

It is recommended that the Board of Directors (BOD) authorize the General Manager to execute the attached Side Letter No. 3 to the Memorandum of Understanding (MOU) with the Managers, Supervisors and Confidential Employees Unit (MSCEU) to amend Sections 4.1.5 and 4.2.1, increasing the cost-of-living allowance by 1%.and removing the requirement for a Salary Survey.

### B. REASON FOR RECOMMENDATION

It was suggested by the BOD that the General Manager negotiate with the MSCEU regarding the requirement for a salary survey. This amendment is the result of that negotiation.

### C. BACKGROUND INFORMATION

Section 4.2.1 of the current MOU between the District and the MSCEU, dated October 1, 2018 through September 30, 2022, states the following:

*4.2.1 Salary Survey. The District will utilize a third-party vendor to conduct a salary survey six (6) months prior to the end of this MOU. The District retains the*

*authority and sole discretion to select the vendor and determine the methodology for the salary survey. The results of the survey will be provided to the Unit. The District will determine whether and how the salary survey results will affect the current salary schedule in its sole discretion.*

The District released a Request For Proposals for a compensation study and received three responses ranging in price from \$19,200 to \$22,605. The BOD preferred to dedicate those funds to staff.

The MSCEU has agreed to remove the Salary Survey requirement with a modification to Section 4.1.5 Cost of Living Allowance as follows:

Current:

*Section 4.1.5 Year 4, January 1, 2022 through December 31, 2022 wages will increase 3%.*

Amended:

*Section 4.1.5 Year 4, January 1, 2022 through December 31, 2022 wages will increase 4%.*

#### **D. FISCAL IMPACT**

The total fiscal impact of increasing the cost of living from 3% to 4% is estimated to be \$18,548.

#### **E. ENVIRONMENTAL IMPACT**

This is an administrative action that does not constitute a project under the California Environmental Quality Act.

#### **F. ATTACHMENTS**

- Side Letter No. 3 to the MOU
- Revised 2022 MSCEU Salary Schedule



## SIDE LETTER NO. 3

**Date: January 25, 2022**

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Subject to approval by the Board of Directors of the Lake Arrowhead Community Services District (District), the District and the Managers, Supervisors and Confidential Employees Unit (Unit) have met and hereby agree to amend the 2018-2022 Memorandum of Understanding (MOU) between the District and the Unit as per this Side Letter No. 3 as follows:

1. MOU Section 4.1.5 Cost of Living Adjustments is amended as follows

Current MOU provision:

Section 4.1.5. Year 4, January 1, 2022 through December 31, 2022 wages will increase 3%.

Amended MOU provision:

Section 4.1.5 Year 4, January 1, 2022 through December 31, 2022 wages will increase 4%.

2. MOU Section 4.2.1 is deleted in its entirety and is not being replaced or modified

Current MOU provision:

4.2.1 Salary Survey. The District will utilize a third-party vendor to conduct a salary survey six (6) months prior to the end of this MOU. The District retains the authority and sole discretion to select the vendor and determine the methodology for the salary survey. The results of the survey will be provided to the Unit. The District will determine whether and how the salary survey results will affect the current salary schedule in its sole discretion.

3. Except as modified above, the terms and conditions of the MOU shall remain unchanged and in effect as provided therein.

Acknowledged:

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Catherine Cerri  
General Manager  
Lake Arrowhead Community Services District

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Matt Brooks  
President  
Managers, Supervisors and Confidential  
Employees Unit Representative



