

**TUCSON AIRPORT AUTHORITY | Executive Council Meeting
Monday, August 23, 2021 | 3:30 p.m. | Remote Meeting**

THIS ADVISORY COUNCIL MEETING WAS HELD BY REMOTE PARTICIPATION ONLY, WITH COUNCIL MEMBERS ATTENDING VIA THE REMOTE PARTICIPATION PLATFORM WEBEX. MEMBERS OF THE PUBLIC WERE PROVIDED A WEBEX LINK AND PHONE NUMBER/CODE INCLUDED IN THE PUBLIC MEETING NOTICE IN ORDER TO ATTEND.

1. CALL TO ORDER | ROLL CALL | WELCOME AND INTRODUCTIONS

Chair Dusenberry called the meeting to order at 3:31 p.m.

Members Present: Chair Bruce Dusenberry, Vice Chair Mike Hammond, Secretary Keri Silvyn, Treasurer Bill Assenmacher, and Director Phil Swaim

Members Absent: None

Staff Present: President/Chief Executive Officer Danette Bewley, Vice President/General Counsel Christopher Schmaltz, Vice President/Chief Financial Officer Kirk Eickhoff, Vice President/Chief People Officer Twyla Salaiz, Deputy General Counsel Kim Ryan, IT Systems Administrator Matt Chandler, and TAA Clerk Byron Jones

Treasurer Assenmacher left the meeting at 3:32 p.m.

2. ACTION ITEMS

a. APPROVAL OF MINUTES:

MOTION BY Vice Chair Hammond, SECONDED BY Secretary Silvyn, to APPROVE the minutes of the Executive Council meeting held on June 2, 2021. The motion carried by the following vote:

Ayes 3 Chair Dusenberry, Vice Chair Hammond, and Secretary Silvyn

Nays 0

Vice President/Chief People Officer Twyla Salaiz presented on Items 2.b. through 2.d.

LEAVE POLICY

The recommended updates to the TAA's leave policies are in support of the strategic plan goal to make TAA an Employer of Choice. Staff studied the leave policies from 28 companies which have been recognized as Employers of Choice, as well as studies on the overall effect leave policies have on employees' health and wellness and the benefits to the organizations.

FINDINGS:

- ❑ It has been documented in multiple studies that generous leave policies have a significant, positive impact on employee productivity, creativity, quality of work, and overall health and wellness.
- ❑ Leave policies—including the consistent application and management of these policies for all employees—heavily factor into the recognition of organizations as Employers of Choice.
 - Of the 28 companies, the average vacation time offered to new employees ranged from 20 days to 40 days on the first day of employment.
 - Employers consistently offered paid maternity leave and parental leave. The TAA does not currently provide this benefit.
- ❑ Benefits and compensation are the primary reasons job seekers choose a company. Offering generous benefits packages is crucial to attracting the best talent in the aviation and adjacent industries.
- ❑ The TAA’s current leave policies discourage employees from using vacation time and instead using sick time first. Having employees schedule their time off in advance rather than calling in at the last minute enables the airport to function more efficiently in a 24/7 work environment.

Treasurer Assenmacher rejoined the meeting at 3:38 p.m.

RECOMMENDATIONS:

- ❑ The TAA’s approach is shifted to encourage employees to take vacation.
- ❑ Time is available from the first day of employment regardless of how much is earned.
- ❑ The amount of time is based on an employee’s total work experience, tenure, and the criticality of the role.
- ❑ One week of sick time is moved over to vacation time, so there is no significant increase to the budget.
- ❑ The vacation bank will be reduced, and the vacation sellback policy will be eliminated. The ability to sell back vacation time discourages employees from taking time off and may lead to repercussions from the Internal Revenue Service. Employees will be permitted to bank more sick time so it can be used for serious illnesses.
- ❑ Additional leaves will be offered. These include maternity leave, parental leave, and emergency family care.

**CURRENT AND PROPOSED CHANGES TO THE
TUCSON AIRPORT AUTHORITY LEAVE POLICY**

Leave Type	Current	Proposed*
Vacation	<ul style="list-style-type: none"> 10 – 20 days accrued by pay period <ul style="list-style-type: none"> – 1-5 years 10 days – 6-10 years 15 days – 10+ 20 days Increases in 5-year increments Available as earned after 6-month probation Bank limit of 400 hours, paid-in-full at separation Vacation payout of banked hours 	<ul style="list-style-type: none"> 12-25 days based on tenure, experience, and/or role <ul style="list-style-type: none"> – Tier 1: New Hire, 0-5 years 12 days – Tier 2: 5-10 years 17 days – Tier 3: 10-15 years 22 days – Tier 4: 15+ years 25 days Tiered system with new hire entry at every Tier, move to next Tier with tenure/promotion Front loaded, available to use on day 1 of employment Bank limit of 320 hours, paid-in full upon separation No vacation payout of banked hours
Sick	<ul style="list-style-type: none"> 80 hours annually, use or lose Accrued by pay period, use as accrue 	<ul style="list-style-type: none"> 40 hours annually, bank up to 160 hour and no pay out at termination Accrued by pay period but front loaded at hire, available to use on day 1 of employment
Maternity/ Parental	<ul style="list-style-type: none"> FMLA, unpaid 	<ul style="list-style-type: none"> 12 weeks/4 weeks paid
Emergency Family Care	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> 4 weeks, entire tenure of employee
Compassionate Leave	<ul style="list-style-type: none"> 1 Week, can be granted multiple times 	<ul style="list-style-type: none"> Goes away replaced by Emergency Family Care

**All leave time is front loaded and/or available from Day 1 of employment*

Staff is requesting approval of the revised leave policy.

Director Swaim joined the meeting at 3:46 p.m.

COMPENSATION PLAN

The TAA implemented a comprehensive market-driven compensation plan in 2020. After a full year of analysis, staff is recommending some changes, such as adjusting the grades of some positions, adjusting the middle quartiles from forty percent to fifty percent, and adjusting the non-competitive base pay for some positions in the lower grades. Staff is requesting approval of the updated compensation plan.

HOLIDAY

The federal government recently adopted Juneteenth as a federal holiday, and some of TAA’s federal partners also include it as a paid holiday. While the State of Arizona and Arizona municipalities have yet to adopt Juneteenth as an official holiday, staff believes observing it will aid in the TAA’s path to becoming an Employer of Choice as it demonstrates the organization’s dedication to diversity and inclusion. Staff is requesting to add Juneteenth as an eleventh paid holiday for TAA employees.

BOARD DISCUSSION:

- ❑ **Will TAA have to buyout employees’ accrued vacation time that is over the maximum allotment?** Salaiz stated that TAA will not have to offer buyouts as employees will have a year to reduce their overages to the new maximum of 320 hours. Employees are still able to use the time. The only change is that employees will no longer be able to sell back their time.
- ❑ **Expressed overall support for the changes and commended staff for putting safeguards in place (e.g., eliminating the vacation sellback policy) to prevent employees from abusing the system.** Salaiz stated that the shift from sick to vacation will aid in this as well as training leaders in performance management so that disciplinary issues can be dealt with before they become more serious.
- ❑ **What effect do the proposed changes have on the budget?** Bewley stated that there will be a slight increase to the budget, but the offset will be better productivity, use of vacation and sick leave for their intended purposes, improved health and wellness, and more time to deal with family-related issues. In FY2022, staff is recommending the addition of certain key positions in areas that have been underfunded for a long time. This will increase the budget, but the additional staff will be beneficial as TAA moves forward with implementing Strategic Plan 2.0.
- ❑ **TAA has historically underpaid some positions, which made it harder to attract and retain employees. Many companies are increasing their compensation and benefits. Supports TAA’s strategy to remain competitive.**

b. UPDATES TO THE TAA HOLIDAY SCHEDULE:

MOTION BY Vice Chair Hammond, SECONDED BY Secretary Silvyn, to ADOPT Resolution No. EXEC 2021-02 approving an eleventh paid holiday benefit for TAA employees. The motion carried by the following vote:

**Ayes 5 Chair Dusenberry, Vice Chair Hammond, Secretary Silvyn,
 Treasurer Assenmacher, and Director Swaim**

Nays 0

c. UPDATES TO THE TAA LEAVE POLICY:

MOTION BY Secretary Silvyn, SECONDED BY Treasurer Assenmacher, to ADOPT Resolution No. EXEC 2021-03 approving changes to the TAA Leave Policy. The motion carried by the following vote:

**Ayes 5 Chair Dusenberry, Vice Chair Hammond, Secretary Silvyn,
 Treasurer Assenmacher, and Director Swaim**

Nays 0

d. UPDATES TO THE COMPENSATION PLAN:

MOTION BY Director Swaim, SECONDED BY Vice Chair Hammond, to ADOPT Resolution No. 2021-04 approving the updated Tucson Airport Authority Compensation Plan, to be effective October 1, 2021. The motion carried by the following vote:

**Ayes 5 Chair Dusenberry, Vice Chair Hammond, Secretary Silvyn,
Treasurer Assenmacher, and Director Swaim**

Nays 0

3. NEXT MEETING

Wednesday, November 4, 2021 | 1:30 p.m. | Remote participation via Webex

4. ADJOURN

There being no further business to discuss, Chair Dusenberry adjourned the meeting at 4:07 p.m.

APPROVED BY:

Keri Silvyn

Keri Silvyn (Nov 9, 2021 15:38 MST)

Keri Silvyn, Secretary

Date: November, 09, 2021

Prepared by:

Byron M. Jones

Byron M. Jones (Nov 9, 2021 10:47 MST)

Byron M. Jones, CMC, TAA Clerk

Date: November, 09, 2021