

**DETROIT WATER AND SEWERAGE DEPARTMENT
HUMAN RESOURCES COMMITTEE CHARTER**

Purpose

The Human Resources (HR) Committee, on behalf of the Board of Directors, will:

1. oversee and administer the Company's human resource policies, plans, and procedures,
2. review, approve, or recommend for Board approval, decisions relating to the fair and competitive compensation of executives, directors, and other key employees, and
3. oversee the preparation of the annual compensation discussion and analysis and other disclosure obligations to be included in the Company's disclosure statements.

Composition

1. Members: The HR Committee shall have at least three (3) members in accordance with the DWSD bylaws. Members should have sufficient knowledge of the Company's human resources policies and procedures including, but not limited to, the compensation and benefit plans and any pension, savings or retirement plans to assist in providing advice and counsel on human resource issues.
2. Chairperson: The Board shall appoint one member as Committee Chair.
3. Secretary: The Committee shall designate an official Secretary of the Committee.
4. Quorum: A quorum shall be a majority of the members of the Committee.

Meetings

1. Meetings: The HR Committee shall meet at least four times per year and/or as

deemed appropriate by the Committee Chair.

2. Agenda: Effective agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.
3. Report to BOWC: Minutes of each meeting shall be prepared by the Secretary of the Committee, reviewed by the Committee and made available to the Board. Following each meeting, the Committee Chair, on behalf of the Committee, will report to the board on key issues, recommending items for approval and/or remedial action when required.
 - a. Copies of the minutes of all Committee meetings will be filed with the Board at the next Board meeting after a meeting is held (these may still be in draft form).
 - b. Supporting schedules and information reviewed by the Committee shall be available for examination by any Director upon request to the Secretary of the Committee.
4. Non-Member Attendance: Any Board of Water Commissioner not a member of the Committee may attend a Committee meeting on a non-voting basis. The Director of DWSD may be present at all meetings of the Committee. Human Resources and such other staff as appropriate to provide information to the Committee shall attend meetings upon the invitation of the committee.

Authority and Duties

Employee Relations

1. The duties of the Human Resources Committee shall include, without limitation:
 - a. Establish an annual planning calendar of Committee activities including which activities will be addressed at which meetings.

- b. Review, annually, the Company's human resource policies, procedures, programs compensation and benefits plans for all employees, recommending changes, as appropriate to the Board.
- c. Review and approve policies on compensation, benefits, including and long-term incentive plans. This includes the compensation strategy and philosophy.
- d. Annually conduct an external market assessment comparing DWSD's executive compensation levels and programs to its peer group and other applicable survey information. This review should include a review of general trends and emerging issues that should be considered in making decisions about executive compensation.
- e. Review with the Director, quarterly, the goals and objectives relevant to Director compensation, evaluate the Director performance against those goals and objectives, and determine the Director compensation level based on this evaluation. In determining the long-term incentive component of Director compensation, the Committee will consider DWSD's performance, the value of the incentive awards to Directors in comparable organizations, and the awards given to the Director in past years.
- f. Annually review officer's compensation, benefits and perquisites to ensure the effectiveness of the compensation practices and adherence to approved plans and policies.
- g. Make recommendations to the Board for Water Commission for Director compensation, benefits, and perquisites.
- h. Review and assess management's plans and programs for attraction, retention, business and development of human resources to achieve Company objectives.

- i. Review and approve the hiring and termination of officers of the Company, including the terms of any employment contract. Review and approve the hiring of any employees outside of the scope of the authority granted the Director or who are designated as key employees to receive enhanced separation benefits. Review and approve consulting arrangements outside the scope of authority granted the Director. Periodically review with management all consulting arrangements entered into by DWSD.
 - j. Receive any reports or complaints concerning actual or threatened retaliatory actions against employees for filing complaints or making reports concerning violations of *The Way We Work*, including, without limitation, complaints regarding questionable accounting or auditing matters.
 - k. Annually, the committee reviews DWSD's compensation practices and the relationship among risk, risk management and compensation in light of the corporation's objectives, including its safety and soundness and the avoidance of practices that would encourage excessive risk.
2. The Committee shall have the authority to investigate any human resource activity of the Department.
- a. All employees are to cooperate as requested by the Committee.
 - b. The Committee has full access to all DWSD human resource information.
 - c. The Committee has the authority to create subcommittees for special projects or ongoing activities.

Consultant Relations

1. The Committee shall have the sole authority to retain and terminate a consulting firm to assist and advise on Committee matters, including evaluation of director, officer and employee compensation.

2. The Committee shall have the sole authority to set the fees and other terms of the consulting retainer.
3. The Committee shall also have the authority to retain other professional assistance, including independent counsel and actuaries.
4. DWSD will provide the Committee adequate funds to cover consulting fees and other costs incurred in carrying out its duties and responsibilities.
5. The Committee has the duty to verify that any consultant to the Committee does not have a conflict of interest prior to the engagement.

Committee Contact

The Human Resources/Organizational Development Officer will be the key contact for the Committee and will assign the staff resources appropriate to assist the Committee to carry out its responsibilities.

Review of Charter

This Charter may be modified from time to time at the sole discretion of the Board of Water Commissioners.

Approved as Written on October 18, 2017.

Human Resources/ Organizational Development Calendar			
November-17	December-17	January to March 2018	April to June 2018
<ul style="list-style-type: none"> Finalize Assessment of Human Resources/ Organizational Development Present Proposed Quarterly 2017-2018 Annual Planning Agenda <ul style="list-style-type: none"> November-December, January-March, April - June 	<ul style="list-style-type: none"> Review DWSH-OD plan and Programs Talent acquisition (proposed staffing per budget request, attraction, retention, and business development Operations (policies, processes, procedures) Human resource information systems (compliance and file management Labor and employee relations (bargaining, policies, grievances, complaints) Training Performance Management (development of performance management tool) 	<ul style="list-style-type: none"> Roll-out of Performance Management Program Employee Goal Setting FMLA Review/ Audit Budget Preparation : Review Headcount; Assessment of Department Training Needs Planning Phase of Department- wide Quality Control/ Assurance Program File Maintenance: Phase One Stabilize Physical Location of Files, and Establish Purging Needs Complete Assessment of implementation/ acquisition of HRIS/Payroll Systems (s) Finalize Successor AFSCME Collective Bargaining Agreement 	<ul style="list-style-type: none"> Mid- Year Performance Review Final Performance Review Finalize Unit Headcount and Training Needs for FY18-19 Finalize Senior Accountants, Analysts & Appraisers Association (SAAA) Collective Bargaining Agreement [presently under CET] Discussions with: Association of Municipal Engineers (AME) [presently under CET] Michigan Building and Construction Trades Council, AFL-CIO(MBCT)[contract expired] Utility Workers Union of America (UWUA) [contract expired] File Maintenance: Compliance Review HRIS/Payroll System Transition
July -August 2018 <ul style="list-style-type: none"> Analysis of the attendance Audit Implementation of Performance Evaluation Outcomes (FY 17-18) Year End Report of Human Resources Activities Goal Setting FY 18-19 	September- October 2018 <ul style="list-style-type: none"> Analysis of Environmental Health and Safety Complete Assessment of Personnel Complete review of training needs and establish annual training calendar Establish internal reporting and resolution protocols Update DSWD Policy Manual, “The Way We Work” Distribution and Orientation Negotiate Teamsters successor collective bargaining agreement File Maintenance [Personnel, Medical, Cases] Relocation of files Purge inactive files 	November-18 <ul style="list-style-type: none"> Present Proposed Quarterly 2018-2019 Annual Planning Agenda Update Policy Manual 	December-18 <ul style="list-style-type: none"> Preparation for Mid-Year Performance Initial Preparation of FY 19-20 Head Count for Budget Preparation for Staff Augmentation Update planning calendar for January 2019-June 2019