

MEMO



Meeting Date: July 18, 2025

To: Board of Directors
From: General Manager, Felipe Melchor

Subject: General Manager Compensation and Benefits Adjustment and Related Amendment to Employment Agreement and Pay Schedule

RECOMMENDATION

Consider General Manager compensation and benefits adjustment and related amendment to the Employment Agreement and Pay Schedule, effective July 1, 2025 (Item will be taken up following the closed session).

BACKGROUND AND DISCUSSION

The General Manager's annual performance review is scheduled to be completed by the Board of Directors on July 18, 2025. As part of the annual performance review process, the Board of Directors may consider and take action on any changes in the General Manager compensation at the final step of the process.

The General Manager respectfully requests the Board consider the following as it considers changes in compensation.

- Total Compensation Study of April 26, 2024, found the compensation of the General Manager to be -15.40% below the market median. The study was received by the Board in June 2024.
 - Effective July 1, 2024, the Board approved a 5.0% market rate increase for all classifications found to be 5.0% or more below market-rate median, including the General Manager.
 - Effective July 1, 2025, the Board approved an additional 5.0% market rate increase for all classifications (except the General Manager), found to be 10% or more below the market-median.
- The Consumer Price Index (CPI) for the San Francisco Area (April 2025) increased by 1.3% over the previous 12 months.
 - Last month (June 2025), the Board approved a 1.5% cost-of-living (COLA) increase for all managers (except the General Manager).

Based on the above, the General Manager hereby requests compensation and benefit adjustments to the General Manager Pay Schedule and Employment Agreement as follows:

- A 5.0% market rate increase

Physical Address

14201 Del Monte Blvd.
Salinas, CA 93908

Mailing Address

P.O. Box 1670
Marina, CA 93933

Phone / Fax

831-384-5313 PHONE
831-384-3567 FAX

Web / Social

ReGenMonterey.org
@ReGenMonterey

Let's not waste this.

- A 1.5% COLA
- An increase in Management Leave from 117 hours to 157 hours per calendar year.

The enclosed pay schedule reflects the pay increases discussed above (**Attachment A**).

FISCAL IMPACT

The compensation and benefit adjustments requested by the General Manager for FY 2025/26, amounts to \$22,569.10. The Final Budget for FY 2025/26 includes compensation and benefits expenses for all employees and the requested compensation increase will not impact the FY 2025/26 annual budget.

CONCLUSION

The General Manager requests the Board consider a compensation adjustment to the General Manager Pay Schedule, consistent with compensation adjustments awarded to other ReGen employees. Additionally, the General Manager requests the Board consider increasing the Management Leave benefit from 117 hour to 157 hours per calendar year for the General Manager, effective July 1, 2025.

//