MINUTES OF MEETING OF THE PERSONNEL COMMITTEE OF THE PALMDALE WATER DISTRICT, FEBRUARY 6, 2013:

A meeting of the Personnel Committee of the Palmdale Water District was held Wednesday, February 6, 2013, at 2029 East Avenue Q, Palmdale, California, in the Board Room of the District office. Chair Mac Laren called the meeting to order.

1) Roll Call.

Attendance:	**Others Present:**
Personnel Committee:	Dennis LaMoreaux, General Manager
Kathy Mac Laren, Chair	Matt Knudson, Engineering Manager
Gloria Dizmang, Committee Member	Peter Thompson II, Operations Manager
	Jeannie Burns, Acting Human Resources Manager
	Randy Hardenbrook, Equipment Mechanic Spvsr.
	Kelly Jeters, Systems Supervisor
	Dawn Deans, Executive Assistant
	3 members of the public

2) Adoption of Agenda.

It was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to adopt the agenda, as written.

3) Public Comments.

There were no public comments.

4) Action Items:

4.1) Consideration and Possible Action on Approval of Minutes of Meeting Held January 22, 2013.

It was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to approve the minutes of the Personnel Committee meeting held January 22, 2013, as written.

4.2) Discussion and Possible Action on Conducting an Organizational Assessment. (General Manager LaMoreaux)

General Manager LaMoreaux stated that the Request for Proposals for conducting an Organizational Assessment for the District was sent Monday; that six consultants responded; that five indicated they will submit a proposal; and that he distributed the Request for Proposals to Department Managers earlier today followed by discussion of the scope of work items and developing a succession plan for the District.

4.3) Discussion and Possible Action on Recruitment to Fill Treatment Plant Supervisor Position. (General Manager LaMoreaux)

General Manager LaMoreaux informed the Committee of Operations Manager Thompson II's memo outlining the need and recommendation to fill the Treatment Plant Supervisor position followed by discussion of waiting until the Organizational Assessment is complete, the regulatory aspects of this position, new pension rules and regulations, filling the position in-house and leaving another position open, the need to fill all Plant Operator positions, and revisions to the Organization Chart.

At 6:47 p.m., Chair Mac Laren called for a seven-minute recess. She reconvened the Committee meeting at 6:54 p.m.

General Manager LaMoreaux then informed the Committee of the entry level salary for this position after which Operations Manager Thompson II reviewed the need to fill this position followed by continued discussion of waiting until the Organizational Assessment is complete, temporarily filling positions, and filling this position based on discussions from revising the Organization Chart.

Chair Mac Laren then stated that this item will be presented to the full Board at the next regular Board meeting with no Personnel Committee recommendation.

4.4) Discussion and Possible Action on Optional ACWA Programs and Benefits. (Chair Mac Laren)

Acting Human Resources Manager Burns reviewed the ACWA high-deductible plan, items covered under this plan, deductible cost to the employee, and the District's current healthcare plans followed by discussion of the District paying a certain amount towards the cost of healthcare coverage with employees paying the remainder, developing an HRA plan through District savings from a high deductible plan, the District's pooled insurances through ACWA, increases in annual healthcare premiums, prescription costs driving up costs, encouraging wellness programs to drive down costs,

and remaining competitive to attract and retain talented staff after which staff was directed to obtain two independent proposals for healthcare coverage similar to the District's current healthcare options and investigate incentives for a wellness program.

4.5) Discussion and Possible Action on Employee Contribution Towards CalPERS Retirement. (Chair Mac Laren)

Committee Member Dizmang requested this item be tabled until a decision has been made on the healthcare issue followed by discussion of the employee's portion of CalPERS retirement.

Chair Mac Laren then stated that this item will be tabled until a decision has been reached on healthcare issues.

4.6) Discussion and Possible Action on Minimal Employee Premium Contribution Towards Health Insurance Benefits. (Chair Mac Laren)

Chair Mac Laren stated that the Committee is waiting for additional information on this item followed by discussion of different health insurance plan options after which General Manager LaMoreaux recommended the District suggest to ACWA that other health insurance plan options in between the high deductible plan and the currently provided plans be developed as other agencies may also be interested in these options and that Acting Human Resources Manager Burns research the best approach to this recommendation.

Attending the ACWA/JPIA spring conference was then discussed.

Mr. Ed Boka, former District employee, then requested clarification on the Committee's direction on this item as he is concerned with employees' health benefits; that he sees employee contributions towards healthcare and retirement; and that he does not understand the Committee's fiscal thinking after which increasing healthcare costs and passing costs to ratepayers were clarified, and General Manager LaMoreaux recommended the agenda be followed and comments be limited to three minutes.

Chair Mac Laren then stated that the Committee has established a goal to research each and every opportunity regarding healthcare with a decision made by the time of open enrollment; that to ease frustration of employees, any changes would occur in

January 2014; and that the Committee is reviewing all options in 2013 depending on the District's finances, the economy, health plans, and Obamacare.

4.7) Discussion and Possible Action on Retiree Healthcare Benefits. (Chair Mac Laren)

General Manager LaMoreaux stated that retiree healthcare benefits were explored two years ago, and no changes were made; that other agency's plans were researched; and that research indicated that the District's plan is more stringent than that of other agencies.

Committee Member Dizmang then recommended this item be approached carefully and inquired if retirees could buy into lower ACWA rates if retiree District benefits were provided to only age 65.

The District's Employee Handbook and Rules and Regulations, who is covered under the retiree healthcare policy, and legal review of any policy revisions were then discussed after which General Manager LaMoreaux stated that in addition to Committee Member Dizmang's suggestion, other retiree healthcare options include covering the employee only, covering the employee and spouse, making employees opt for the District's lowest cost plan, and implementing a two-tiered system for the policy.

Staff was then directed to research these items as well as any cost savings from a retiree pledging Medicare Plan A and B to the District.

Mr. Ed Boka, former employee, then informed the Committee of a recent case in Orange County regarding retiree benefits.

5) Information Items.

Acting Human Resources Manager Burns informed the Committee that JPIA is conducting a Respect in the Workplace workshop tomorrow as part of the Communications Plan.

Committee Member Dizmang stated that a representative from Universal Gym can make a presentation on their gym and discounts for District employees at an all-hands meeting.

There were no further information items.

6) Board Members' Requests for Future Agenda Items.

It was requested that an item be placed on the next agenda for "Discussion and possible action on developing a wellness program."

There were no further requests for future agenda items.

It was determined that the next Personnel Committee meeting will be held March 6, 2013 at 6:30 p.m.

7) Adjournment.

There being no further business to come before the Personnel Committee, the meeting was adjourned.

Chair