MINUTES OF MEETING OF THE PERSONNEL COMMITTEE OF THE PALMDALE WATER DISTRICT, JULY 11, 2013:

A meeting of the Personnel Committee of the Palmdale Water District was held Thursday, July 11, 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	Kelly Jeters, Systems Supervisor
Gloria Dizmang, Committee Member	Dennis Hoffmeyer, Senior Accountant
	Dawn Deans, Executive Assistant
	4 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) Presentations:

4.1) Herbalife Wellness Program. (Chair Mac Laren/Rae Permann of Herbalife)

Chair Mac Laren stated that this presentation will be postponed to the next meeting.

5) Action Items:

5.1) Consideration and Possible Action on Approval of Minutes of Meeting Held June 11, 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 June 11, 2013, as written.

5.2) Discussion and Possible Action on Cafeteria Healthcare Plan and Minimal Employee and Retiree Premium Contribution Towards Health Insurance Benefits. (Acting Human Resources Manager Burns)

General Manager LaMoreaux stated that letters regarding a Cafeteria Healthcare Plan, a cap for the Plan, and the amount of benefits paid on their behalf were submitted to all employees; that this Plan was reviewed and discussed at the all-hands meeting; that major comments included adding another PPO plan priced under the cap, establishing a flexible savings account or similar option, and dependent care; and then reviewed a recommended proposal for implementing a Cafeteria Healthcare Plan, proposed 2014 Kaiser plan costs, the Advantage PPO plan, and employee average and median salaries.

After a brief discussion of the proposal and of establishing a $1,600 hard cap with no future increase, it was moved by Committee Member Dizmang and seconded by Chair Mac Laren that the District establish a Cafeteria 125 Plan administered by a third-party firm that includes the option for a Flexible Savings Account and dependent care; that the District add Blue Cross PPO Prudent Buyer Advantage to the existing three offered medical insurances; that the District cap its contribution to medical, dental, and vision insurance coverage at $1,600 per month per employee; that this proposal also apply to future retirees; that the Board review lifting the freeze on merit and bonus increases and annual cost-of-living adjustments; and that this be presented to the full Board for consideration at the next regular Board meeting.

After consideration of several comments from District employees and discussion of the need to move forward on the proposal by the end of July, the motion unanimously carried.

General Manager LaMoreaux then recommended letters be re-issued to employees with proposed 2014 Kaiser rates followed by discussion of Kaiser prescription rates, saving for prescription costs through a Flexible Savings Account, and establishing contact with a Kaiser healthcare advocate for employees to discuss prescription costs.

5.3) Discussion and Possible Action on Developing a Wellness Program. (Acting Human Resources Manager Burns)

After a brief discussion, it was moved by Committee Member Dizmang, seconded by Chair Mac Laren, and unanimously carried to table this item to the next Committee meeting.

6) Project Updates.

6.1) Status on Organizational Assessment. (General Manager LaMoreaux)

General Manager LaMoreaux stated that he is scheduled to meet with The Mathis Group next week to review their draft ideas; that they tentatively plan to meet with the Personnel Committee the first week of August and the full Board the second week of August to provide their recommendations for moving forward; and that these dates will be confirmed.

Filling the Human Resources Manager position was then discussed, and the Committee recommended this component be discussed prior to August after which General Manager LaMoreaux stated that he will discuss this option with Dr. Mathis next week.

7) Information Items.

There were no further information items.

8) Board Members' Requests for Future Agenda Items.

It was recommended that an item for "Discussion and possible action on filling a human resources position" be included on the next agenda.

Committee Member Dizmang then recommended an item for "Discussion and possible action on the District's merit incentive program" be included on the next agenda.

General Manager LaMoreaux then briefly reviewed the merit incentive process.

Committee Member Dizmang then requested an item for "Discussion and review of the District's Grievance Policy" be included on the next agenda.

There were no further requests for future agenda items.

It was determined that the next Personnel Committee meeting will be held August 7, 2013 at 6:30 p.m.

8) Adjournment.

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

Chair