



- Board of Directors
Organization, Personnel and Technology Committee

11/8/2011 Board Meeting

7-4

Subject

Adopt resolution enacting the reduction in Metropolitan health benefits premium contained in the newly authorized Memoranda of Understanding

Description

The newly authorized Memoranda of Understanding between Metropolitan and the Employees Association/AFSCME Local 1902, MAPA/AFSCME 1001, Supervisors Association and the Association of Confidential Employees, reduce the maximum premium Metropolitan pays for medical insurance from the previous 90 percent of PERSCare to 100 percent of either the PERSChoice PPO or HMO, whichever is higher. This change is authorized under Government Code Section 22892(a), upon adoption of the resolution ([Attachment 1](#)).

Policy

Newly authorized Memoranda of Understanding between Metropolitan and the Employees Association/AFSCME Local 1902, MAPA/AFSCME 1001, Supervisors Association and the Association of Confidential Employees

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA, because it involves continuing administrative activities, such as personnel-related actions, general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves other governmental fiscal activities, which do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination and resolution reducing Metropolitan's health benefits premium contribution for employees and annuitants under Government Code Section 22892(a).

Fiscal Impact: Estimated savings \$5 million over the next 5 years

Business Analysis: Resolution adoption required based on Memoranda of Understanding

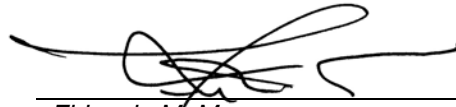
Option #2

Do not adopt resolution providing for change in Metropolitan's health benefits premium contribution for employees and annuitants under Government Code Section 22892(a).

Fiscal Impact: Unknown

Staff Recommendation

Option #1



Fidencio M. Mares
Director of Human Resources

10/27/2011
Date



Jeffrey Kichtlinger
General Manager

10/27/2011
Date

Attachment 1 – Resolution Reducing Metropolitan’s Contribution For Employees And Annuitants Under Government Code Section 22892(a)

Ref# hr2614927

RESOLUTION

RESOLUTION FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

WHEREAS, (1) Government Code Section 22892(a) provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22892(b)(1) of the Act, and

WHEREAS, (2) The Metropolitan Water District of Southern California is a local agency contracting under the Act; now, therefore be it

RESOLVED, (a) That the employer's contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of:

CODE	BARGAINING UNIT	CONTRIBUTION PER MONTH
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001	Unrepresented	Unchanged
002	Employees Association	100% Blue Shield HMO Bay Area Region
003	Supervisors Employees Association	100% Blue Shield HMO Bay Area Region
004	Management & Professional Employees Association	100% Blue Shield HMO Bay Area Region
005	Association of Confidential Employees	100% Blue Shield HMO Bay Area Region

Plus administrative fees and Contingency Fund Assessments; and be it further

RESOLVED, (b) That The Metropolitan Water District of Southern California has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above.

Adopted at a regular meeting of the Board of Directors of the Metropolitan Water District at Los Angeles this 8th day of November 2011.

Signed:

John V. Foley, Chairman of The Board

Attest:

Dawn Chin, Board Executive Secretary