

**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**MINUTES**

**ORGANIZATION, PERSONNEL AND TECHNOLOGY COMMITTEE**

**November 7, 2011**

Chair Murray, Jr. called the meeting to order at 1:32 p.m. in Committee Room 2-456 at Metropolitan's Headquarters.

Members present: Chair Murray, Jr., Vice Chair Edwards, Directors Ballin, Bowersox, Camacho, Dick, Evans, Friedman, Little, and Wunderlich

Members absent: Directors Gray, Montalvo, Quiñonez, and Sanchez

Other Board Members present: Directors Ackerman, Barbre, Blake, Griset, Heidel, Lewinger, Morris, Peterson, Record, and Steiner

Staff present: Arena, Beatty, B. Becker, Bennion, G. Breaux, Burman, Giron, Green, Ivey, Jankovic, Kightlinger, Kokuga, Lem, Man, Pimentel, Pitman, Radhakrishnan, Riss, O. Sanchez, Scully, H. Torres, Upadhyay, Waade, S. Williams, and Zinke

**1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION**

None

**2. APPROVAL OF THE MINUTES OF THE ORGANIZATION, PERSONNEL AND TECHNOLOGY COMMITTEE MEETING HELD ON OCTOBER 10, 2011**

Approved

Motion: Director Little

Seconded: Director Ballin

**3. COMMITTEE CHAIR'S REPORT**

None

**4. CONSENT CALENDAR ITEMS – ACTION**

7-3      Subject:            **Adopt resolution establishing a new retirement health benefit vesting requirement for future employees under the Public Employees Medical and Hospital Care Act**

Presented by:        Diane Pitman, Human Resources Group, Total Compensation Section Manager

Item was addressed as part of Item 7-4 presentation.

Motion:                Adopt the CEQA determination and resolution establishing a new retirement health benefit vesting requirement for future employees and changing the percentage of employer contributions payable for post-retirement health benefits for each retired employee to be based on the employee’s years of credited service pursuant to Government Code Section 22893.

Motion Carried:     Moved: Director Wunderlich                      Seconded: Director Little

7-4      Subject:            **Adopt resolution enacting the reduction in Metropolitan health benefits premium contained in the newly authorized Memoranda of Understanding**

Presented by:        Diane Pitman, Human Resources Group, Total Compensation Section Manager

Director Edwards asked for clarification on the strikeout changes made to the resolutions attached to Item 7-3 and Item 7-4. He stated that the wording changed since the Board last approved the MOU.

Ms. Pitman stated that the resolution attached to Item 7-4 was revised to add the Bay Area Region. PERS reviewed the approved MOU and a sample of the resolution. Due to their new system, PERS requires a region be listed in the resolution. Based on their understanding of the MOU and the way it is written, PERS stated the Bay Area Region should be listed in the resolution because that is the highest HMO that they offer.

In addition, Director Edwards asked how much more when you go region by region is the Bay Area in dollars or percentage of dollars than Los Angeles.

Ms. Pitman stated that for Metropolitan’s active employees the rate is applied by region. Metropolitan will continue to follow the same approach by finding the highest HMO in each region which is Blue Shield and apply it to all other plans. What this does is pay for all other plans except for PERSCare. The PERSCare

contribution will be increased and that is where we get our savings because Metropolitan will pay less in premiums. Ms. Pitman further stated that because PERS administers Metropolitan's retirees medical benefits they have to apply a region to all retiree coverage. PERS will be applying the Blue Shield Bay Area Region to the retirees.

General Manager Jeff Kightlinger asked that staff gets Director Edwards the cost information.

Following a discussion with Directors expressing their concerns and opinions, Chairman Murray asked for a motion for Item 7-3, Item 7-4, and Item 7-5.

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

Motion Carried: Moved: Director Wunderlich          Seconded: Director Little

7-5      Subject:      **Adopt resolution implementing the Time-in-Grade Exception for employee member contribution to Public Employees Retirement System.**

Presented by:      No presentation was given.

Motion:      Adopt the CEQA determination and resolution providing for change in Metropolitan's system of paying the employees' PERS contribution by continuing to pay the 7 percent PERS contribution for existing employees and not paying the employees' 7 percent PERS contribution for employees hired after January 1, 2012 (until the employee accrues five years of total service).

Motion Carried:      Moved: Director Wunderlich          Seconded: Director Little

**5. OTHER BOARD ITEMS – ACTION**

None

**6. BOARD INFORMATION ITEMS**

None

## 7. COMMITTEE ITEMS

a. Subject: **Business Outreach Oral Report**

Presented by: John Arena, Business Outreach Section Manager

Mr. Arena introduced special guest Mr. Ruben Guerra, President and Chairman of the Latin Business Association (LBA) and Vice Chair of the California Latino Water Coalition.

Mr. Guerra acknowledged Metropolitan for the great job it is doing with the business outreach program. Mr. Guerra thanked General Manager Jeff Kightlinger, Director John Murray, Chief Administrative Officer Gilbert Ivey, Mr. Arena and his staff for doing a really good job in the community. The effort that Business Outreach gives is top notch. Mr. Guerra was pleased to announce that at the 35<sup>th</sup> Anniversary Sol Business Awards on October 8, 2011, the LBA presented the Chairman's Historical Corporation of the Year Award for 2011 to Metropolitan. Chairman Murray thanked Mr. Guerra for the award.

Mr. Arena provided an overview of the Business Outreach 2010/11 Annual Report. Mr. Arena highlighted and covered the major initiatives achieved: (1) How Business Outreach meet or exceeded the Board's directive to support small and disabled veteran-owned business opportunities; (2) Outreach – increase awareness and accessibility; and (3) Strategic Alliance.

The Board directive was to award 18 percent total contract dollars to small business enterprises; Business Outreach achieved 30 percent. Another Board directive adopted in 2006 was to support disabled veteran business enterprises; the goal was not achieved this past year. Mr. Arena reported on how the business outreach program has been doing over the last 10 years in comparison to other-like public agencies; the number contracts Metropolitan has awarded since the inception of the program; regional spend by county, and the type of impact being made on the region. In terms of increasing awareness Business Outreach participates on regional advisory boards, business organizations, regional small business conferences, and hosts vendor workshops and panels. In addition, they revamped the business outreach website, launched an e-newsletter about 6 months ago, launched a regional calendar to show all events taking place, and made their presence available on Facebook and Twitter. Mr. Arena listed the program awards received during the year, the strategic alliances, and the next steps.

Mr. Arena concluded his presentation with a short video of the 2011 6<sup>th</sup> Annual California Construction Exposition held on August 10 and 11, 2011.

Director Evans stated Mr. Arena mentioning disabled veterans, but no mention of nondisabled veterans. He asked if the nondisabled veterans are consumed in another category. In addition, he suggested that Business Outreach speak to disabled veterans as far as what is it going to take to help them move forward. Lastly, in terms of doing outreach, Director Evans suggested looking into an organization called “Service Corps of Retired Executives” (SCORE) that provides free business counseling to people with small businesses. Mr. Arena addressed the comments made by Director Evans.

**8. FOLLOW-UP ITEMS**

None

**9. FUTURE AGENDA ITEMS**

None

Next meeting will be held on December 12, 2011.

Meeting adjourned at 2:05 p.m.

John W. Murray Jr.  
Chair