

**SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS**

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING

February 27, 2013
1:00 P.M.

Chairperson McDonald called the Administrative Committee Meeting to order at 1:00 p.m. All present stood for the pledge of allegiance, led by Chairperson McDonald.

ADMINISTRATIVE COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
Clare Henry Day, Director
David E. Raley, Director

ADMINISTRATIVE COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Medina, Administrative Services Specialist

GUEST PRESENT:

None

1. PUBLIC PARTICIPATION

Chairperson McDonald announced this as the time for any persons present, who so desire, to make an oral petition to the Administrative Committee. Hearing none, the meeting proceeded with the published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

3. APPROVAL OF MINUTES FROM THE JANUARY 14, 2013 MEETING

It was moved by Director Day and seconded by Director Raley to approve the minutes of the January 14, 2013 meeting with revisions. The motion carried unanimously.

4. BOARD POLICY MANUAL REVIEW AND POTENTIAL UPDATES

Daniel Cozad, General Manager presented this item for discussion. He stated there were no significant edits since last reviewed at the Board of Directors Meeting on February 13th where the Board deferred this item back to Administrative Committee so that they can review Appendix C recommendations previously brought to Board. Appendix C is on package page 44 of 81. Prior to discussing Appendix C, Mr. Cozad asked if there were other sections the Committee would like to discuss. Director McDonald referred to Section 1020.1 noting the new requirement to fill out Form 806 and the need for the District to include in the Board Policy Manual. She reviewed with ACWA\JPIA as well as the FPCC to obtain additional informational as to what the District's reporting responsibilities are. Mr. Cozad indicated the need for the District to obtain clarification on the reporting requirements and that once that is done the District will post the form on website.

Mr. Cozad reviewed previous changes to Appendix C, stating that the Committee separated District Requested meetings into two categories: Category 1 and Category 2. Category 1 referred to meetings that both primary and alternate would be required to attend and both would receive a per diem for those. Category 2 referred to meetings that primary was required to attend; but if alternate attended as well, they could claim a per diem under Director Selected meetings and receive compensation. Director Day spoke in regard to Appendix C, stating that he does not see the need for both primary and alternate to attend. Director Raley stated that the alternate may use his discretionary meetings otherwise known as Director Selected if he wishes to claim a per diem. He inquired as to the conflict presented by a quorum of the District Board attending any meeting. Mr. Cozad stated that as long as the directors do not discuss District business at the meeting, they will all be able to attend without conflict, but it is not recommended. Director McDonald recommended assigning both primary and alternate to attend BTAC, SBVMWD Board and Advisory Commission meetings. She stated that it is beneficial to the District for directors to stay involved by attending meetings listed in Appendix C and therefore is in support of paying a per diem for such attendance. It was recommended by Director Day and Raley to revert back to the previous version of the District Requested list specifying that alternate only attends if primary is unable to attend and to remove Category 1 and 2. Discussion ensued. There was not consensus among the committee members related to this issue. Upon conclusion of discussion the motion was made.

It was moved by Director Raley and seconded by Director Day to adopt the proposed revisions to Board Policy Manual with additional revisions to Appendix C to reflect that Category 1 and Category 2 will be removed. Existing policy would remain in effect in Appendix C

reflecting the removal of Staff as primary and alternate; and specifying that alternate may attend if primary is unable to attend and receive compensation. Otherwise alternate may attend and receive compensation for a meeting as a Director Selected meeting. The motion carried 2-1 with Director McDonald in opposition.

5. FINANCIAL QUARTERLY REVIEW

Mr. Cozad introduced this item for discussion. He referred to the handout which indicates expended to date, remaining budget, and projected annual costs. Additionally, included in that spreadsheet is a notes column indicating why these allocations were made and a column that shows whether expenditures and revenue are over or under budget. Mr. Cozad noted that we are over budget in SBVMWD Easement Agreement and Spreading Agreement. He continued a brief overview of financials. This item was received and filed.

6. GROUNDWATER BUDGET REVIEW

Mr. Cozad stated that due to the changes the Committee proposed today related to the Board Policy Manual, there will be revisions to the Director's Fees GL reducing the expenses by approximately \$15,000. He stated the Resources Committee would like to allocate funds towards the purchase of field equipment for FY 2013-2014 since the equipment may need replaced. Additionally, Mr. Cozad reviewed the Outreach Committee budget in the amount of \$5,000; a more specific breakdown of the budget will be presented to the full Board for approval. Director Raley stated that the Groundwater Enterprise should pay a portion of the Board of Director's expenses. Mr. Cozad stated that Board of Director's expenses are considered overhead and charged accordingly since there are no direct Board related expenses related to that enterprise. Discussion ensued.

Mr. Cozad identified the District's intent to allocate up to \$30,000 to reserves for equipment purchase from FY 2012-2013 and allocate approximately \$30,000 to FY 2013-2014. He indicated that the Reserve Policy is in the process of being revised to address the concerns of the Committee and detail a specific intent of what reserves will be utilized for. This is the first year that the District will have contributions to reserves in quite some time. Director Raley stated that the reserves need to have a specific structure and that structure should be related to the Community Strategic Plan. Discussion ensued. Director Raley asked if Staff is paying their portion of the employee paid contribution for benefits. Mr. Cozad stated that Staff is following the adopted policy where the percentage of employee paid contribution moves incrementally until it reaches 3% for PERS. Brief discussion ensued regarding field activities and related costs. Director Raley stated that he would like for the total budget to stay at \$1.5 million. Mr. Cozad reviewed where the District is at today and what affect the Wash Plan will have on the budget once implemented. Director Day stated that field security is an issue and the depreciation of the equipment is a concern as well. Mr. Cozad indicated included in the proposed budget for FY 2013-2014 is a position for Land Resources Manager as a full time position. He indicated the need to have a dedicated person to manage the Plunge Creek Grant project and the Wash Plan.

The committee indicated they were pleased with the development of the financials and the budget. The budget will be presented to the committee as developed prior to the presentation to the Board.

7. ADJOURN

It was moved by Director Day and seconded by Director Raley to adjourn. The motion carried unanimously.

There being no further business, the meeting adjourned at 2:58 p.m.