SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

MINUTES OF THE
ADMINISTRATIVE COMMITTEE MEETING

April 15, 2004
8:00 a.m.

ROLL CALL/PLEDGE OF ALLEGIANCE

ADMINISTRATIVE COMMITTEE MEMBERS PRESENT:

Cheryl Tubbs, Chairperson
Clare Henry Day, Director
Arnold Wright, Director

STAFF PRESENT:

Lawrence M. Libeu, General Manager
Thomas Crowley, Assistant General Manager
Colleen Theuer, Administrative Services Manager

1. PUBLIC PARTICIPATION

Chairperson Tubbs 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. APPROVAL OF THE MINUTES OF JANUARY 22, 2004

It was moved by Director Day and seconded by Director Tubbs to approve the minutes of the Administrative Committee meeting of January 22, 2004. The motion carried.

3. DISTRICT LIABILITY, PROPERTY AND WORKERS' COMP INSURANCE - REVIEW

Mr. Libeu summarized the review of the District's liability, property, and workers' compensation insurance program, under ACWA/JPIA, and the research into other alternatives for coverage. Several companies were contacted, including the Special District Risk Management Authority (SDRMA); Sander A. Kessler & Associates, Inc.; Coldwell Moreland; ADP; State Fund Insurance; Jordan Company; and Cal-Co. Not all companies offered all forms of insurance. The District had not yet received a quote for Workers' Comp. from SDRMA, and Coldwell Moreland had not yet provided a quote for property insurance. After evaluating the quotes and the coverage offered by these companies, Mr. Libeu recommended the District stay with ACWA/JPIA insurance program. Discussion ensued. Director Tubbs inquired as to whether the SDRMA was a pooled insurance group. Since this information was not available, and two quotes had not yet been received, this item was tabled until the next Administrative Committee meeting, to be scheduled in May.

4. PROPOSED FISCAL YEAR 2004-2005 BUDGET

Mr. Libeu led a lengthy discussion on the proposed budget for the fiscal year 2004-2005. Several questions were raised and discussed. The bottom line of the budget indicated that approximately $300,000 would need to be transferred from the District LAIF fund into the operating fund during the year. Director Tubbs said the budget needed to come closer to balancing and requested staff to work further towards that goal before presenting to the Board.

5. PROPOSED PERSONNEL BENEFITS AMENDMENT

Mr. Libeu proposed a change in the personnel budget, which included a 2.5% cola and merit increases for staff, and a change in the retirement benefit. Regarding the retirement benefit proposal, Mr. Libeu said the District's current plan was 2% @ 55, with retirement payment based on the highest salary average of three years. He suggested changing to 2.5% @ 55, with retirement payment based on the highest salary average of one year. Chairperson Tubbs suggested requesting this change next year, considering the current state of the budget. Director Day said it would be a hardship for the District at this time, and it should be mandated to operate within District means. Mr. Libeu said that after reworking the budget, and if it could be accommodated, he would like the Committee to consider only a change from the three-year average to the one-year average.

6. RATE INCREASE FOR THE WATER REPLENISHMENT REIMBURSEMENT PROGRAM - DISCUSSION

Mr. Libeu advised the Committee that if needed, there would be a special Board workshop on April 28, regarding the proposed rate increase for the water replenishment reimbursement program. As there is opposition to the proposed increase from some of the producers, he and Mr. Crowley would be meeting with East Valley Water District, City of San Bernardino, City of Redlands, and the City of Riverside on April 19 to see if a possible solution could be agreed upon. After further discussion, Mr. Crowley, using visual aids, discussed with the Committee the proposed rate increase that would be discussed at the meeting on April 19.

At this time, Mr. Libeu requested that Mr. Crowley and Ms. Theuer be excused so that he could discuss personnel issues.

7. ADJOURN

As there was no further business, the meeting adjourned at 9:25 a.m.