SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING

July 27, 2010
10:00 a.m.

Chairperson McDonald called the Administrative Committee Meeting to order at 10:00 a.m. All present stood for the pledge of allegiance, led by Chairperson McDonald.

ADMINISTRATIVE COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
Clare Henry Day, Director
Arnold Wright, Director

STAFF PRESENT:

Claud Seal, Assistant General Manager/District Engineer
Shanae Smith, Executive Assistant II

GUESTS PRESENT:

David Raley, Director

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

It was moved by Director Day and seconded by Director Wright to add, "Retain Lisa Pierce as Full Time Employee, As Recommended by the Resources Committee, to the agenda as Item 6B. The motion carried unanimously.

3. APPROVAL OF MINUTES FROM MEETING OF APRIL 12, 2010
APPROVAL OF MINUTES FROM MEETING OF APRIL 22, 2010
APPROVAL OF MINUTES FROM MEETING OF MAY 13, 2010
APPROVAL OF MINUTES FROM MEETING OF MAY 18, 2010
APPROVAL OF MINUTES FROM MEETING OF MAY 24, 2010

It was moved by Director Day and seconded by Director Wright to approve the minutes of the Administrative Committee meetings from April 12, 2010, April 22, 2010, May 13, 2010, May 18, 2010, and May 24, 2010. The motion carried unanimously.

4. Consider Alternate Proposed Budget, As Requested by Director Raley

Chairman McDonald reviewed the proposed revised budget distributed for the Committee's review. A discussion ensued regarding line items within the proposed budget. Direct Day stated that apart from the Local Agency Formation Commission (LAFCO) item being excluded and the discrepancy in the vehicle operations line item, the approved FY 2010-2011 budget and the proposed alternate budget were very close, in terms of the totals indicated in the expense and income categories.

It was moved by Director Wright and seconded by Director Day recommend to the Board to; 1) Approve Alternate Proposed Budget, as Requested by Director Raley; 2) amend the FY 2010-2011 Approved Budget, Increasing Salaries and Benefits to $700,000, including New General Manager Salary and Benefits; and 3) add $11,000 to Account #5200, field operations totaling $19,000. The motion carried unanimously.

5. Proposal of Statement of Investment Policy Update

Chairman McDonald referenced the materials distributed to the Committee. A discussion ensued regarding potential increased revenue through enhanced interest on investments by purchasing a total of twelve federally insured CD's, in the amount of $240,000, increasing the District's revenue by $22,000. Chairman McDonald expressed concerns regarding risks associated with the suggested investments. She suggested that this item be tabled until additional information could be obtained by legal counsel regarding the $5 million, relative to the District's mining agreements, and the likelihood of the funds being called. She said the Committee would also need to determine the effort on the part of District personnel to manage the proposed policy.

It was moved by Director Day and second by Director Wright to table the, "Proposal of Statement of Investment Policy Update," to the next Administrative Committee meeting prior to the first regular Board meeting in August.

6. General Manager Position

It was moved by Director Wright and second by Director Day to refer the, "General Manager Position," to the Closed Session of the July 28, 2010 regular Board meeting. The motion carried unanimously.

B. Retain Lisa Pierce as Full Time Employee

Director Day stated that the need to add the item regarding Lisa Pierce' employment with the District to the agenda, is to correct and renegotiate the mechanics of the current contract. Under the current contract, Ms. Pierce is working more than 20 hours per week and close to exceeding the 1,040 hours she is permitted to work within a calendar year as a part-time employee. A discussion ensued regarding the District's current budget constraints, with regard to staffing and the need for legal counsel to review Ms. Pierce' current contract agreement.

It was moved by Director Day and seconded by Director Wright to suspend Ms. Pierce' current contract and refer the item to the Board during Closed Session at the July 28, 2010 meeting. The motion carried unanimously.

7. ADJOURN

There being no further business, the meeting adjourned at 11:35 a.m.