

March 21, 2006

**MINUTES OF A REGULAR JOINT MEETING  
OF THE EXECUTIVE COMMITTEE  
AND THE USER COMMITTEE**

1. **CALL TO ORDER**

The Executive Committee and the User Committee convened in a regular joint session at 2:10 p.m. on Tuesday, March 21, 2006, in the second floor conference room of the South Bay Regional Public Communications Authority, 4440 W. Broadway, Hawthorne, CA.

**ROLL CALL**

Present: City Manager Steve Burrell, City of Hermosa Beach  
City Manager Geoff Dolan, City of Manhattan Beach  
City Manager Mitch Lansdell, City of Gardena  
City Manager Richard Prentice, City of Hawthorne  
Chief Dennis Groat, Manhattan Beach Fire Department  
Chief Rodney Lyons, Gardena Police Department  
Chief Stephen Port, Hawthorne Police Department  
Chief Russell Tingley, Hermosa Beach Fire Department  
Chief Rodney Uyeda, Manhattan Beach Police Department

Absent: None.

Also Present: Executive Director Ralph Mailloux  
Operations Manager Janey Hall  
Personnel/Training Manager Bonnie Agee  
Finance/Accounting Manager John Gilbert  
Technical Services Manager Jose Rivera  
Mr. Kunle Aderonmu, Legal Counsel for the Authority

2. **PUBLIC DISCUSSION**

None.

3. **ACTION ITEMS**

3a. **APPROVAL OF MINUTES – FEBRUARY 21, 2006**

The February 21, 2006 minutes of the joint meeting of the Executive Committee and User Committee were approved as written.

3b. **MONTHLY FINANCIAL REPORT – FEBRUARY 2006**

Executive Director Mailloux advised that, as of February 28, 2006, expenditures during Fiscal Year 2005-2006 continue to be under budget due to re-negotiating some insurance rates and spending less than anticipated on the Beach Cities Health District infrastructure upgrades.

The Monthly Financial Report for February 2006 was received and filed as written.

3c. **REGIONAL TRAINING CENTER MONTHLY FINANCIAL REPORT – FEBRUARY 2006**

Executive Director Mailloux reported that efforts to meet with El Camino College to discuss the idea of their taking over the L.A. South Bay Regional Skills Center have been unsuccessful. He explained that the Center is scheduled to close in June 2006; that some of the training equipment will remain in the South Bay and the remainder will be returned to P.O.S.T.; and that Gardena and Torrance bus line employees could use the Center for training.

City Manager Dolan noted the importance of eliminating the Authority's responsibilities relative to the Center.

The Monthly Financial Report for February 2006 was received and filed as written.

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Agenda Item Nos. 3e, 4 and 5 were considered out of order at this time.

3e. **RESIDUAL STATE 9-1-1 FUND SPENDING**

Operations Manager Hall explained that, according to the State 9-1-1 Office, approximately \$58,000 in residual funds left over from the Authority's Vesta upgrade can be utilized to purchase various items pre-approved by the State.

Executive Director Mailloux related his understanding that the residual funds are left over from previous requests and they will be lost if not spent by a certain date.

City Managers Dolan and Burrell commented on the importance of making certain that the \$58,000 in residual funds does not include monies for the next five-year equipment replacement and they asked that the amount available for use at this time be verified with the State.

Operations Manager Hall affirmed that Authority staff will verify the amount of residual funds available and obtain clarification as to whether the funds are calculated on the calendar or fiscal year. She noted that the Authority has written documentation from the State showing that the funds are secured, as well as a prioritized list of items that can be purchased for the communications center.

This item was continued to the next regular meeting for staff to obtain pertinent information as discussed above.

4. **NEW BUSINESS**

None.

5. **EXECUTIVE DIRECTOR'S REPORT**

5a. Executive Director Mailloux explained that the infrastructure upgrade project at the Beach Cities Health District site has been completed and that plans for infrastructure improvements at the Gardena Police Department and Grandview sites (which would be paid for out of the undesignated reserve fund) are nearing completion.

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City Manager Dolan observed that items such as the infrastructure improvements at the Gardena Police Department and Grandview sites should be included in the 2006-2007 Budget to reflect actual expenditures.

Executive Director Mailloux indicated that the cost of the infrastructure upgrade improvements at the Gardena Police Department and Grandview sites are not known at this time. He mentioned that Authority staff is pursuing grant funding for infrastructure upgrade improvements at the Punta Place site.

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Discussion returned to Agenda Item No. 3d.

3d. **PROPOSED 2006-2007 BUDGET**

With the aid of a Power Point presentation, Executive Director Mailloux reviewed the proposed 2006-2007 Budget. He advised that the Materials and Operation portion of the 2005-2006 Budget should come in approximately 2.8% under budget; that the projected revenue for Fiscal Year 2006-2007 is \$629,000, none of which was used to offset the member cities' annual assessments; and that the member cities' annual assessment percentages will be as follows: Gardena – 32.93%; Hawthorne – 44.42%; and Manhattan Beach – 22.66%.

In answer to questions from the Executive and User Committee members, Mr. Mailloux verified the following: that officer initiated calls are included in calls for service; that no revenue is being generated in the Technical Services Department; that, excluding capital expenditures, the proposed 2006-2007 Budget reflects a 2.8% increase over the previous year's operating expenses and a 4.1% reduction in capital improvements (capital improvement projects are not included); that the proposed 2006-2007 Budget includes an increase in the employer's contribution to PERS, a 3 ½% salary increase for the Teamsters bargaining group and an increase in worker's compensation; and that, as in the past, the proposed Budget does not reflect salary increases for Administrative or Technical Services Department staff.

City Manager Burrell related his understanding that retiree medical insurance has been assumed to be part of the memoranda of understanding and he noted that it is very helpful during negotiations with employee bargaining groups to know the approximate amount of retirement funds that should be set aside according to GASB.

Executive Director Mailloux verified that, prior to negotiations last year, an actuarial was done. He related staff's anticipation that some employees having longevity will retire from the Authority within the next five years.

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Mr. Kunle Aderonmu, legal counsel for the Authority, explained that, as of this time legal matters with El Segundo are resolved, so legal costs for 2006-2007 were reduced from those in 2005-2006.

City Manager Dolan recommended that, to form a better understanding of how much of the Budget surplus could be allocated toward the member cities' annual assessments, salary increases for Administrative and Technical Services Department staff should be acknowledged somewhere in the proposed 2006-2007 Budget.

Executive Director Mailloux affirmed that salary increase amounts in 1% increments will be provided for both the Communications Workers of America and Unrepresented bargaining groups, whose contracts expire June 30, 2006.

City Manager Burrell questioned the ethics of the Authority sending Holiday cards. He suggested that, in accordance with new Federal requirements, the Authority develop a travel policy. Mr. Burrell entertained the idea of developing a sinking fund for facility maintenance and repairs.

City Manager Dolan pointed out the need for the Authority to also develop a policy relative to charitable contributions. He noted that, because of new Federal requirements, Manhattan Beach City Council members now report all their travel that is paid for by tax payers at the council meeting following the travel. Mr. Dolan commended staff's efforts in preparing the proposed 2006-2007 Budget.

City Manager Prentice related his appreciation of staff's efforts to prepare the 2006-2007 Budget in a timely manner in an effort to assist the member cities' in their budget processes.

The Executive Committee directed Authority staff to develop a draft policy for travel, as well as one eliminating charitable contributions, Holiday cards and donations to political fund raisers, etc., and to email a draft of the policy to them for review prior to the next meeting.

Mr. Kunle Aderonmu recommended that these policies be placed for discussion on a future meeting agenda.

The Executive Committee tentatively agreed to apply projected revenue of approximately \$629,000 to offset the member cities' annual assessments.

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Executive Director Mailloux advised that, with the offset of the \$629,000 in projected revenue, the member cities assessments for 2006-2007 would be as follows: Gardena - \$88,642 reduction; Hawthorne \$73,078 increase; and Manhattan Beach \$70,755 increase.

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The meeting returned to regular agenda order.

6. **ADJOURNMENT**

At 3:25 p.m., the meeting was adjourned.

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