

March 15, 2011

**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 2:30 p.m. on Tuesday, March 15, 2011, in the second floor conference room of the South Bay Regional Public Communications Authority, 4440 W. Broadway, Hawthorne, CA.

ROLL CALL

Present: City Manager Dave Carmany, City of Manhattan Beach
City Manager Mitch Lansdell, City of Gardena
Chief Bob Fager, Hawthorne Police Department
Chief David Lantzer, Hermosa Beach Fire Department
Chief Ed Medrano, Gardena Police Department
Chief Greg Savelli, Hermosa Beach Police Department
Interim Chief Ken Shuck, Manhattan Beach Fire Department
Chief Kevin Smith, El Segundo Fire Department
Chief Mitch Tavera, El Segundo Police Department
Chief Rod Uyeda, Manhattan Beach Police Department

Absent: City Manager Steve Burrell
City Manager Jim Mitsch, City of Hawthorne

Also Present: Executive Director Ralph Mailloux
Administration Manager Bonnie Agee
Operations Manager Shannon Kauffman
Technical Services Manager Jose Rivera
Finance Manager Agnes Walker
Staff Services Jennifer Walters
Mr. Kunle Aderonmu, Legal Counsel for the Authority
Councilman Carl Jacobson, City of El Segundo

2. **PUBLIC DISCUSSION**

None.

3. **ACTION ITEMS**

3a. **Approval of Minutes – February 15, 2011**

MOTION: City Manager Carmany moved for the approval of the minutes of February 15, 2011 as written. The motion was seconded by City Manager Lansdell and passed by unanimous voice vote, absent City Manager Mitsch.

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3b. **FY 2011-2012 Preliminary Budget**

Executive Director Mailloux gave a PowerPoint presentation on the Authority's FY 2011-2012 Preliminary Budget in the amount of \$8,878,835, an increase of \$703,024, or 8.6% compared to the amended budget for FY 2010-2011. He outlined accomplishments during 2010-2011 and goals for FY 2011-2012.

City Manager Lansdell related his understanding as to the proposed increases in salaries and the employer's contribution to PERS. He expressed his lack of support for the FY 2011-2012 Budget as proposed.

As a member of the Budget Subcommittee, City Manager Carmany related his opinion that the Authority's FY 2011-2012 Preliminary Budget must better reflect the reality of the financial situation in the State of California. He related his intent to propose additional recommendations to further reduce the Preliminary Budget later in this discussion.

Finance Manager Walker noted her continued awareness of the financial situation in cities and the State through information provided by the League of California Cities.

Executive Director Mailloux asked if the Executive Committee would prefer to go into a closed session to further discuss possible reductions to the Preliminary Budget.

Chief Medrano voiced his opinion that some of the recommendations to reduce the Budget can be discussed outside of closed session.

At the request of City Manager Lansdell, Finance Manager Walker provided clarification regarding the member cities' proposed assessments.

Executive Director Mailloux outlined the recommendations to reduce the Authority's Preliminary FY 2011-2012 Budget by approximately \$754,000 as follows: a \$90,000 reduction in Salaries and Benefits; a \$365,000 reduction in Staffing; a \$100,000 reduction in Overtime costs; a \$19,000 reduction in Authority Training costs; a \$150,000 reduction in the Finance Manager position; and a \$30,000 reduction in Legal Services.

Chief Medrano explained that the Budget Subcommittee also discussed the possibility of further reducing Overtime costs by approximately \$100,000, possibly by making changes to the Authority's scheduling procedures.

City Manager Carmany noted that the member cities have much expertise to assist in examining the Authority's scheduling procedures and he agreed that Overtime costs could be reduced by an additional \$100,000. He voiced his desire to discuss other items in closed session.

City Manager Lansdell congratulated the Budget Subcommittee on their accomplishment in reducing the FY 2011-2012 Preliminary Budget.

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Finance Manager Walker asked if the recommended reductions should be made to submit the FY 2011-2012 Budget for approval at the next meeting.

City Manager Carmany suggested that those present discuss this matter prior to making any final determinations about submitting the Budget for approval.

City Manager Lansdell indicated that he was prepared to approve the recommended reductions, including an additional \$100,000 reduction in Overtime costs. The following motion was offered.

MOTION: City Manager Carmany moved to approve the Budget Subcommittee's recommendation to reduce the Authority's FY 2011-2012 Preliminary Budget by \$754,000 as outlined during the meeting and to approve an additional reduction of \$100,000 in Overtime costs, for a total of \$854,000 in reductions. The motion was seconded by City Manager Lansdell and passed by unanimous vote, absent City Manager Mitsch.

City Manager Lansdell related his understanding that, with the Budget reductions of \$854,000, the member cities' assessments for FY 2011-2012 will be fairly flat.

Chief Medrano observed that, with the reductions made, the gap between the FY 2011-2012 Preliminary Budget and the amended budget for last year is only \$62,000.

Finance Manager Walker explained that reducing the Budget by \$854,000 would result in a decrease in assessments if Option B with the fund balance of approximately \$100,000 is used.

Chief Uyeda commented that the reductions seem aggressive, but the Authority still has a reserve fund of approximately \$800,000.

City Manager Lansdell expressed his preference for retaining the fund balance. He noted that the total of the FY 2011-2012 Budget with reductions of approximately \$854,000 will be approximately \$8,024,835.

3c. **Executive Director's Vehicle Lease**

City Manager Carmany asked to discuss this item in closed session.

Executive Director Mailloux verified that his vehicle lease has expired and that it will continue on a month-to-month basis.

4. **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Mailloux reported on discussion at the Budget Subcommittee meeting on February 23rd; the status of negotiations with the Teamsters' bargaining group; and the status of MOUs with outside agencies which use the Authority's transmitter/receiver sites.

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5. **COMMENDATIONS**

None.

6. **NEW BUSINESS**

None.

7. **CLOSED SESSION**

At 2:30 p.m., pursuant to Government Code Section 54957(b), the Executive Committee entered into a closed session to discuss personnel matters (Finance Manager Position) and Government Code Section 54957.6 to discuss labor negotiations (Teamsters' Bargaining Group).

8. **ADJOURNMENT**

The meeting was adjourned at 3:00 p.m.