

**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 2:05 PM on Tuesday, April 18, 2017, in the second floor conference room of the South Bay Regional Public Communications Authority, 4440 W. Broadway, Hawthorne, CA.

ROLL CALL

Present: City Manager Mitch Lansdell, City of Gardena
Interim City Manager Arnie Shadbehrr, City of Hawthorne
Chief Pete Bonano, Hermosa Beach Fire Department
Chief Bob Fager, Hawthorne Police Department
Chief Ed Medrano, Gardena Police Department
Chief Sharon Papa, Hermosa Beach Police Department
Chief Mitch Tavera, El Segundo Police Department
Chief Dave White, Culver City Fire Department

Absent: City Manager Mark Danaj, City of Manhattan Beach
Chief Chris Donovan, El Segundo Fire Department
Chief Eve Irvine, Manhattan Beach Police Department

Also Present: Executive Director Ralph Mailloux
Operations Manager Shannon Kauffman
Administration Manager John Krok
Finance Manager Valerie Mohler
Management Analyst George Gabriel, City of Manhattan Beach
Mr. Carl Jacobson, City of El Segundo

2. **PUBLIC DISCUSSION**

None.

3. **ACTION ITEMS**

3a. **Approval of Minutes –March 21, 2017**

MOTION: Interim City Manager Shadbehrr moved to approve the minutes of March 21, 2017 as written. The motion was seconded by City Manager Lansdell and passed by unanimous voice vote, absent City Manager Danaj.

3b. **Budget Performance Report – March 31, 2017**

Finance Manager Mohler presented the staff report per written material of record.

MOTION: Interim City Manager Shadbehr moved to receive and file the Budget Performance Report as of March 31, 2017. The motion was seconded by City Manager Lansdell and passed by unanimous voice vote, absent City Manager Danaj.

3c. **Cash & Investments Report – March 31, 2017**

Finance Manager Mohler presented the staff report per written material of record.

MOTION: Interim City Manager Shadbehr moved to receive and file the Cash & Investments Report as of March 31, 2017. The motion was seconded by City Manager Lansdell and passed by unanimous voice vote, absent City Manager Danaj,

3d. **Proposed Fiscal Year 2017-2018 Budget**

Executive Director Mailloux gave a Power Point presentation on the proposed Fiscal Year 2017-2018 Budget in the amount of \$11,224,274. He explained that the transition of Culver City into the Authority provided a surplus that will be applied to the three owner cities' assessments, resulting in no increase for Fiscal Year 2017-2018. Future surpluses will not be as much as this year, but the member cities' assessments should continue to be offset. Mr. Mailloux advised that the increase to the City of El Segundo's assessment, based on the Consumer Price Index for the preceding year, will be \$23,865 (1.9%); and that, using the new cost methodology formula for annual increases, the City of Hermosa Beach's and Culver City's assessments will be increased 4.32%, resulting in an increase of \$28,991 and a total of \$700,072 for Hermosa Beach and an increase of \$97,753 and a total of \$2,360,551 for Culver City. He pointed out that each member city can use the undesignated fund balance, allocated according to the ownership formula, at their discretion.

City Manager Lansdell recalled that the Executive Committee agreed to apply the new cost methodology formula for annual increases to Hermosa Beach's assessment for Fiscal Year 2017-2018 and he questioned if there has been any discussion about Hermosa Beach's assessment for the long-term.

Executive Director Mailloux noted Item No. 3e, "Hermosa Beach Assessment," on the agenda for this meeting.

Chief Papa entertained the idea of continuing discussion about Hermosa Beach's assessment until after their new city manager begins mid May. She confirmed Hermosa Beach's agreement with applying the new cost methodology formula for annual increases to Hermosa Beach's assessment for Fiscal Year 2017-2018.

Executive Director Mailloux requested input on how each member city would like to use their undesignated fund balance. He pointed out that a percentage of the undesignated fund balance could be allocated to an equipment replacement fund for the future and that future increases to retirement costs will not be as great as they might have been due to the Authority's tiered retirement system.

Chief Medrano recommended that the topic of how the member cities would like to use their undesignated fund balance be continued so the cities can further discuss it. He commented on the importance of also discussing long-term capital replacement.

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City Manager Lansdell entertained the idea of the Executive Committee making a recommendation to the Board of Directors at the next meeting on how to allocate their undesignated fund balance.

MOTION: City Manager Lansdell moved to recommend approval of the proposed Fiscal Year 2017-2018 Budget as written, with the understanding that the member cities will make recommendations at the next meeting as to how their city would like to use their undesignated fund balance. The motion was seconded by Interim City Manager Shadbehrr and passed by unanimous voice vote, absent City Manager Danaj.

3e. **Hermosa Beach Assessment**

City Manager Lansdell recalled previous discussion about Hermosa Beach's assessment and he volunteered to work with Executive Director Mailloux to achieve a long-term agreement.

Executive Director Mailloux presented the staff report. He outlined the recommendations on Page 2.

Chief Medrano recommended that this issue be examined from a broader perspective. He noted that, due to the Brown Act, only one member of the Executive Committee can serve on a subcommittee to discuss Hermosa Beach's contract.

City Manager Lansdell affirmed that he and Executive Director Mailloux will contact Hermosa Beach to discuss their assessment after their new city manager begins.

4. **EXECUTIVE DIRECTOR'S REPORT**

4a. Executive Director Mailloux shared information on the Authority's hiring efforts toward the positions of communications operator and installer.

Chief Fager asked if there are enough communications operators to handle the increase in calls due to Culver City.

Executive Director Mailloux and Operations Manager Kauffman provided additional input on hiring efforts, including the plan to hire five more communications operators, for a total of ten new operators as a result of Culver City coming to the Authority.

5. **NEW BUSINESS**

5a. City Manager Lansdell asked that "Executive Director's Evaluation" be placed on the agenda for the next meeting.

6. **ADJOURNMENT**

The meeting was adjourned at 2:55 PM.