

San Gabriel Valley Mosquito & Vector Control District
1145 N. Azusa Canyon Road
West Covina, California 91790

Board of Trustees Meeting

June 13, 2008

Minutes

Trustees Attending

- 1 Stephen Sham (Alhambra)
- 2 Roger Chandler (Arcadia)
- 3 Joseph Rocha (Azusa)
- 4 Rick Barakat (Bradbury)
- 5 Linda Elderkin (Claremont)
- 6 Henry Morgan (Covina)
- 7 Margaret Finlay (Duarte)
- 8 Ernest Gutierrez (El Monte)
- 9 Charles Myers (Glendora)
- 10 Jeff Parriott (Industry)
- 11 Mark Breceda (Irwindale)
- 12 Dan Holloway (La Puente)
- 13 Dave Barron (Monterey Park)
- 14 Elliott Rothman (Pomona)
- 15 Robert Bruesch (Rosemead)
- 16 Jeffrey Templeman (San Dimas)
- 17 Janice Nelson (Sierra Madre)
- 18 Kenneth G. Gillanders
- 19 Tom Sykes (Walnut)

Trustees Absent

- 1 Robert Neher (La Verne)
- 2 Dan Kirby (Monrovia)
- 3 Frank Hall (County of Los Angeles)
- 4 Albert Huang (San Gabriel)
- 5 Roger Hernandez (West Covina)

Staff Attending

- 1 Steve West
- 2 Kenn Fujioka
- 3 Kelly Middleton
- 4 Rose Alba
- 5 Esther Elliott
- 6 Ramona Deacon
- 7 Carol Anne Hagele
- 8 Melvin Cook

1. Call to Order

The meeting was called to order at 7:02 am by President Chandler.

2. Pledge of Allegiance and Silent Roll Call

The Pledge of Allegiance was led by Trustee Sham

3. Opportunity for Public Comment on Non-Agenda Items

None

4. Consent Calendar

- A. List of Claims for May, 2008
- B. Budget Status Report for May, 2008
- C. Minutes of Board of Trustees Meeting May, 2008
- D. Surveillance and Vector Report
- E. Abatement Report
- F. Education Program

A motion by Trustee Templeman to approve the Consent Calendar as presented was seconded and unanimously approved.

5. Monthly Treasurer Report / District Working Balance

A motion by Trustee Gutierrez to approve the Monthly Treasurer Report / District Working Balance was seconded and unanimously approved.

6. Consider Approval of Resolution 2008-05 Inclusive of FY 2008-2009 Budget and Assessment Report

President Chandler opened the public hearing regarding the District's Budget and Assessment Rates for FY 2008-2009 at 7:09 a.m.

District Manager Steve West reported the Finance and Personnel Committees met on May 9, 2008 to review the budget summary and the employees' benefit requests. The Committee's approved the 3.7% Cost of Living (COLA) increase for District employees and forwarded that recommendation to the Board. The District Manager stated his recommendation to the Board to approve the COLA increase requested by the employees was based solely on their request and not the personal benefit his agreement confers as a recipient of the same benefits the Board may approve for the employee work force.

The District Manager noted that if the Board decides not to adopt the Budget, Item 7. on the Agenda allows the Board to continue the item to the July Board Meeting and authorizes expenditures to that date.

The District Manager continued with his explanation of the proposed budget at \$2.7 million, an increase of \$135,000, a +5.2% change. Personnel Expense increases of \$34,000 inclusive of the \$43,000 cost of the COLA adjustment and Non-Personnel of \$99,000 are the major issues in the Proposed Budget. Mr. West explained a significant operational change is the Budget's proposed reduction of two full-time positions at a savings of approximately \$96,000. However, it is counter balanced by a net increase in temporary employee funding at \$68,000.

Non-Personnel Expense increases were higher this year with reduced personnel costs but higher immitigable operations' costs. They include an increased County assessment collection fee from \$80,000 to \$115,000, two helicopter flights at \$10,000, worker's compensation costs + \$7,000, and gasoline is +\$13,000.

The District Manager noted an editorial correction to the Manager's Report on Page 2, second paragraph under Background; the amount of the current assessment rate should be \$7.98 to \$17.17.

Another additional cost in this Budget is a \$7,000 expense to fund a LAFCO application changing our Sphere of Influence. At the present time neither South Pasadena nor Baldwin Park are included in LAFCO's Spheres of Influence. When the District was formed, City Councils were mailed invitations to join the District, and these two cities declined to do so.

The District Manager stated he would like to explore with Greater Los Angeles VCD (GLAVCD) the annexation of San Marino, Diamond Bar, and South El Monte as cities in their area. That would likely involve a negotiated property tax exchange which could ultimately provide property tax revenue to this District. In prior

discussion, the Board has raised the issue of annexing Diamond Bar and South El Monte into the District.

Trustee Gutierrez mentioned in conjunction with the increased gas price that some companies have locked in gas prices for 2 or more years and asked if that is something of which we can take advantage. The District Manager said he would investigate the possibility and report his results to the Board. Comments from other Trustees indicated that locked gas prices were for large consumers of gasoline.

The District Manager noted the significant issue related to this Budget is the \$144,000 difference between this Budget and the current assessment. He explained that District Counsel has discussed this issue with the Board, and they may change our rates without a vote of the District's property owners.

The District Manager continued his explanation that when the assessment was first advertised prior to Prop 218, all parcels were identified as assessable at the same rate of \$20.00. Presently residential parcels pay a lesser amount than industrial and commercial parcels, however, our actual labor for such property is about 80-85% of our involvement. One solution for this situation is to change the assessment based on these statistics. A second alternative is to charge parcels \$20.00 with the fact that all property benefits equally regardless of its size or use.

Trustee Barron requested that in August staff return with the amount that would be added to the budget with the cities of South Pasadena and Baldwin Park paying their assessment. Steve informed them that the Los Angeles County Public Health Officer sent a letter to the respective cities encouraging them to join the District and to date only Baldwin Park has expressed an interest in re-joining. Total revenue from Baldwin Park and South Pasadena would be about \$155,000. These numbers are based on the amount assessed residents would provide.

Trustee Bruesch voiced his concern about public reaction if the District increased people's "taxes", however relative insignificant. This could be particularly true when other agencies are tightening their budgets. He queried if this is the right time to undertake this process. President Chandler suggested Trustee Bruesch wait for the August Board meeting to further discuss his question.

The District Manager pointed out that there are three items specifically addressed in the Manager's Report as questions previously posed by Trustees. First, Trustee Kirby asked for the costs of the salary survey over the history of the District. The Chart on Page 2 of the Manager's Report reflects those figures. Second, staff was questioned on the COLA increase. The Manager's Report shows that data over the last 10 years. Staff has included in the Budget the District's Personnel policy describing the discretion the Board has to adopt a COLA and/or the salary survey. Lastly, Trustee Templeman has raised the question of a 457 plan retirement system where employees could personally contribute and become participants in their retirement planning. That issue is to be considered in the FY 2010 Budget. The District Manager concluded recommending the Board approve the Budget and the recommendation of the Committees.

As questioned by Trustee Barron, the District Manager responded that the Board's Personnel and the Finance Committees may now meet in closed session to discuss

employee benefit requests since the joint membership does not constitute a majority of the Board.

Hearing no comments or questions from the public, President Chandler requested a motion to close the Public Hearing.

A motion by Trustee Morgan to close the public hearing regarding the Budget and assessment rates for FY 2008-2009 was seconded and unanimously approved. The public hearing was closed at 7:25 a.m.

Trustee Finlay asked if we plan to use the same Auditor and will he be charging 50% more this year? Steve replied that he is anticipating an increase in fees as he plans to insist that a representative from the company attend Board meetings to explain their audit.

Trustee Bruesch asked about the item in the Budget for \$10,000 and the lack of any information sheet. District Manager responded that it is for ergonomic furniture in the Front Office.

A motion by Trustee Gutierrez to approve the FY 2008-2009 Budget was seconded and unanimously approved.

President Chandler complimented District Manager Steve West on his in-depth preparation of the Budget and with his thorough explanation to questions regarding budget items.

7 Consider Resolution 2008-06 Granting Temporary Authority to the District Manager, or Designee, to Spend District Monies Pending Adoption of the District's Annual Operating Budget

No action necessary with approval of the budget.

8. Consider Nomination of a Board Member for the Office of Seat C, Region 5, on the California Special District Association Board of Directors

A motion by Trustee Bruesch to nominate Henry Morgan as a candidate for Seat C, Region on the California Special District Association Board of Directors was seconded and unanimously approved.

9. District Administration

A. VCJPA Business Travel Accident Program

District Manager Steve West had placed this on the agenda under the impression that all Trustees as District employees would be covered by the VCJPA insurance program when traveling from home to Board meetings. He has been subsequently informed that there is only coverage when traveling to Authority events and functions. Based on this fact, we will add any Trustee who wishes to do so and asked Board members when traveling on behalf of the District to so indicate. Trustee Finlay expressed an interest, and staff will submit her name to the program.

B. Contractual Cities

The District Manager reported a fax was received from the City of Baldwin

Park stating that staff would present to the City Council at its first meeting in July possible alternatives for joining the District. The District Manager recommended the Board consider a requirement in the contract to conduct a Prop 218 election to join the District. In the past, the contract contained a discretionary clause.

Trustee Barron questioned whether the District can assist a city with the cost of an election. District Manager answered the Board has the discretion to dispense its funds as it determines.

10. Honey Bee, Avian Flu and West Nile Virus Update

Assistant Manager Kenn Fujioka reported West Nile virus positive birds from the cities of Covina, Alhambra, San Gabriel, Arcadia, Monterey Park, Rosemead, Temple City, and San Dimas.

Trustee Nelson reported WNV positive blood donors have also been detected. She further noted the low level of symptomatic illness relative to actual infection.

Kenn emphasized that the virus is widespread and technicians are looking for sources. He stated that backyard water sources may be overlooked and cause problems.

Water districts are running water to recharge the aquifers with a resulting spike in the black fly population. He advised the Trustees that if they receive complaints about insects that are biting during the day it is probably not mosquitoes but black flies.

District Manager West added that black flies have not been a problem over the last several years because we were able to work with the water districts to turn the water off over the weekend allowing the black fly larvae to dry out. However, due to the shortage of water they are moving more water.

In response to Trustee Nelson's question, Kenn explained that black flies can breed year round but they are mostly driven by temperature. Springtime is when black flies usually flourish.

Trustee Elderkin asked if we are concerned about bubonic plague. Kenn and Trustee Nelson informed her that in the urban portion of our district rats are important but for most of our District we're more concerned with ground squirrels.

11. Trustee Reports

Trustee Rothman reported that District representation at Pomona's Information Fair and the City's 150th Anniversary was informative and well received.

12. New Business

None

13. Adjournment

A motion by Trustee Bruesch to adjourn the meeting was seconded and unanimously approved. The meeting was adjourned at 7:45 a.m.