



**COSTA MESA SANITARY DISTRICT
MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING
APRIL 27, 2015**

CALL TO ORDER

The Board of Directors of the Costa Mesa Sanitary District met in special session on April 27, 2015 at 9:00 A.M. at 628 W. 19th Street, Costa Mesa.

ROLL CALL

DIRECTORS PRESENT: Michael Scheafer, Arthur Perry, Robert Ooten, Arlene Schafer, James Ferryman

DIRECTORS ABSENT: None

STAFF PRESENT: Scott Carroll, General Manager; Wendy Davis, Finance Manager; Robin Hamers, District Engineer; Noelani Middenway, District Clerk; Kaitlin Tran, Accountant

OTHERS PRESENT: Jim Mosher, Resident

PUBLIC COMMENT

President Scheafer invited members of the public to address the Board.

Jim Mosher, resident, commented regarding the Board approving a two-year budget or two separate one year budgets and expressed concern that the purchasing of a new building for District headquarters would impact the approved budget. He also commented on the details of the line items of the summary and variance from the previous year's budget, suggested that the report show the variance of what the expenditures were last year versus what the projected expenditures will be, and commented on the split between the liquid waste and solid waste for the District Clerk's compensation. He also commented on the review of the City's capital improvement program to ensure that it meets with the City's General Improvement Plan and questioned if the District provides a list of its capital improvement projects to the City to be included.

Seeing no one further, President Scheafer closed public comments.

President Scheafer responded to Mr. Mosher and directed staff to look into it further.

Rob Hamers, District Engineer, commented that District Counsel, Alan Burns, has advised that the District would need to provide its Capital Improvement Plan if it were formally adopted by the Board.

Wendy Davis, Finance Manager, commented that the budget being presented to the Board at this meeting is the preliminary proposed budget to receive direction from the Board, and noted that the Class and Compensation Study will be presented to the Board at the May 12 study session, and at that time staff will receive further direction as a majority of the budget is based on salaries which will be affected by the Class and Compensation Study. The two year budget will be presented at the June study session or a special meeting, and based on the comments and direction at that meeting; the final budget will be presented for adoption at the June regular board meeting.

Ms. Davis responded to Mr. Mosher's concerns regarding the carryovers for the capital improvement projects noting that the allocation is flat, and not the spending. She addressed the 10/90 split (ten percent funded from the solid waste fund and ninety percent funded from the liquid waste fund) for the District Clerk's compensation and expressed that the District Clerk's, as well as a majority of District staff's duties, involves more liquid waste than solid waste.

I. Fiscal Year 2015-16 & 2016-17 Preliminary Budget
Recommendation: That the Board of Directors:

- A. Review the first year (FY 2015-16) of the two year preliminary budget and provide staff with direction; and
- B. Approve removing the Administrative Services Manager position from the budget and replacing it with the Management Analyst position effective July 1, 2015; and
- C. Approve budgeting a new part-time Account Clerk position; and
- D. Direct staff to submit the second year (FY 2016-17) preliminary budget for review at the Board of Directors June 9, 2015 Study Session meeting.

Ms. Davis presented details of the proposed preliminary budget, reviewed staff development, board development and membership dues.

Vice President Perry made a motion to approve removing the Administrative Services Manager position from the budget and replacing it with the Management Analyst position effective July 1, 2015. Assistant Secretary Schafer seconded the motion, which carried unanimously.

Assistant Secretary Schafer made a motion to approve budgeting a new part-time Account Clerk position. Secretary Ooten seconded the motion.

Discussion followed regarding the schedule and duties of the part time clerk as well as benefits that the position is entitled to.

The motion carried unanimously.

The Board of Directors directed staff to submit the second year (FY 2016-17) preliminary budget for review at the Board of Directors June 9, 2015 Study Session meeting.

President Scheafer requested information regarding Director compensation.

Scott Carroll, General Manager, presented details of the Board of Directors per diem survey of surrounding agencies.

The Board of Directors directed General Manager Carroll to review the full compensation of the Board of Directors in the surrounding agencies and report back to the Board.

ADJOURNMENT

There being no further business to come before the Board, President Scheafer adjourned the meeting at 11:30 A.M.

Robert Ooten
Secretary

Michael Scheafer
President