



BIGHORN-DESERT VIEW WATER AGENCY

FINANCE/PUBLIC RELATIONS/EDUCATION & PERSONNEL COMMITTEE MEETING AGENDA

**BOARD MEETING OFFICE
1720 N. CHEROKEE TR.
LANDERS, CA 92285**

**September 9, 2009
WEDNESDAY
4:00 P.M.**

The BDVWA Finance/Public Relations/Education & Personnel Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of strict compliance with the Brown Act. Members of the Board who are not assigned to the Finance/Public Relations/Education & Personnel Committee may participate as observers at the meeting.

- **CALL TO ORDER**
- **PLEDGE OF ALLEGIANCE**
- **ROLL CALL**
- **APPROVAL OF THE AGENDA**

Public Participation - Public is invited to comment on any item on the agenda during discussion of that item. You may wish to submit your comments in writing to assure that you are able to express yourself adequately. In giving your public comment, please state your name and have your information prepared. Due to time constraints, a three minute time limit may be imposed. Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, please contact the Board Secretary during Agency business hours by calling 760-364-2315.

1. **PUBLIC PARTICIPATION-** Any person may address the Committee on any matter within the District's jurisdiction on items not appearing on this agenda.
2. **CLOSED SESSION**
 - **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to Subdivision (b) of Section 54956.9 (7 potential cases)
 - **CONFERENCE WITH LEGAL COUNSEL — INITIATION OF LITIGATION**
Significant exposure to litigation pursuant to Subdivision (c) of Section 54956.9 (4 potential cases)

3. **CLOSED SESSION REPORT**
4. **DISCUSSION SURROUNDING PROPOSAL TO TRANSFER PAYROLL FROM OUTSIDE VENDOR TO "IN HOUSE" PROCESSING BY AGENCY STAFF**
5. **DISCUSSION OF PROPOSED CHANGES TO AGENCY CHARGE FOR TEMPORARY CONSTRUCTION WATER METERS**
6. **COMMITTEE REVIEW OF BAD DEBT WRITE-OFFS, TOTALING \$17,831.49 DURING FY2005 TO PRESENT. ALSO COMMITTEE TO REVIEW POLICY 09P-XX FOR THE APPROVAL OF THE EXPENSE OF BAD DEBT AND RECOMMEND TO BOARD ADOPTION OF SAME**
7. **STAFF TO UPDATE COMMITTEE ON 2010 HEALTH BENEFIT PROGRAMS AVAILABLE**
8. **REQUEST TO SHIFT AGENCY OFFICE VETERAN'S DAY HOLIDAY CLOSURE FROM WEDNESDAY NOVEMBER 11th TO FRIDAY NOVEMBER 13th 2009**
9. **STANDING COMMITTEE PROJECT LIST**
10. **DIRECTORS' COMMENTS / REPORTS**
11. **GENERAL MANAGER'S COMMENTS / REPORTS / MINUTES**
 - a. Minutes of the July 7, 2009 Special FPREP Committee Meeting
12. **ITEMS FOR NEXT AGENDA**
13. **ADJOURNMENT**

Materials related to an item on this Agenda submitted to the Committee Members after distribution of the agenda packet are available for public inspection in the Bighorn-Desert View Water Agency office at 622 S. Jemez Tr., Yucca Valley, CA during normal business hours.

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL
AGENDA ITEM SUBMITTAL**

Meeting Date: September 9, 2009

To: Financial/PR/Education/Personnel Comm.
Board of Directors

Budgeted: yes

Budgeted Amount: \$30,600

Cost: \$1,520

Funding Source: (line 56014)

From: Marina D. West

General Counsel Approval: N/A

CEQA Compliance: N/A

Subject: Proposal to Transfer Payroll In-house

SUMMARY

Staff believes that there will be a cost savings to the Agency if payroll activities are conducted "in-house" rather than through the outside services of Paychex.

RECOMMENDATION

Information and discussion only.

BACKGROUND/ANALYSIS

Staff has become increasingly frustrated with the payroll services provided by Paychex. A review of the payroll process reveals that "in-house" staff provides all the necessary detail to process payroll through Paychex and therefore the service provided is merely a transfer of data provided by the Agency to Paychex software. The only tasks we do not complete in preparing and processing the payroll is printing the checks and paying taxes. In addition, Paychex routinely makes mistakes in the transfer of the data resulting in errors on the employee paycheck.

The Agency executed payroll "in-house" sometime in the past before migrating to Paychex. Therefore, the existing accounting system already contains the "payroll module" software although it will need to be updated at a cost estimate of \$1,520. The update includes meeting requirements for state, federal and PERS as well as software enhancements for expanded data retention, reporting and interfacing to General Ledger.

Staff believes that there will be a cost savings if payroll activities are completed "in-house". The current budget for outsourced payroll services is \$3,000+/- . In summary, there will be a budget reduction of all outsourcing costs beginning in year two following the migration.

If the Committee approves the concept, staff will conduct further analysis to determine the steps necessary to make the change, including the necessity for any Board action.

PRIOR RELEVANT BOARD ACTION(S)

None

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
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Board of Directors

Budgeted: N/A
Budgeted Amount: N/A
Cost: N/A
Funding Source: N/A

From: Marina D. West

General Counsel Approval: Obtained
CEQA Compliance: N/A

Subject: Proposed Changes to Agency Charge for Temporary Construction Water Meters

SUMMARY

The Board recently expressed an interest in revisiting the charge for Temporary Construction Water Meter usage. Temporary Construction Water is not the same as Bulk Water. Temporary Construction Water is obtained through the use of a fire hydrant not a dedicated meter as with the Bulk Hauling Stations. These uses are limited to a three month period per the Agency Rules and Regulations for Water Service. Currently the charge for Temporary Construction Water is equivalent to 1.5X the regular metered rate for water service, \$41.50 per month Basic Service Charge and \$4.50 per unit. The Board felt the rate should be consistent with the Bulk Hauling rate of \$8.50 per unit and \$0 Basic Service Charge.

RECOMMENDATION

Agendize for the September 29 Board Meeting:

1. Adopt Resolution 09R-XX adjusting the rate for temporary construction water to \$8.50 per unit (100 cf) with a basic monthly service charge of \$0 and a customer deposit of \$350.

BACKGROUND/ANALYSIS

The Board recently expressed an interest in revisiting the charge for Temporary Construction Water. Temporary Construction Water is not the same as Bulk Water. Temporary Construction Water is obtained through the use of a fire hydrant not a dedicated meter as with the Bulk Hauling Stations. These uses are limited to a three month period per the Agency Rules and Regulations for Water Service. Currently the charge for Temporary Construction Water is equivalent to 1.5X the regular metered rate for water service, \$41.50 per month Basic Service Charge and \$4.50 per unit. The Board felt the rate should be consistent with the Bulk Hauling rate of \$8.50 per unit and \$0 Basic Service Charge.

If this fee is adopted by the full Board, applicable sections of the Rules and Regulations will also require revisions because of any changes in the fees and charges. All relevant revisions will be prepared and presented prior to the consideration by the full Board.

Although these charges and fees do not fall under the notification requirements of Prop. 218 they are required to comply with Government Code Section 66013. This Code section states that a fee or charge must not exceed the estimated reasonable cost, labor and materials, to provide the unique service. An analysis of the Bulk Water rate was provided to Board which provides the basis for the revised charge for Temporary Construction Water. Per the Code Section, the basis for these charges must be made available to the public at least 10 days in advance of the Board's decision to increase the charges. The public was verbally informed at the August 25, 2009 Board of Director's meeting of the 10 day notice. The basis for this charge is available for inspection at the Agency's main office.

Compliance with the Mitigation Fee Act Procedure described in Government Code 66016 is also required. Pursuant to this section, the "Agency must hold at least one noticed open, public meeting as part of a regularly scheduled meeting, at which oral and written presentations can be made on the fee or charge prior to the levy of the new fee or charge."

Following review and acceptance by the Committee, staff will agendize the increase in the Temporary Construction Water Charge for the September 29th Board meeting for further consideration and possible adoption. The publication of the Board intent was made at the January 27th Board meeting thereby complying with the minimum 14 day public notification period.

PRIOR RELEVANT BOARD ACTION(S)

2/24/09 09R-05 Resolution setting fee for service for all Bulk Station Accounts (Billing routes 30-33) at \$8.50 per unit.

10/28/2009 08R-09 Resolution establishing certain fees and charges; Construction Meter Water charge.

9/10/08 FPREP Standing Committee: Proposed Changes to Miscellaneous Charges and Fees; Construction Meter Water charge.

08/6/08 FPREP Standing Committee: Review miscellaneous Agency Charges and Fees; Construction Meter Water charge.

Third, there are a number of accounts that were sent to collections since 2005 and they have not been "written-off" to bad debt. These have not been presented to the Board for approval. The collections agency has not been successful in obtaining payment on these debts.

The following table summarizes up-to-date bad debt totals in which category:

Fiscal Year	Actual Bad Debt Sent to Collections Previously "written-off" Not Board Approved	Actual Bad Debt Sent to Collections Not "written-off" to date Not Board Approved
FY2005/06	n/a	\$1,032.46
FY2006/07	\$4,755.69	\$2,138.70
FY2007/08	\$2,459.11	\$4,640.63
FY2008/09	\$6.50	\$1,323.31
FY2009/10	\$1,475.09	TBD in May 2010
Total Amount for Board Approval		\$17,831.49

To clear this matter up going forward, the Board needs to approve the expense of \$17,831.49 to Bad Debt (Operations Budget Acct. No 01-56022) and "write-off" the account balances.

Furthermore, since the Agency adopted Ordinance 08O-01 Rules and Regulations for Water Service in 2008, owners are now responsible for delinquent tenant water bills. Therefore, any bad debt can be collected through a property tax lien rather than through the collections agency. Staff is proposing a new policy to reflect this procedural change.

PRIOR RELEVANT BOARD ACTION(S)

11/25/08 Adopt Ordinance 08O-01 Agency Rules and Regulations for Water Service
3/28/06 Motion to approve bad debt expense in the amount of \$8,817.49.

POLICY STATEMENT NO. 09P-XX

A POLICY STATEMENT OF THE BOARD OF DIRECTORS
OF THE BIGHORN-DESERT VIEW WATER AGENCY
ESTABLISHING A POLICY FOR THE APPROVAL
OF THE EXPENSE OF BAD DEBT

The Board of Directors of the Bighorn-Desert View Water Agency desires to implement a policy for the processing of uncollectible customer debt.

WHEREAS, on an annual basis the Agency incurs approximately .5% of its total Accounts Receivables in bad debt.

WHEREAS, in accordance with Generally Accepted Accounting Practices it is necessary to expense annually a percentage of accounts receivables to bad debt.

THEREFORE, the Board of Directors of the Bighorn-Desert View Water Agency hereby establishes the following steps necessary prior to the annual consideration of bad debt expense authorization -

1. Per Article 11.2 of the Agency Rules and Regulations for Water Service, the owner of each separate premises is ultimately responsible for the payment of all applicable water service charges.
2. Thirty (30) days following the billing delinquent date, the Owner shall be notified in writing that the account is past due and that the Owner must assume responsibility for the outstanding balance.
3. At least once per year, all accounts greater than sixty (60) days delinquent will be forwarded to County of San Bernardino for collections through a property tax lien.
4. Delinquent account records shall be retained indefinitely for future collection efforts. In accordance with Agency Rules and Regulations payment in full shall be required by the delinquent account holder prior to establishing a new account with the Agency.
5. In May of each year all closed delinquent accounts more than one year old shall be submitted to the Board of Directors for approval of the bad debt expense.

Policy Statement No. 09P-XX was adopted at a regular Board meeting held on September 29, 2009.

Joanne L Keiter, Board Secretary

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
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AGENDA ITEM SUBMITTAL**

Meeting Date: September 9, 2009

To: Financial/PR/Education/Personnel Comm.
Board of Directors

Budgeted: N/A
Budgeted Amount: N/A
Cost: N/A
Funding Source: N/A

From: Marina D. West

General Counsel Approval: N/A
CEQA Compliance: N/A

Subject: Veteran's Day Holiday: Proposal to Shift Office Closure from Wednesday November 11th to Friday November 13th, 2009

SUMMARY

Staff has requested the Board consider closing the office on Friday November 13th in lieu of Wednesday November 11th the actual Agency Holiday. Should the Committee accept this proposal then it would be brought to the full Board on September 29th for consideration, if necessary.

RECOMMENDATION

Information and discussion only.

BACKGROUND/ANALYSIS

No further analysis provided

PRIOR RELEVANT BOARD ACTION(S)

None

November

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

2009

Table 1

FINANCIAL/PUBLIC RELATIONS/EDUCATION/PERSONNEL STANDING COMMITTEE PROJECT LIST		STATUS	COMMENTS
SUBJECT			
Public Relations		ongoing	Committee to discuss public relations and community outreach planning objectives
Employee Relations		completed	
Employee Handbook Update		ongoing	Executive Secretary/Personnel Administration - done.
Job Descriptions		completed	
Organizational Chart		ongoing	Staff awaiting input from insurance vendors on plan definitions and costs.
Medical Benefits		introduce to Committee	Recommend that Committee address existing water loss relief policy
Water Loss Billing Relief Policy		referred to committee	
Board of Directors Compensation Policies			Sets Director "per diem" compensation policy
Ordinance 08O-01 Revision			Sets methods and practices for other types of Director compensation
Official Duties Policy			
Mission/Vision/Value Statement		2/28/2009	Update mission statement from Workshop 2009
Inactive Meters		4/28/2009	Staff has calculated 96 customers on Desert View, and 131 customers in Bighorn have opted to keep meter connections and are paying. No communication from the remaining customers.
Guidelines for use of audio and visual recording equipment at Agency meetings.		9.10.2008	Chair McBride requested staff to look into guidelines. No progress to date.
Bulk Hauling Rates and Fees		done	New rate in place.
Agency Logo for Vehicles and Signs		introduce to committee	Review layout of various logo designs intended to be utilized on Agency vehicles and signs

Updated for 9/9/2009



BIGHORN-DESERT VIEW WATER AGENCY

FINANCE/PUBLIC RELATIONS/EDUCATION & PERSONNEL COMMITTEE SPECIAL MEETING MINUTES

**BOARD MEETING OFFICE
1720 N. CHEROKEE TR.
LANDERS, CA 92285**

**JULY 7, 2009
WEDNESDAY
4:00 P.M.**

The BDVWA Finance/Public Relations/Education & Personnel Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of strict compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as observers at the meeting.

- **CALL TO ORDER**

Meeting convened by Director McBride at approximately 4:04 p.m.

- **PLEDGE OF ALLEGIANCE**

Led by Mr. Melbourne Bailey

- **ROLL CALL**

Directors Present: Mike McBride, Chairperson

Judy Corl-Lorono, Member

Staff Present: Marina West, General Manager

Joanne Keiter, Board Secretary

Public Present: Approximately 11 members

1. PUBLIC PARTICIPATION:

- Director Burkhart commented that her attendance was as a "private citizen".
- Paul Dossey believed that since the public is limited to three (3) minutes, the Board should also have the same time limit.

2. DETAILED DISCUSSION OF AGENCY DEBT OBLIGATIONS, ACTUAL REVENUE AND EXPENSES:

*No Committee Action Taken; Information and Discussion Only - Led by GM Marina West
Presentation Highlights:*

- 3 year review conducted; GM listened to archived audio recordings
- Discovered previous Board "not completely informed" on LAIF funds
 - Confusion between terms "restricted" vs. "unrestricted" funds
 - Actual LAIF balances less than reported to Board
 - Funds were used "legally" to maintain infrastructure, i.e. meter replacement
 - Both Legal Counsel and Auditor believe current numbers are accurate

- Previous Board estimated the annually "rate" but not a "levy" amount
 - Facts show that more revenue collected than necessary over many years
 - Agency now moving forward, learning from the past experience
 - Board adopted 2009 Resolution to collect a specific "budgeted" dollar amount
 - County Tax Assessor will assess properties, collect and remit to BDVWA
 - Budget "surplus" intended for "qualified" BH and DV expenses
 - GM will provide capital improvement project list to Board for approval

Following Presentation - Item Open for Discussion

- *Director McBride:*
 - *Credited a member of the public for questioning the use of "restricted" funds which opened this investigation and dialogue*
 - *Noted that last year the Agency collected more funds than prior years*
 - *Agreed reports need more detail; should be specific, yet simplified & easy to explain*
 - *Commented that the current Board acts with transparency and welcomes public input*
- *Public Comment:*
 - *James Hanley - Questioned the "firing" of the past auditors*
 - *Paul Dossey - Believes that Agency funds were spent "illegally"*
 - *Mel Bailey - Circulating a petition opposed to any tax increases;*
 - *Larry Coulombe - Commented that the public has exhausted this subject; time to move on*
- *Responses Noted:*
 - *GM West:*
 - *Previous auditors weren't fired, just not rehired*
 - *Customary to contract new team every 3 - 5 years for fresh viewpoint*
 - *Focused on quality (advice/direction), shopped for more than cost alone*
 - *New auditors fees more than before, but less than ½ of others interviewed via SOQs*
 - *'77 public voted for advalorem tax assessment on ID1 properties; not a Prop 218 issue*
 - *Counsel Logan believes his interpretation to be correct, but open to new information*

3. PUBLIC RELATIONS AND COMMUNITY OUTREACH PLANNING:

No Committee Action Taken; Information and Discussion Only - Led by GM Marina West

Topics Discussed:

- Create a "web-based" newsletter
- Conduct Quarterly Meetings/Open Forum/Q&A with General Manager
- Emergency Response Team (ERT) Program
 - Distinguish between "Disaster vs. Emergency" situations
 - Coordinate with existing Associations - three (3) within Agency boundaries
 - Potential liabilities issues; concern of "public funds" being used
- Publicize Director's "personal" water usage - Excellent PR tool
- Community Relations
 - Install bulletin board for public viewing of Agency Postings
 - Better cooperation with business owners allowing local postings
 - Consider Public Outreach Efforts
 - Schedule Future Blood Drive
 - Develop "press kit" that promotes water conservation
 - Partner with other agencies for upcoming media campaigns

- Visit elementary school, associations, etc.
- Cultivate "Xeroscape" site using AWAC guidelines and volunteer participation

4. RESULTS OF DIRECTORS' 2009 SEMINAR COURSE LIST SURVEY:

Information and Discussion Only

Comments Noted:

- *Director McBride:*
 - *Supports education; questioned timing so close to the November elections*
- *Director Corl-Lorono:*
 - *Stated that Directors tried to register for courses that were held locally, but often had no choice about when those were available*

5. STANDING COMMITTEE PROJECT LIST:

- Director McBride inquired about the on-going meter exchange/replacement project; GM West responded that progress was being made now that the inventory was "on-hand".

6. DIRECTORS' COMMENTS / REPORTS:

- None to report

7. GENERAL MANAGER'S COMMENTS / REPORTS:

- None to report

8. ITEMS FOR NEXT AGENDA:

- Suggestions for Next Regular Board of Directors Agenda (scheduled 7/28/09) -
 - Directors personal water usage (2 Customers; 3 Well Owners);
 - Board Approval of Directors Requested CSDA Course List

9. ADJOURNMENT: Director McBride adjourned the meeting @ 6:25 PM.

Respectfully Submitted by:


Joanne L Keiter, Board Secretary