

San Francisquito Creek Joint Powers Authority

March 26, 2009 Board Meeting

Agenda Item 6

Executive Director's Report

With the help of Kevin Murray and Miyko Harris-Parker, I am pleased to submit the following:

a) Amendment to Executive Director Employment Agreement

At the February 26, 2009 JPA Board meeting, a Closed Session of the Board completed my six-month performance evaluation and granted a merit increase in my salary. Following that meeting, JPA General Counsel Greg Stepanicich and Assistant General Counsel Roy Clarke drafted the attached "Memorandum to the Board of Directors" and "First Amendment to the Employment Agreement".

Proposed Board Action: Approve the First Amendment to the Employment Agreement and authorize the Chair of the Board to sign the Amendment on behalf of the Authority.

b) Proposed Fiscal Year 2009-10 JPA Operating Budget

Attached to this Report are the Proposed Fiscal Year 2009-10 JPA Operating Budget and a table showing FY 2008-09 Operating Budget and Estimated Actual Expenses for the year. The Board finance Committee has reviewed these documents. The highlights of the Proposed Budget are as follows:

- 1) The JPA did not increase Member Agency Contributions for the next Fiscal Year.
- 2) The cost of benefits for the JPA continues to escalate, and it now consumes 20% of the Authority's budget. While this circumstance is not unique to the JPA, we will look closely at this issue in the coming months, and may make a mid-year adjustment to this category.
- 3) During the current Fiscal Year, the JPA's legal expenses were unusually high with the hiring of an Executive Director; I anticipate that those costs will be substantially reduced next year.
- 4) The Administrative portion of the budget is reduced, and, I believe, quite lean.
- 5) The General Contingency, now at 2% of the total budget, is no longer part of the Administrative section to allow for greater flexibility to address needs in all areas of the budget. Before the new Budget takes effect, I will propose policies to the Board that will disallow an Executive Director from transferring General Contingency funds to Budget Accounts that might financially benefit the Executive Director.
- 6) The Proposed Budget contains an anticipated deficit of \$11,496, or about 2% of the annual JPA Budget. With an anticipated surplus during the current Fiscal Year of \$3,270, the overall impact on our reserves is manageable in the short term, but unsustainable over the long term. At this Board meeting, I will begin a discussion of how I hope to remedy this.

Proposed Board Action: Approve the Proposed Fiscal Year 2009-10 JPA Operating Budget.

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c) Early Warning System Enhancement Project

Following the discussion at the February 26 Board meetings and extensive research by JPA Project Manager Kevin Murray, Menlo Park Fire Protection District Chief Harold Shapelhouman and I have agreed on a funding and programmatic approach to moving forward with an enhancement to the existing Early Warning System for rain events along the Creek.

In early April, the JPA will execute a contract to purchase and install a new rain gauge near the northern boundary of the San Francisquito Creek watershed in San Mateo County's Huddart Park to complement the existing gauge operated by the City of Palo Alto near the southern watershed boundary in Foothills Park. This represents the first phase of our effort over the next two years to create a system that is integrated with other systems managed by neighboring agencies.

The addition of the new northern gauge will add important real-time rain data to more accurately represent the variability of rainfall levels throughout the watershed during severe storms. We believe this enhanced system will provide a much more reliable tool for agency leaders to make decisions about emergency response and that it will improve the lead time for those decisions and resulting actions.

The cost of purchasing and installing the system is not more than \$10,311. The Menlo Park Fire Protection District will provide \$7,500 in early April. The JPA will cover the remainder of the equipment and installation costs, anticipated to be not more than \$2,811 based on a consultants bid. Both Chief Shapelhouman and Kevin Murray have spoken with the San Mateo County Office of Emergency Services and Sheriff's Department about reimbursing the JPA's portion of the costs, and we anticipate this will happen this spring when the new gauge is integrated into San Mateo County's rain gauge system. Additionally, the JPA will contribute staff time for project management, gauge calibration, and system integration, an in-kind amount that is estimated to total approximately \$5,000 over the next four months.

At a future Board meeting, we will present a proposal for the next phase of this project, which will include integrating this rain gauge within a broader Early Warning System and building a robust website so that agencies and the public have access to this system.

Submitted by:


Len Materman
Executive Director