

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON JUNE 11, 2012
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Teresa Barth, Chair

David Roberts, Vice Chair

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, June 11, 2012, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California and 4300 Wilson Blvd., Suite 250, Arlington, Virginia.

1. CALL TO ORDER

Chair Barth called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Teresa Barth
Thomas M. Campbell
Mark Muir
David W. Roberts via phone

Others Present:

General Manager
Director of Finance/Administration
Director of Operations
Administrative Assistant
Accounting Technician
Safety/HR Administrator

Michael Thornton
Greg Lewis
Christopher Trees
Monica Blake
Carrie Cook
Marisa Buckles

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Aiko Yamakawa

City of Encinitas,
Public Works Management Analyst

Bill Wilson

City of Solana Beach,
City Manager

David Ott

City of Solana Beach,
Director of Engineering/Public Works

Mohammad "Mo" Sammak

St. Francis Court HOA

Al Evans & Frank Warner

3. PLEDGE OF ALLEGIANCE

Michael Thornton led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

Al Evans, from the St. Francis Court HOA, expressed his interest in keeping future recycled water rates as low as possible. He also expressed his support for an agreement between the SEJPA and Santa Fe Irrigation District that set future recycled water rates based on a cost-of-service model.

5. PRESENTATION OF AWARDS

None

6. CONSENT CALENDAR

Moved by Board Member Muir and seconded by Board Member Campbell to approve the Consent Calendar with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the May 14, 2012 meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report
Agenda Item No. 9	San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report
Agenda Item No. 10	San Elijo Joint Powers Authority Recycled Water Program – Monthly Report
Agenda Item No. 11	Award of Annual Supplies and Services Contracts for the San Elijo Joint Powers Authority
Agenda Item No. 12	Staffing Classification: Non-Exempt/Exempt

13. ITEMS REMOVED FROM CONSENT CALENDAR

None

14. ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2012-13 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF SEJPA TREASURER

The Director of Finance/Administration reported that the Fiscal Year (FY) 2012-13 Recommended Budget was presented to the Board of Directors and the Member Agencies in April and May 2012 and there were no recommendations made to change or alter the budget.

The Director of Finance/Administration stated that the operating budget for the Wastewater Treatment Fund for the SEJPA is \$5,374,877 and the operating budget for the Water Reclamation Fund is \$1,957,028. The FY 2012-13 appropriation for the Capital Project Fund is \$1,032,000. The Director of Finance/Administration also noted that the contributions required for all service for the City of Encinitas and the City of Solana Beach decreased by 6.9 percent and 3.4 percent, respectively.

The Director of Finance/Administration stated that State law requires that the Investment Policy be reviewed and adopted annually. The SEJPA investment policy allows for investment in the State Local Agency Investment Fund (LAIF) and in the San Diego County Investment Pool. In addition, State law requires that a SEJPA Treasurer be appointed annually.

Moved by Board Member Campbell and seconded by Board Member Muir to:

1. Adopt Resolution No. 2012-04, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2012-13;
2. Adopt Resolution No. 2012-05, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of Greg Lewis as the SEJPA Treasurer; and
3. Discuss and take action as appropriate.

Motion carried with unanimous vote of approval.

15. EMPLOYEE SALARY AND BENEFIT PACKAGE FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

The General Manager reported that a Classification and Compensation survey was conducted of local agencies to be used as a reference in the establishment of annual adjustments to the compensation level of SEJPA staff. It was a goal of the Board to pay the SEJPA employees at plus or minus 5 percent of the average of all agencies within a given category. With the results of the survey, SEJPA management proposed to reduce the top of range pay for 14 of the 19 current positions. One position will remain unchanged, and four positions will see slight increases.

The General Manager stated that concurrent with the Classification and Compensation survey, labor negotiations with the SEJPA employees have been ongoing as the current agreement expires on June 30, 2012. The General Manager reported that the

employees had accepted the Board's labor proposal, which includes the following key provisions:

- Reduced pension benefits for new employees
- Increased employee cost sharing to pension benefit
- Employee cost of living increase (COLA) of 1.9% per each year of the agreement

The full labor agreement is presented in Resolution 2012-06 and is now ready for the Board's consideration.

Moved by Board Member Campbell and seconded by Chair Barth to:

1. Adopt Classification and Compensation Schedule dated June 11, 2012;

Motion carried with the following vote of approval:

AYES: T. Barth, T. Campbell, D. Roberts
NOES: M. Muir
ABSENT:
ABSTAIN:

2. Adopt Resolution 2012-06, entitled "Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Increases in Salary and Benefits for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16.

Motion carried with the following vote of approval:

AYES: T. Barth, T. Campbell, D. Roberts
NOES: M. Muir
ABSENT:
ABSTAIN:

16. GENERAL MANAGER'S REPORT

The General Manager reported that the San Diego County Water Authority (CWA) confirmed that the incurred costs associated with the Advanced Water Treatment Project (AWT) are eligible expenses of the CWA's local water supply development program.

The General Manager gave a brief update on wholesale pricing discussions with the SEJPA's recycled water partners.

Chair Barth requested this subject be placed on the July agenda for further discussion.

17. GENERAL COUNSEL'S REPORT

None

18. BOARD MEMBER COMMENTS

None

19. CLOSED SESSION

The Board of Directors adjourned to closed session with the General Manager at 9:42 a.m., per Government Code Section 54957 – Employee Performance Evaluation, title: General Manager.

20. ADJOURNMENT

The Board of Directors came out of closed session with no reportable action and adjourned at 9:57 a.m. The next Board of Directors meeting will be held on July 9, 2012.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager