

M I N U T E S

Sewer Authority Mid-coastside
Regular Meeting of June 22, 1981

The meeting was called to order at 8:02 p.m. by the Chairman, Mr. Heaslet

BOARD OF DIRECTORS ROLL CALL:

PRESENT: Heaslet, Shaw (8:31), Chanslor, Leger, Bishop, Sawrey
ABSENT: None

STAFF PRESENT: Manager Mortensen, Treasurer Volken, Attorney Copeland, and Engineering Consultant Azoury.

Also present were Al Ditman (HMB Chief Plant Operator), William Johnson of Woodward-Clyde Consultants, Joseph Covello of Jacobs Associates, and Garry Lee of Lowry Associates.

APPROVAL OF MINUTES: Bishop moved, and it was seconded by Chanslor, that the minutes be approved as submitted. Sawrey stated that his position concerning Consent Calendar for Information item 12 was not adequately represented. In ensuing discussion, he agreed that the insertion of wording to the effect that he did not believe that "SAM proposes to resolve these needs" (quote from item 12) in the manner described. Bishop and Chanslor amended their motion and second to approve these minutes as amended. The affirmative vote was unanimous (w/o Shaw).

STAFF REPORTS:

- A. SAM (6/19/81) - Claims Analyst Consultant (PU4) - Representatives of the firms of Woodward-Clyde, Jacobs Associates, and Lowry Associates introduced themselves. Heaslet suggested that each proposer be given 5-10 minutes to speak, with the other party outside the room. All agreed, and Johnson was given the first opportunity to speak.

Johnson briefly outlined Woodward-Clyde's qualifications, expertise, and local experience in related matters; it appeared to be a 3-week project, at a cost in the neighborhood of \$5-10,000. In response to Heaslet, he stated that the study results were expected to be used in court, and would speak to legal issues. In response to Leger, he stated Woodward-Clyde was offering their services as a sort of public duty; someone had to do it and he felt they were qualified. In response to Chanslor, he noted they were primarily an engineering and environmental firm (earth sciences orientation). (Shaw arrived at this point.) In response to Copeland, he noted the contact person would be in San Francisco, and no consultants would be used without SAM's permission. He also reviewed his firm's local experience for Copeland. In response to Mortensen, he agreed that oceanographic expertise could be paramount in resolution of the issues of the claim. In response to Leger he stated his belief that other qualified and objective firms would all generally agree on the results. The Board thanked Mr. Johnson, who left at this point. Covello and Lee were invited back in for their presentation.

Covello handed some materials on his firm to the Manager, and stated his initial response was that the job was related to performance, such claims and estimates. He reviewed some recent undertakings of his firm, noting that their specialty was as a last resort to get projects moving. In response to Mortensen, he reviewed his firm's experience with outfalls, stated his firm could handle the oceanographic aspects of the project, and introduced Mr. Lee. Lee reviewed some of his firm's experience in outfall design. Covello noted the planned involvement of a Norman Barnes - someone who might have bid the job.

Covello stated that his firm would act as the lead agency to evaluate the project within the time allowed, a principal such as himself would do the work, with Lowry et al adding expertise as required. He understood that SAM needed a recommendation for a course of action, and reviewed a list of items he felt needed to be considered. In response to Heaslet, he stated the information would be useable in court. In response to Copeland, he stated a progress report could be provided prior to the final. In response to Sawrey, he stated his firm did not view this as a small job; he noted they had been recommended by a past "opponent." In response to Azoury, he noted that analysis of the pump station situation would require about an additional 1/3 extra time (and cost). In response to various questions, he stated that while most of the parties analyzing came from construction, they were experienced in being objective. In ensuing discussion, Lee summed up by noting it was necessary to firm up exactly what SAM needed, and that part of the recommendation might be for further analysis of problem areas.

After Covello and Lee left the meeting, Leger suggested that the Board move on to other matters and consider which firm to hire after some time for thought had elapsed. The Board agreed.

CONSENT CALENDAR:

- A. For Approval:
 - 1. HMB - Statement for Services and Partial Detail of Administrative Expenses for Months of April and May 1981
- B. For Information:
 - 1. ABAG (6/11/81) - SAM Step 3 Application for Consolidated Treatment Plant
 - 2. SAM (6/10/81) - Request for Short Term Loan (\$70,000)
 - 3. Wells Fargo (6/12/81) - Promissory Note for \$70,000 (forwarded to bank on 6/19/81)
 - 4. SAM (6/9/81) - PU2 - Request for CWG Payment #11
 - 5. SWRCB (Rec'd 6/11/81) - PU4 - Request for Information on Change Order #5
 - 6. Glanville CC (6/10/81) - PU4 - Extra Costs
 - 7. Healy Tibbits CC (6/17/81) - PU4 - Completion Proposal

Leger moved, and it was seconded by Sawrey, that the Consent Calendar for Approval be adopted. The affirmative vote was unanimous.

Azoury requested that Consent Calendar item B.6. be removed to Written Communications. Chanslor moved, and it was seconded by Bishop, that the balance as of the Consent Calendar for Information be adopted, and this item be rescheduled as requested. The affirmative vote was unanimous.

WRITTEN COMMUNICATIONS:

- A. W. Cathcart (6/12/81) - Audit Proposal - Leger moved, and it was seconded by Sawrey, that the proposal be accepted. In response to Copeland, the Manager noted the impossibility of being sure anything would satisfy the EPA audit, but that Mr. Cathcart was very thorough. The affirmative vote was unanimous.
- B. Glanville CC (6/10/81) - PU4 - Extra Costs - Chanslor moved, and it was seconded by Sawrey, that this be referred to the engineers for evaluation. The affirmative vote was unanimous.

STAFF REPORTS:

- B. SAM (6/19/81) - Construction Easement (State P&R) - PU4 - Mortensen suggested that he be authorized to negotiate for a one-year extension; the Board agreed. Copeland suggested that if there were any problems, Glanville should be notified of these delay-caused damages.

- C. SAM (6/19/81) - Capacity Allocation Problem - Mortensen stated that, as this was coming up with (CoSM) Supervisor Ward on the next Wednesday, was this the present position of SAM. After much discussion of the problems inherent in the figures presented and the institutional constraints that appeared to be closing up SAM's alternatives, Sawrey drew a diagram on the blackboard showing how the JPA's terminology should be interpreted to create the probability that all three agencies would run out of capacity at the same time (utilizing present population/flow figures and LCP-derived growth rates). Ensuing discussion found the need to take this concept back to the member agencies' boards for their input. Mortensen stated Sawrey's concept was very useful, but that he needed an answer on what to tell the County.

Copeland noted that HMB had voted not to accept the CCZCC permit, and go to court, and that he has recommended an attempt be made to get the County to amend its LCP. Heaslet felt the best use of the upcoming meeting would be the potential for the present LCP to mean the end of Phase II of the SAM project. In response to Sawrey, Mortensen noted that the latest CCZCC permit had no capacity figures, but only referred to the County LCP policy (2.18). Mortensen suggested that if he left the last two clauses off of his suggested wording (including numbers of capacity), the remaining change would address SAM's needs. Chanslor agreed, as did the rest of the Board after some discussion. Sawrey requested that Mortensen provide him with the best information for the capacity share projection as possible.

OLD BUSINESS:

- A. SAM (6/14/81) - PU2 Final Construction Payment (from 6/8/81 agenda) - Heaslet suggested that REMCON be put down on the "operator" form. Azoury noted that interim (pre-use) O&M was more involved than he had initially thought, and he would have a recommendation on this in the near future. He noted further that a part of these expenses could be considered delay-caused damages.

ALLOWANCE FOR CLAIMS:

The Treasurer presented vouchers for payment in the amount of \$23,643.87. Leger moved, and it was seconded by Chanslor, that these be approved for payment. The roll call vote was unanimously affirmative.

CLOSED SESSION: The meeting was adjourned into Closed Session at 11:12 p.m. It was reconvened at 12:01 a.m. Results were as follows:

- A. Potential Litigation on PU4 - Concerning the recommendation that construction progress be monitored and a termination date based on performance by August 1 be considered if such progress did not meet "milestones as suggested by the engineer." Sawrey moved that the engineers' recommendation of 6/2/81 be adopted, with the date of August 1 specified, and the Manager forward a letter to this effect forthwith, and it was seconded by Bishop. The affirmative vote was unanimous.

Concerning the employment of a firm to analyze the claims for extras on this project: Bishop moved that the firm of Woodward-Clyde be retained, and it was seconded by Chanslor. The affirmative vote was unanimous.

- B. Concerning discussion on proposed amendments to CoSM LCP and filing SAM lawsuit on the CCZCC permit conditions: Shaw moved for adoption of Resolution 6-81 - . . . Authorizing Judicial Review of Permit Decision of CCRC and Decision of State CCC . . ., and waiving of a formal reading, and it was seconded by Leger. The resolution was adopted by the following vote: AYES: Heaslet, Shaw, Leger, Bishop. NOES: Chanslor, Sawrey. The Manager noted the meeting with the County was already set up, and Heaslet requested a meeting with the SWRCB as soon as possible. The Manager had some problems with timing of this meeting

regarding the potential CCZCC permit litigation. These were resolved in

CLOSED SESSION: Meeting adjourned to Closed Session at 12:08 p.m., and reconvened at 12:14 p.m.

Mortensen reviewed his workup of Sawrey's allocation concept, and requested (and received) Board approval to show this to Supervisor Ward.

ADJOURNMENT - The meeting was adjourned at 12:18 p.m.

Respectfully submitted,

Robert W. Terkelson
Administrative Ass't

APPROVED:



Craig Chanslor
Secretary