

Meeting Date: January 23, 2006

Agenda Item No. 5A

MINUTES
SAM REGULAR BOARD MEETING
November 28, 2005

1. CALL TO ORDER: Chair Boyd called the Sewer Authority Mid-Coastside (SAM) regular Board meeting to order at 7:06 p.m. at the SAM Administration Building, located at 1000 N. Cabrillo Highway, Half Moon Bay, CA.

ROLL CALL: Present: Boyd, Woren, Ptacek, Ferreira, Lohman (7:08)
Absent: Gorn

PRESENT: Manager Foley, General Counsel Copeland, Supervisor of Technical Services Pullin, Supervisor of Administrative Services Tracy, Max Busnardo of H.T. Harvey & Associates, Mike Donovan of Whitley, Burchett & Associates, Ronak Desai of Moreland & Associates, John Parsons of Parsons Accounting, Tim Costello, SAM Operator, John Szabo, SAM Collection Maintenance Worker and Temporary Recording Secretary Patterson.

2. PUBLIC COMMENT/ ORAL COMMUNICATION

John Szabo, SAM Collection Maintenance Worker, addressed the Board regarding International Union of Operating Engineers AFL-CIO, Stationary Engineers, Local No. 39 representation during Closed Session.

3. CLOSED SESSION: Chair Boyd announced, due to the absence of SAM negotiator Austris Rungis Closed Session Item 3A, Conference with Labor Negotiators – Government Code 54957.6: SAM Manager and Austris Rungis, International Union of Operating Engineers, Stationary Engineers, Local No. 39, Closed Session would be postponed to the end of the SAM Board meeting.

4. CONSENT AGENDA

Director Lohman requested that Consent Agenda Item 4F, Receive and File IPS Evaluation by Whitley, Burchett & Associated be held for discussion. Director Ptacek requested that Consent Agenda Item 4G, Authorize Manager to Purchase New Flusher Truck with Video Camera Accessory be held for discussion. Director Ferreira moved to approve the following Consent Agenda items. Director Ptacek seconded the motion.

- A. Approve Minutes – October 24, 2005 SAM Regular Board Meeting and October 27, 2005 SAM Special Board Meeting
 - B. Receive and File Manager's Monthly Report for October 2005 (Monthly Flow Report, Financial Statement, Monthly NPDES Data, and Collection System Data)
 - C. Approve Disbursements – November 2005
 - D. Receive and File Contracts Update
 - E. Review and Approve Accounting Policies and Procedures
- Ferreira/Ptacek/6 AYES/0 NOES. The motion passed.

Item 4F Receive and File IPS Evaluation by Whitley, Burchett & Associates

The Board discussed with Mike Donovan of Whitley, Burchett & Associates, and SAM staff, the strength of the IPS system, the efficiency of pumps, the structural integrity of the IPS, the Princeton and Vallemar Pump Stations and the sensitive nature of the ground near IPS Junction Structure No. 2 (near Nurserymen's Exchange). Chair Boyd thanked Mike Donovan for the informational report. Following discussion, Director Ferreira moved to receive and file the IPS Evaluation Report by Whitley, Burchett & Associates. Director Ptacek seconded the motion.

Ferreira/Ptacek/6 AYES/O NOES. The motion passed.

Item 4G – Authorize Manager to Purchase Flusher Truck with Video Camera Accessory.

Director Ptacek inquired of staff whether this item was included in the budget, and if so, was it within the budgeted amount. Following discussion, Director Ptacek moved to authorize Manager to Purchase Flusher Truck with Video Camera Accessory. Director Ferreira seconded the motion.

Ptacek/Ferreira/6 AYES/0 NOES. The motion passed.

5. OLD BUSINESS

A. Discuss and Possibly Take Action on Recycled Water

Manager Foley discussed with Board members the items attached to the staff report. Director Woren requested the Executive Summary from the Coastside County Water District (CCWD) 2005 Urban Water Management Plan. Staff handed out, to each of the Board members, a copy of the Executive Summary from the CCWD 2005 Urban Water Management Plan.

Staff and Directors discussed the CCWD request to appoint an ad-hoc committee on Recycled Water and the presentation of the SAM's Water Reuse Feasibility Study by Manager Foley and Carollo Engineers at the CCWD Board Meeting of November 15, 2005. Following discussion, no Board action was taken

B. Receive, Discuss, and File Report on Possible Uses for SAM's Property Adjacent to SAM Plant Entrance Road

Manager Foley reviewed the SAM staff report and introduced Max Busnardo of H.T. Harvey & Associates. Max Busnardo and SAM staff answered the Directors' questions on uses of the SAM property adjacent to SAM plant entrance road. There was discussion of installation of no trespassing signs, the sensitive habitat for the red-legged frog and San Francisco garter snake, splitting the parcel, Coastal Development Permits, paving the overflow parking area, eradicating pampas grass, cape ivy, and ice plant, and restoring the native coastal scrub habitat, installation of storage basins and realigning utility services to the SAM plant. Following discussion, Chair Boyd and the Directors' thanked Max Busnardo for the H.T. Harvey & Associates informational report.

Director Ferreira moved to receive and file the Report on Possible Uses for SAM's Property Adjacent to SAM Plant Entrance Road prepared by H.T. Harvey & Associates. Director Ptacek seconded the motion.

Ferreira/Ptacek/6 AYES/0 NOES. The motion passed.

At 8:29 p.m., Max Busnardo and Mike Donovan left the meeting.

6. NEW BUSINESS

A. Receive and File SAM Comprehensive Annual Financial Report (CAFR) for FY 04-05, - Review by Ronak Desai, Moreland & Associates

Manager Foley introduced Ronak Desai, Manager of Moreland & Associates, and John Parsons CPA for Parsons Accounting. Ronak Desai presented and reviewed the FY 04-05 CAFR and noted that SAM received a GFOA award for the FY 03-04 CAFR.

Manager Foley advised that staff is in the process of obtaining a presentation of the FY 03-04 CAFR award at the January 23, 2006 Board Meeting. Following discussion on depreciation, plant expansion, assets, reserves, and capital reserves, the Board requested staff provide an inventory of SAM assets, listing the expected remaining life and replacement costs at end of life by the March 2006 SAM Board Meeting.

Director Ptacek requested the minutes reflect that there was no need for an Auditor's management letter as a result of the Audit for FY 04-05.

The Board thanked Ronak Desai of Moreland & Associates, John Parsons of Parsons Accounting and Jeannette Tracy, SAM Supervisor of Administrative Services for their work on the report. Director Ferreira moved to receive and file the SAM Comprehensive Annual Financial Report (CAFR) for FY 04-05. Director Woren seconded the motion. Ferreira/Woren/6 AYES/0 NOES. The motion passed.

At 8:56 p.m., Ronak Desai left the meeting.

6B. Discuss and Possibly Schedule a Workshop – SAM Reserve Fund Policy

Staff and the Directors discussed the current SAM Reserve Fund Policy and topics to be considered at the Workshop. Following discussion, the Board agreed to hold a Special SAM Board Meeting for the purpose of a workshop on the SAM Reserve Fund Policy on Monday, January 30, 2006, at 7:00 p.m., at the SAM Administration Building.

John Parsons left the meeting at 9:22.

6C. Discuss and Possibly Adopt an Amendment to CALPERS Contract, Resolution No. 15-2005, Employer Pickup Resolution Pre-Tax Payroll Deduction Plan for Service Credit Purchases (Contribution Code 14).

Manager Foley discussed the background, and purpose of Resolution No 15-2005, Employer Pickup Resolution Pre-Tax Payroll Deduction Plan for Service Credit Purchases (Contribution Code 14). He advised the adoption of the resolution would be of no cost to SAM, and would not have an impact on the Memorandum of Understanding with International Union of Operating Engineers AFL-CIO, Stationary Engineers, Local

39. Following discussion, Director Ferreira moved to adopt Resolution No. 15-2005, Employer Pickup Resolution Pre-Tax Payroll Deduction Plan for Service Credit Purchases (Contribution Code 14). The motion was seconded by Director Ptacek. Ferreira/Ptacek/6 AYES/0 NOES. The resolution was adopted.

7. MANAGER'S INFORMATIONAL REPORT

Manager Foley discussed the staff report with the Board regarding CCWD's request for an ad-hoc committee and what action to take regarding their request. Director Ptacek moved that a cordial, short reply should be sent to CCWD informing them that we received their letter and will keep them informed on matters relating to them. Director Lohman seconded the motion.

Ptacek/Lohman/2 AYES/4 NOES (Ferreira, Boyd, Woren). The motion did not pass.

Manager Foley passed out a report from Whitley, Burchett & Associates on Treatability and Reclamation Potential of Nurserymen's Exchange Agricultural Wastewater. The Board and staff discussed the chemical analysis in the report. Director Woren requested additional information on constituents in the water. Manager Foley stated additional information would be provided at a future Board meeting, perhaps at the January 23, 2006 Board Meeting

Manager Foley handed out an informational flier from California Special Districts Alliance entitled "What you need to know about complying with AB 1234-Ethics Training" for the Boards information. Following discussion, no Board action was taken.

7A. Review and Possibly Take Action on 30th Anniversary of SAM

The Directors and staff discussed creating an ad-hoc committee comprised of Directors, staff and consultants to move more quickly on planning the event. Directors Woren and Ptacek volunteered to be on the committee. The first committee meeting is scheduled for 2:00 p.m. December 8, 2005 at Montara Water and Sanitary District (MWSD).

8. ATTORNEY'S REPORT

General Counsel Copeland reviewed the memorandum handed out to the Board regarding his attendance at the CASA Attorney's Committee Meeting, November 18, 2005. A discussion ensued regarding ethics training and compliance with AB 1234. Following discussion, no Board action was taken.

9. DIRECTORS' REPORTS

Director Woren stated he would like to attend the WateReuse Conference. Following discussion, Director Woren advised he would inform Manager Foley if he required SAM to make conference reservations and arrangements.

10. TOPICS FOR FUTURE BOARD CONSIDERATION

The Board requested that the topic of "SAM email accounts for individual SAM Directors" be added to the topics for future Board consideration.

