

MINUTES
SAM SPECIAL BOARD MEETING
March 23, 2006

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

2. ROLL CALL: Present: Woren, Lohman, Boyd, Ptacek, Fraser, Gorn
Absent: None
Alternate: None

PRESENT: Manager Foley, Technical Services Supervisor Pullin, Supervisor of Administrative Services Tracy, John Parsons of Parsons Accounting, and Recording Secretary Patterson.

3. PUBLIC COMMENT/ ORAL COMMUNICATION – Recording Secretary Patterson announced that Conflict of Interest Form 700's were due.

4. Budget Workshop

a. SAM Reserve Fund Policy

Manager Foley handed out a revised staff report, and revised page 5 to the Reserve Policy. Directors and staff discussed the current and new proposed reserve fund policies, the purpose for reserves, the wet weather capital improvement program, operating reserves, emergency reserves, member agency reserves, a line of credit, and risk management analysis. SAM Accountant John Parsons addressed the Board and advised of the need for reserves, and he agreed that a line of credit, in addition to reserves, could be looked into. Following discussion, Directors requested staff provide a risk analysis, including equipment replacement costs.

b. SAM Comprehensive Budget Fiscal 2006-07

Manager Foley presented the draft SAM Budget for FY 2006-07. Directors and staff discussed operating reserves, the amount of flow, and capital projects. Following discussion, staff was asked to investigate ways to bill collection hours monthly, to provide flow data by year, to review the numbers on pages 4 and 6, and to remove the capital purchase item of "Acquire the garage adjacent to SAM office" from the budget. Chair Boyd recommended increases to the budgeted amounts stated for gas and diesel due to spiraling energy costs. Concerning the capital expenditure for a vehicle replacement, he also suggested staff research purchasing a natural gas or other alternative fuel vehicle. The Board requested staff provide an updated draft SAM Budget for FY 2006-07 at the next regular Board meeting, scheduled for Monday, March 27, 2006.

5. ADJOURNMENT

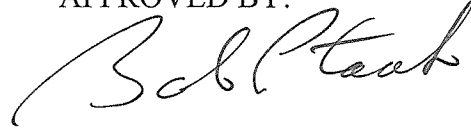
Chair Boyd asked if there was anything further to come before the Board. Hearing none, he declared the meeting adjourned at 8:59 p.m. to Monday, March 27, 2006, at 7:00 p.m., at the SAM Administration Building, located at 1000 N. Cabrillo Highway in Half Moon Bay, CA .

Respectfully submitted,



Heather Patterson
Recording Secretary

APPROVED BY:



BOARD SECRETARY