

MINUTES
SAM REGULAR BOARD MEETING
October 27, 2008

1. CALL TO ORDER: Vice-Chair Fraser called the meeting to order at 7:03 p.m. at the SAM Administration Building, located at 1000 N. Cabrillo Highway, Half Moon Bay, CA.

ROLL CALL: Present: Muller, Fraser, Boyd, Harvey, Lohman, Woren
Absent: None
Alternate Present: None

PRESENT: Manager Foley, General Counsel Copeland, Supv. Admin. Svcs. Tracy, Tech. Svcs. Supv. Pullin, Recording Secretary Turbay, Tanya Yurovsky, Cindy Pon, Austris Rungis, Lou Wall, Bob Ptacek, Nelson Sandoval, David Partida, Pat McGowan, Julie McGowan, Paul Perkovic, Kathryn Slater-Carter, John Parsons, Clemens Heldmaier, Gael Erickson, Mark Noack, and Jules.

2. PUBLIC COMMENT/ ORAL COMMUNICATION

Paul Perkovic, resident of Montara, stated his concerns regarding the cost of recycled water listed in the current recycled water study. He presented the Board with a draft discussion paper on recycled water economics that includes alternative ideas to encourage productive use of existing resources. He indicated that this discussion paper will also be presented at the next Montara Water and Sanitary District Board meeting on November 6, 2008.

2A. SPECIAL ORDER OF THE DAY – Presentation to Pat McGowan, Lead Collection Worker – 25 Years of Service

Vice-Chair Fraser presented Pat McGowan, Lead Collection Worker, with a plaque to commemorate 25 years of service to SAM.

After the presentation, Pat and his wife Julie McGowan, Nelson Sandoval and David Partida (two SAM employees) left the meeting.

2B. SPECIAL ORDER OF THE DAY – Receive and File Auditors Report and Comprehensive Annual Financial Report (CAFR) FY2007-08 – Review by Cindy Pon, partner of Macias Gini & O’Connell, LLP

Manager Foley introduced Ms. Cindy Pon, partner of the auditing firm Macias, Gini & O’Connell, LLP (MGO). Ms. Pon reviewed the auditors’ report and the CAFR for FY2007-08 with the Board. Upon the Boards receipt and filing of these reports, the CAFR will be submitted to the Government Financial Officers Association for their determination of eligibility for a certificate of achievement. The Board thanked Ms. Pon for her review and Manager Foley thanked Mr. Parsons for his attendance at this meeting. Ms. Pon and Mr. Parsons then left the meeting.

3. CLOSED SESSION

3A. Conference with General Counsel – Anticipated Litigation – Government Code 54956.9 (b), One Case

3B. Conference with Labor Negotiators – Government Code 54957.6: SAM Manager and Austris Rungis; International Union of Operating Engineers, Stationary Engineers, Local No. 39

At 7:17 P.M., Vice-Chair Fraser announced that the Board would go into Closed Session for the purpose of discussing Agenda Item 3A – Conference with General Counsel – Anticipated Litigation – Government Code 54956.9 (b), One Case and Agenda Item 3B – Conference with Labor Negotiators – Government Code 54957.6: SAM Manager and Austris Rungis; International Union of Operating Engineers, Stationary Engineers, Local No. 39.

Supv. of Admin. Svcs. Tracy, Tech. Svcs. Supv. Pullin, Recording Secretary Turbay, Tanya Yurovsky, Lou Wall, Bob Ptacek, Kathryn Slater-Carter, Clemens Heldmaier, Paul Perkovic, and Jules left the room.

The Board came out of Closed Session at 8:01 P.M. Vice-Chair Fraser reported no action taken during Closed Session.

4. CONSENT AGENDA

Director Woren requested Agenda Item Ba, Monthly Flow Report be held for discussion. A discussion ensued regarding the rain-related increase in flow.

Following discussion, Director Lohman moved and Director Harvey seconded the motion to approve the following Consent Agenda Items as presented:

- A. Approve Minutes – September 22, 2008 SAM Board Meeting
- B. Receive and File Manager's Monthly Report for June 2008
 - a. Monthly Flow Report
 - b. Financial Statements
 - c. Monthly NPDES Permit Data
 - d. Collection System Data
 - e. Wet Weather Flow Management Program Grant Opportunities
 - f. Recycled Water Program Grant Opportunities
- C. Approve Disbursements – October 2008

Lohman/Harvey/8 Ayes/0 Noes. The motion passed.

5. OLD BUSINESS

5A. Discuss and Possibly Take Action on Recycled Water

Manager Foley presented the staff report on recycled water topics. He discussed the Pilarcitos Creek Restoration Workgroup's (PCRW) finalization of its management plan. He indicated that

a public meeting would be announced to review the plan. He informed the Board that the PCRW has requested SAM consider allowing its committee to conduct a public meeting as an agenda item on a SAM Regular, Committee, or Special meeting. Following discussion, Director Fraser asked that the PCRW committee make a presentation at a future SAM Board meeting.

5B. Receive and File Recycled Water Study

Manager Foley presented the SAM staff report and introduced Tanya Yurovsky of SRT Consultants. Ms. Yurovsky presented the final draft report to the Board for their input. Ms. Yurovsky reviewed the background and purpose, the user database, alternatives, technology and overview, cost estimates, funding alternatives, emerging contaminants and regulations, findings and next steps for the recycled water study. Following Ms. Yurovsky's presentation, a discussion ensued. Board requested staff to research the existing pipeline under Pilarcitos Creek and any permits that Ocean Colony might have. Following Discussion, Director Lohman moved and Director Boyd seconded the motion to receive and file as shown in the Cost Comparison for Cost per Acre Foot (2008 Dollars) in Table ES-1 of the Recycled Water Study. Lohman/Boyd/8 Ayes/0 Noes. The motion passed.

5C. Discuss and Possibly Take Action on Recycled Water Study - Phase II

Manager Foley reviewed with the Board how the Recycled Water Study Phase I now leads into Recycled Water Study Phase II for Board consideration. Tanya Yurovsky of SRT Consultants presented the Recycled Water Study - Phase II – Facilities Planning. Ms. Yurovsky discussed the background and status of the recycled water project, the funding program, the purpose of this study, the facilities planning study approach, the study benefits, and the next steps to move forward with the project. Following Ms. Yurovsky's presentation, a discussion ensued. Director Woren suggested that the SAM Board approve this recycled water study in concept and send it to the member agencies for approval per the JPA agreement. Director Woren moved and Director Fraser seconded the motion for the Board to approve the Recycled Water Study – Phase II, in concept, and send it to the member agencies for approval per the JPA agreement. Woren/Fraser/8 Ayes/0 Noes. The motion passed.

5D. Discuss and Possibly Take Action on Wet Weather Flow Management Project Committee Report

Director Lohman reported to the Board that the Burnham Strip land purchase is in negotiations and the CEQA Study has been launched. Director Boyd reported that the next WWFMP committee meeting would be scheduled soon.

6. NEW BUSINESS

6A. Adopt SAM Resolution No. 8-2008, Resolution for the Recycled Water Facilities Planning Grant Program

Manager Foley reviewed the staff report to Adopt Resolution No. 8-2008, Resolution for the Recycled Water Facilities Planning Grant Program. Following discussion, Director Woren

moved and Director Boyd seconded the motion to adopt Resolution No. 8-2008, Resolution for the Recycled Water Facilities Planning Grant Program.

Woren/Boyd/8 Ayes/0 Noes. The motion passed.

6B. Review and Possibly Take Action on Committee Selection for Annual Manager Performance Evaluation

Manager Foley presented the staff report to Review and Possibly Take Action on Committee Selection for the Annual Manager Performance Evaluation. The Board created an Ad Hoc Committee for Annual Manager Performance Evaluation, consisting of Directors John Muller (HMB), Leonard Woren (GSD) and Jim Harvey (MWSD).

6C. Review and Possibly Take Action on SAM Capital Assets

Manager Foley reported on and discussed the list of the top assets of SAM. Director Boyd requested the Board have access to a copy of the full list.

Paul Perkovic addressed the Board regarding funding of depreciation costs. The Board thanked Mr. Perkovic for his comments.

6D. Receive and File Report on Nurseryman's Exchange NDWSCP Permit Renewal

Manager Foley presented the report on the NDWSCP Permit GF100 – Nurserymen's Exchange as requested at the September 2008 Board meeting. He informed the Board that the program has been successful and that there have been no problems with plant, process, or collection system problems. Manager Foley informed the Board of detailed public records requests from Norbert H. Dall of Dall & Associates located in Sacramento, CA.

6E. Receive and File Report on NDWSCP Permit Inspections

Manager Foley presented the staff report on the NDWSCP permit inspections. Tech. Svcs. Supv. Pullin informed the Board that an inspection schedule has been prepared and is currently being implemented. The Board asked to be notified if the inspection schedule changes.

6F. Approve 2009 Schedule of SAM Meetings

Manager Foley reviewed the 2009 schedule of SAM meetings with the Board. Directors Lohman and Woren will check their schedules for the month of March 2009 due to conferences out of town. The Board asked that this agenda item be brought back to the next regular Board meeting.

7. MANAGERS INFORMATIONAL REPORT

Manager Foley reviewed and discussed the various topics in the Managers Informational Report. Director Boyd requested a copy of the EPA Draft of the Problem Formulation for Human Health Risk Assessments of Pathogens in Land-Applied Biosolids report when it becomes available. Following discussion, no Board action was taken.

8. ATTORNEY'S REPORT

General Counsel Copeland discussed recently vetoed bills and the bill authorizing design-build contracting that was passed!

9. DIRECTORS' REPORT - NONE

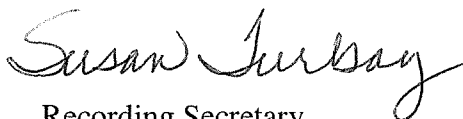
10. TOPICS FOR FUTURE DISCUSSION - NONE

11. PUBLIC COMMENT/ORAL COMMUNICATION - NONE

12. ADJOURNMENT

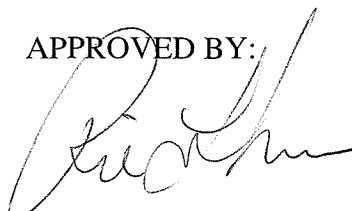
The meeting was adjourned at 9:12 P.M., to the regular SAM Board meeting scheduled for November 24, 2008.

Respectfully submitted,



Recording Secretary
Susan Turbay

APPROVED BY:



BOARD SECRETARY