

**MINUTES**  
**SAM REGULAR BOARD MEETING**  
**August 24, 2009**

**1. CALL TO ORDER:** Vice-Chair Fraser called the meeting to order at 7:05 p.m. at the SAM Administration Building, located at 1000 N. Cabrillo Highway, Half Moon Bay, CA.

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

**STAFF PRESENT:** Manager Foley, General Counsel Copeland, Supv. of Admin. Svcs. Tracy, Technical Svcs. Supv. Pullin, Recording Secretary Turbay

**2. PUBLIC COMMENT/ ORAL COMMUNICATION - NONE**

**3. CLOSED SESSION – NONE**

**4. CONSENT AGENDA**

Director Muller moved and Director Harvey seconded the motion to approve the following consent agenda items as presented:

- A. Approve Minutes – July 27, 2009 SAM Board Meeting
- B. Receive and File Manager’s Monthly Report for July 2009, including:
  - 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 – August 2009
  - a. Disbursements for August 2009

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

**5. OLD BUSINESS**

**5A. Discuss and Possibly Take Action on Recycled Water Agenda Items**

- a. Receive and File Recycled Water Articles

Director Boyd stated that SAM’s Recycled Water Planning Grant Agreement was included in the recycled water articles.

- b. Review and Possibly Take Action on Letter from Kenmark to SAM and CCWD

Manager Foley reviewed the letter from Bruce Russell, CEO of Kenmark, to SAM and CCWD. A discussion ensued. Director Woren commented on paragraph 6 (ii) of the letter not mentioning indirect costs. Director Muller identified a possible conflict in wording between the staff report and the third bullet of the Kenmark letter, page 2, number 8. Director Woren discussed the differences between one three-party agreement and two two-party agreements. Director Harvey inquired if the negotiations between SAM and CCWD will affect the recycled water grant and permit processes. Tanya Yurovsky of SRT Consultants advised the negotiations should not interfere with the processes.

James Johnson, candidate for CCWD Board, addressed the SAM Board and asked to hear about the working relationship between SAM and CCWD, and the LAFCO recommendation on consolidation. Vice-Chair Fraser thanked Mr. Johnson for his inquiries and invited him to discuss any questions he may have individually with Board members.

Katherine Slater-Carter, Director, Montara Water & Sanitary District, addressed the Board with her suggestion to include a release of liability for SAM in any such agreement and stated that there were more benefits for CCWD customers and fewer benefits to MWSD from the recycled water project even though MWSD is paying its full share. Vice-Chair Fraser thanked Katherine Slater-Carter for her comments.

Bruce Russell, CEO of Kenmark, stated that the letter was a culmination of the many meetings he has had with SAM and CCWD. He informed the Board that that Ocean Colony Golf Course will not continue to pump its wells as long as it has a reasonably priced and constant supply of recycled water. He emphasized the importance of moving forward as quickly as possible with the recycled water project while grant money is still available. Vice-Chair Fraser thanked Mr. Russell for his comments.

Bob Ptacek, Treasurer, Montara Water and Sanitary District, addressed the Board with his concerns that the Board knows what its Agenda items are and that the meeting podium not to be used as a public forum.

Vice-Chair Fraser directed staff to provide an opportunity for the Recycled Water Committee to discuss, at its next meeting, the level of involvement of the Committee members in the development of subsequent recycled water agreements – agreements having to do with the recycled water projects that follow the pilot plant project.

A discussion ensued. No Board action was taken.

c. Receive Update on Recycled Water Project; Approve Change in Project Tasks

Manager Foley updated the Board on the delivery and setup of the Recycled Water Pilot Treatment Plant. Tanya Yurovsky of SRT Consultants reviewed the recycled water study status report and the requested modifications to the Facilities Planning Study scope and budget. She has suggested termination of any further efforts on the task of locating the existing creek crossing, preserving \$18,900.00 in the budget for other work, and the allocation of \$18,670.00 of the preserved budget to develop the Pilot Test Plan and application to the Regional Board. A discussion ensued. Following discussion, Director Boyd moved and Director Woren seconded the motion to authorize the modifications to the Facilities Planning Study scope and budget, terminating the task of locating the

existing creek crossing, preserving \$18,900.00 in the budget for other work, and allocating \$18,670.00 of the preserved budget to the development of the Pilot Test Plan and application to the Regional Board. Boyd/Woren/8 Ayes/0 Noes. The motion passed.

**5B. Wet Weather Flow Management Program (WWFMP) Project Committee**

a. Receive Report and Possibly Take Action on Wet Weather Flow Management Program Project

Manager Foley presented the staff report to receive report and possibly take action on the Wet Weather Flow Management Program Project. He discussed the preliminary design for the storage facility, the completion of the site survey, the geotechnical investigation that is currently underway, and the continuing work on the Coastal Development Permit (CDP) with the San Mateo County Planning Department.

Tanya Yurovsky of SRT Consultants reviewed the conceptual layout for the current design. This design would place five parallel 300-foot-long, 60-inch-diameter reinforced concrete pipes (RCP) in the field at the Burnham Strip Property, which would observe the 100-foot buffer zone from the existing natural drainage ditch as required by the adopted Mitigated Negative Declaration (MND) for the project.

Katherine Slater-Carter, Director, Montara Water and Sanitary District, addressed the Board with her concerns of a very rainy season and the availability of storage tanks for the upcoming rainy season. She also inquired on the progress of the installation of the flow meters between Half Moon Bay and the SAM treatment plant. Director Woren requested a report on the availability of the storage tanks and how many times they fill up.

**6. NEW BUSINESS**

**6A. Review and Possibly Take Action on SAM Reserve Policy**

Manager Foley reviewed the staff report and attached Reserve Policy. The Manager went through the existing policy in detail, provided the Board with five model reserve policies, and discussed commonalities and differences in them. The Manager also reviewed staff's 2006 recommendations on revising the reserve policy. A discussion ensued. Director Woren requested that item 1, Connection Fee Fund, and Item 16, establish a Connection Fee Reserve Fund, be removed from the Reserve Funds Policy and that SAM need not consider a Rate Stabilization Reserve Fund because SAM does not impose connection fees and does not establish user rates. A discussion ensued. No Board action was taken.

**6B. Authorize Manager to Issue RFP for Financial Consulting Services**

Manager Foley reviewed the staff report to authorize the Manager to issue an RFP for financial consulting services. He informed the Board that the proposal has been developed in collaboration with the Treasurer, reduced in size, the due date has been changed to September 9, 2009, and that all references relating to policy have been removed. He discussed key elements, essential for the Board to

consider – improvements to SAM’s budgets, improved Capital Asset Management program and system, and improved Reserve Fund policy.

Director Muller moved and Director Lohman seconded the motion to authorize Manager to issue the RFP for financial consulting services. A discussion ensued.

Katherine Slater-Carter, Director, Montara Water and Sanitary District, addressed the Board and stated that she would like to see some cost savings for the member agencies and suggested that the scope of the proposal be further reduced. A discussion ensued. Bob Ptacek, Treasurer, Montara Water and Sanitary District, addressed the Board and requested the financial consultant involve the Managers and Finance personnel of the member agencies.

Muller/Lohman/4 Ayes/4 Noes. The motion did not pass.

### **6C. Review Presentation from SRT Consultants and Possibly Take Action on Hazard Mitigation Plan**

Tanya Yurovsky of SRT Consultants presented and reviewed the Multi-Jurisdictional Hazard Mitigation Plan (MJ-HMP) to the Board. She discussed the Association of Bay Area Government (ABAG) taking the lead in the development of the Multi-Jurisdictional Local Hazard Mitigation Plan (MJ-LHMP), the MJ-LHMP goal, the natural hazards the MJ-LHMP focuses on and what it means for SAM, the regional priorities, and organization of strategies and priorities.

### **7. MANAGERS INFORMATIONAL REPORT**

Manager Foley informed the Board of the SAM newsletter update per suggestions from Director Woren. He also reported on his attendance at the CASA annual conference in San Diego and updated the Board on the proposed statewide legislation for private sewer laterals and the real estate community’s response to this bill. Manager Foley announced that the Coastal Clean-up Day would be on Saturday September 19, 2009, 9:00 a.m. to 12:00 noon, and he informed the Board that the California Association of Sanitation Agencies (CASA) has revised its fact sheet: Biosolids are a Resource, not a Waste!, which was available for Board review at tonight’s meeting.

### **8. ATTORNEY’S REPORT - NONE**

### **9. DIRECTORS’ REPORT**

Director Fraser announced that there will be a Recycled Water Committee Meeting on Monday, September 28, 2009 at 6:00 p.m. prior to the SAM Board meeting.

### **10. TOPICS FOR FUTURE DISCUSSION - NONE**

### **11. PUBLIC COMMENT/ORAL COMMUNICATION – NONE**

### **12. ADJOURNMENT**

The meeting was adjourned at 9:41 P.M., to the regular Board meeting, scheduled for September 28, 2009, at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019.

Respectfully submitted,

APPROVED BY:

Recording Secretary  
Susan Turbay

BOARD SECRETARY