

**MINUTES**  
**SAM REGULAR BOARD MEETING**  
**November 23, 2009**

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

**STAFF PRESENT:** Manager Foley, General Counsel Copeland, Tech Svcs Supv Pullin, Recording Secretary Turbay.

**2. PUBLIC COMMENT/ ORAL COMMUNICATION**

Director Woren commented on an article in the San Mateo Daily Journal about the City of Millbrae entitled "City Pollution Violations Overstated." He informed the Board that the City of Millbrae is building a wet weather storage facility to address their wet weather overflow.

Director Harvey commented on the recycled water process. He commended Tanya Yurovsky of SRT Consultants on the hard work that she has put into the recycled water project and SAM would not be this far along without her hard work and effort. Director Fraser thanked Director Harvey for his comments.

Manager Foley informed the Board that Jeannette Tracy, Supv of Admin Svcs, was not able to attend the meeting due to a family medical emergency. Manager Foley also asked the Board if they would be available for a closed session Board meeting, Monday, December 14, 2009, to discuss the report from the Ad Hoc Personnel Committee on Manager Performance Appraisal. He stated that at this time, no other items would be on the agenda. The Board agreed they were all available for the closed session Board meeting of December 14, 2009.

**2A. Special Order of the Day – Receive and File Auditors Report and Comprehensive Annual Financial Report (CAFYR) FY 2008-09 – Review by Marcy Morgan, Manager of Macias, Gini and O’Connell, LLP (MGO)**

Manager Foley introduced Mary Morgan, Manager of the auditing firm Macias, Gini and O’Connell, LLP (MGO). Ms. Morgan reviewed the auditor’s report and the CAFR for FY2008-09 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. Director Fraser thanked Ms. Morgan for her review and also thanked Mr. Parsons for his attendance at the meeting.

**3. CLOSED SESSION - NONE**

**4. CONSENT AGENDA**

Director Woren requested that agenda item 4F – Approve 2010 Schedule of SAM Board Meetings be pulled for discussion.

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

- A. Approve Minutes – October 26, 2009 SAM Board Meeting
  - B. Receive and File Manager’s Monthly Report for October 2009, including:
    - a. Monthly Flow Report
    - b. Financial Statement
    - d. Collections System Data
    - e. WWFMP Project Funding Opportunities
    - f. Recycled Water Project Funding Opportunities
  - C. Approve Disbursements – November 2009
  - D. Authorize Manager to Sign Renewal Agreement for Biosolids Hauling and Disposal with Republic Waste Services, Inc. (formerly Allied Waste, Inc.)
  - E. Ratify and Approve Purchase of SAM Computer Service
- Harvey/Muller/8 Ayes/0 Noes. The motion passed.

Item 4F - Approve 2010 Schedule of SAM Board Meetings

Due to a conflict of scheduling, Director Woren requested that the March 8, 2010, Special Board Meeting/Budget Workshop be moved to an earlier date. Director Fraser suggested that Director Woren work with the Manager to set another date for the meeting. Director Woren stated that he could attend a meeting on March 1, 2010. Director Lohman moved and Director Boyd seconded the motion to approve agenda item 4F – Approve 2010 Schedule of SAM Board Meetings, with the exception of the Budget Workshop meeting, to be determined.  
Lohman/Boyd/8 Ayes/0 Noes. The motion passed.

**5. OLD BUSINESS**

**5A. Receive Report from Recycled Water Committee/Discuss and Possibly Take Action on Committee Meeting Agenda Items**

- a. Receive and File Recycled Water Articles

There was no discussion regarding the recycled water articles.

- b. Review and Possibly Take Action on Draft Recycled Water Principles of Agreement Between SAM and Coastside County Water District

Manager Foley presented a draft of the recycled water principles agreement between SAM and Coastside County Water District (CCWD) to the Board. Manager Foley reported that SAM staff has met with Dave Dickson, General Manager of CCWD, and worked together to come up with the draft principles for the Board to review and consider. Director Harvey stated that it should be anticipated that, in the future, recycled water will be supplied to Montara Water and Sanitary District (MWSD), and

the principles of agreement should include MWSD as a potential customer. A discussion ensued. Following discussion, Director Fraser directed Manager Foley and General Counsel Copeland to meet with the CCWD manager and its Counsel to develop a set of principles to be presented to their respective Boards for review and approval.

c. Review and Possibly Take Action on Recycled Water Project

Tanya Yurovsky of SRT Consultants reviewed the status of the recycled water planning facilities study. She reported to the Board that SAM staff met with a representative from the State Water Board who was impressed with the progress of the project. Ms. Yurovsky reviewed the grant status, the components of the planning study, the considered alternatives (no project, non-recycled water, and recycled water), the potential customer selection, alternative RW1 (0.8 MGD facility), alternative RW 2 (1.6 MGD facility), and the estimated total project costs for each alternative. Director Woren inquired as to how close the project is to begin the ready to build phase. Manager Foley informed Director Woren that the environmental work has been completed and if the project is moved as quickly as possible by following the short schedule, it could be ready to build in ten (10) months.

d. Review and Possibly Take Action on Recycled Water Pilot Plant Project

Manager Foley reviewed the staff report to review and possibly take action on the recycled water pilot plant. He stated that SAM has met all of the objectives set by the SAM Board and stated that, unless the Board directed otherwise, the rental of the Pilot Plant would be discontinued, effective December 13, 2009, as originally planned. Staff discussed this with Coastside County Water District and Ocean Colony Partners and found that they were in agreement to discontinue the Pilot Plant rental. A discussion ensued. Following discussion, no Board action was taken.

e. Review and Possibly Take Action on Recycled Water Project Management Services

Manager Foley presented the staff report to review and possibly take action on recycled water project management services. A discussion ensued. Director Boyd expressed his concerns with cost and possible delay of another year if a project management company is brought in to manage the project. He suggested that the budget be increased and then proceed on to the next steps in order to keep on the rapid fire schedule for the recycled water facility.

Manager Foley suggested that the recycled water committee meet to discuss this matter at a separate time. The committee agreed to meet on December 7, 2009, at 6:00 P.M.

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

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

Director Lohman called the Wet Weather Flow Management Program Project Committee meeting into session at 8:52 P.M. He informed the Board that the WWFMP Project will go before the Zoning Hearing Officer on December 17, 2009, 10:00 A.M., Room 101, First Floor, 455 County Center, Redwood City, CA.

## **6. NEW BUSINESS**

### **A. Discuss and Possibly Cancel December 28, 2009 Board Meeting**

Director Boyd moved and Director Lohman seconded the motion to cancel the December 28, 2009 SAM Board Meeting.

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

### **B. Adopt Resolution No. 12-2009, a Resolution Approving Refund of Expense Net Operating Revenue to Member Agencies**

Director Boyd moved for the adoption of Resolution 12-2009, a Resolution Approving Refund of Net Operating Revenue to Member Agencies. Director Harvey seconded the motion.

Boyd/Harvey/8 Ayes/0 Noes. The resolution is adopted.

The Board agreed that, in subsequent years, the approval of the Refund of Expense Net Operating Revenue to Member Agencies will not have to be brought back to the Board in resolution form.

## **7. MANAGERS INFORMATIONAL REPORT**

Manager Foley updated the Board on the status of the installation of the flow meters for Half Moon Bay, addressed the leak in the Intertie Pipeline (Portola Force Main) that developed on November 1, 2009, and informed the Board that the problem was resolved. He notified the Board that the temporary storage tanks have arrived, have been installed, and have been tested. Manager Foley also informed the Board that the Half Moon Bay audit of SAM records will be taking place on December 7 and 8, 2009. The results of this audit will be presented to the Board at the next Board meeting. He addressed requests regarding SAM receiving the Big Wave EIR notice. He informed the Board that SAM did not receive the Big Wave EIR notice but it is available on-line for review by staff. Director Boyd requested that staff notify San Mateo County that SAM is an affected agency and should receive such notifications through all stages of the project. Manager Foley informed the Board of an article that came out in the New York Times that addressed sanitary sewer overflows. Copies of the article were handed out to the Board.

## **8. ATTORNEY'S REPORT**

General Counsel Copeland reported on the CASA Attorney's Committee Meeting of November 6, 2009. He reported that, under the recent Delta/Water Legislation, funding for recycling projects is not limited to projects related to the protection or increase of the Delta water supply, instead the funding for recycled projects is available statewide. He also discussed Senate Bill 283 (CH178) related to design standards for the installation of recyclable as well as potable water systems in buildings, the status of proposed legislation related to sewer laterals, and a recent court decision, Adobe Lumber, Inc. v. Hellman, in which the court held that a claim under CERCLA could be brought against a municipality as the owner of a sewer system that received solvent from a dry cleaner which discharged PCE into the sewer. Following discussion, no Board action was taken.

## **9. DIRECTORS' REPORT**

Director Boyd requested from Manager a look at new items in Capital Interest, in spreadsheet form.

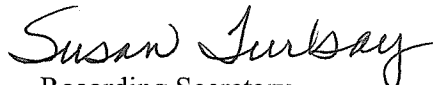
**10. TOPICS FOR FUTURE DISCUSSION - NONE**

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

**12. ADJOURNMENT**

The meeting was adjourned at 9:13 P.M., to the special Closed Session Board meeting, scheduled for December 7, 2009, at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019.

Respectfully submitted,

  
Recording Secretary  
Susan Turbay

APPROVED BY:

  
BOARD SECRETARY