

MINUTES
SAM SPECIAL BOARD MEETING
February 17, 2010

1. CALL TO ORDER: Chair Fraser called the meeting to order at 7:00 p.m. at the SAM Administration Building, located at 1000 N. Cabrillo Highway, Half Moon Bay, CA.

ROLL CALL: Present: Fraser, Woren, Muller, Harvey, Boyd
Absent: Lohman
Alternate Present: Clark

STAFF PRESENT: Manager Foley, General Counsel Copeland, Recording Secretary Turbay.

2. PUBLIC COMMENT/ ORAL COMMUNICATION

Chair Fraser informed the Board that she needed to be out of the meeting no later than 8:15 p.m. She asked the Board to re-order the agenda to item 5B before item 5A. A discussion ensued. Following discussion, the Board agreed to leave the agenda as is.

3. CLOSED SESSION - NONE

4. CONSENT AGENDA - NONE

5. OLD BUSINESS

5A. Review and Possibly Take Action on Recycled Water Project Environmental Review Services District

Manager Foley presented the staff report to review and possibly take action on recycled water project environmental review services district. He informed the Board that the Coastside County Water District (CCWD) Board met and adopted the principles of agreement as they were last presented to the SAM Board, but that CCWD would not agree to share project costs until after a SAM-CCWD agreement is executed. Manager Foley informed the Board of his contact with Environmental Services consultant, ESA, and their providing SAM with an additional proposal for environmental services work for only the SAM portion of the project. The cost for the SAM only portion of the CEQA project is \$76,274.00. Manager Foley mentioned that, at the last SAM Board meeting, the Board considered covering up to \$40,000.00 this fiscal year, from reserves, so that member agencies would not have to provide the differential this fiscal year. He stated that, under this arrangement, the last 10 months of the project would have to be covered by member agencies through assessments. A discussion ensued. Director Boyd proposed the Board accept the proposal for the \$76,274.00. Director Woren expressed his concern regarding reimbursement of project costs, and that this reimbursement not come from the rate payers. Director Muller stated that there must be a signed agreement between SAM and CCWD before SAM commits to fund any study. Vice-Chair Harvey requested Manager Foley confirm the amount of money that was approved at the January 22, 2010 SAM Board meeting. Manager Foley confirmed that the proposal was for \$135,029.00 with \$40,000.00 to be paid out of reserves, and the balance going back to the member agencies for approval and funding. He stated that if the member agencies approve this, he

will make it clear that it is a 14 month financial commitment with the first four months being paid out of the SAM reserves if approved by the member agencies, and the remaining months being billed to the member agencies as an assessment.

Director Clark suggested that the Board approve the SAM only portion of the project for \$76,274.00 in order to keep the project moving. He stated that if the Board waits for the final agreement to be signed with CCWD, it could be another six months before the project could move forward.

Director Boyd moved and Vice-Chair Harvey seconded the motion to send the proposal for the SAM only portion of the environmental services work in the amount of \$76,274.00 to the member agencies for approval. A discussion ensued. Manager Foley clarified that the \$40,000.00 that would come out of SAM reserves would be only for this year, if approved by member agencies, with the remainder of \$36,274.00 billed to member agencies as assessments.

Boyd/Harvey/4 Ayes/4 Noes. The motion did not pass.

5B. Review Letter from Coastside County Water District (CCWD) and Provide Direction to Staff

Vice-Chair Harvey asked Manager Foley if the proposed changes to the Principles of Agreement had been presented to CCWD. Manager Foley informed the Board that a copy of the proposed changes were given to CCWD Manager, Dave Dickson, but those proposed changes were not discussed at their Board meeting. He explained that the direction to SAM staff was to solicit input on the proposed changes from MWSD general counsel and then bring them back to the SAM Board. General Counsel Copeland stated that, after reading the letter from CCWD, he believes CCWD is looking for an agreement, not principles. Manager Foley proposed to the Board that they consider giving direction to SAM staff to abandoning further work on the principles and direct staff and General Counsel Copeland to start developing an agreement. Manager Foley clarified that staff's current direction is to continue to work with SAM General Counsel Copeland, with the input from MWSD General Counsel Schricker, in incorporating proposed changes into the principles of agreement and bring these revised principles back to the SAM Board. Vice-Chair Harvey requested staff to check with MWSD General Counsel Stricker on his availability to work on the proposed changes. The Board took no action of this item.

6. NEW BUSINESS - NONE

7. MANAGERS INFORMATIONAL REPORT - NONE

8. ATTORNEY'S REPORT - NONE

9. DIRECTORS' REPORT - NONE

10. TOPICS FOR FUTURE DISCUSSION - NONE

11. PUBLIC COMMENT/ORAL COMMUNICATION – NONE

12. ADJOURNMENT

The meeting was adjourned at 8:15 P.M., to the regular SAM Board meeting, scheduled for February 22, 2010, at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019.

Respectfully submitted,

Susan Turbay

Recording Secretary
Susan Turbay

APPROVED BY:

[Handwritten Signature]

BOARD SECRETARY