

MINUTES
SAM REGULAR BOARD MEETING
February 24, 2014

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

ROLL CALL: Present: Directors Kowalczyk, Alifano, Harvey, Lohman, Boyd, Woren

STAFF PRESENT: Interim Manager Housen, General Counsel Copeland, Technical Svcs. Supv. Pullin, Supv. of Admin. Svcs. Tracy and Recording Secretary Turbay.

2. PUBLIC COMMENT/ ORAL COMMUNICATION

At the request of Chair Harvey, Item No. 9A, Closed Session, was moved after agenda item 2A – Special Order of the Day-Receive and File SAM FY2012-13 Audited Financial Statements.

Katherine Slater- Carter, Montara Water & Sanitary District, addressed the Board and requested that she would like to see the costs of having the Interim Manager and conflicts of interest/code of ethics as future agenda items.

Brenda Donald, resident of Montara, addressed the Board and commented on the recently passed NDWSCP fee schedule and updating of the website.

- A. Special Order of the Day – Receive and File SAM FY2012-13 Audited Financial Statements – Review by Jennifer Dermon, Director of C.G. Uhlenberg, LLP, with Kevin Andersen, CPA, Principal, Parsons Andersen, Certified Public Accountants

Jennifer Dermon, Manager of C.G. Uhlenberg, reviewed the SAM FY2012-13 Audited Financial Statements. She reported there were no significant discrepancies, misstatements, or disagreements with Management. She also informed the Board that, as of June 30, 2015, the Board will need to record its unfunded pension liabilities.

Director Alifano moved and Director Kowalczyk seconded the motion to receive and file the audited financial report for FY2012-13.

Alifano/Kowalczyk/8 Ayes/0 Noes. The motion passed.

General Counsel Copeland acknowledged staff for their work on the audit. Chair Harvey thanked staff for a job well done.

9A. CLOSED SESSION

- A. Public Employee Appointment – Government Code Section 54957(b)1 Title: General Manager

The Board went into closed session at 7:15 p.m. The Board recessed out of closed session at 8:48 p.m. to the regular Board meeting, and Chair Harvey announced that the closed session would reconvene at the end of this meeting.

3. CONSENT AGENDA

Director Alifano suggested that, for comparison purposes, it would be helpful to list the previous year of flow reports underneath the current flow report.

Following discussion, Director Woren moved and Director Kowalczyk seconded the motion to approve the consent agenda as presented.

- A. Approve Minutes of January 27, 2014 SAM Board Meeting, February 7, 2014 Special Meeting, February 10, 2014 Special Meeting
- B. Receive and File Manager's Monthly Report for January 2014, including:
 - a. Monthly Flow Report
 - b. Financial Statement
 - c. Monthly NPDES Data
 - d. Collection System Data
- C. Approve Disbursements for February 2014

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

4. OLD BUSINESS

- A. Receive Information on General Engineering Services Expenditures as Compared to Budget For FY2012-13

Interim Manager Housen informed the Board that Iron Mountain, the company where SAM stores files, encountered a delay in locating the boxes where the requested information is stored. A discussion ensued.

Following discussion, Chair Harvey ordered that agenda item 4A be tabled to the regular Board meeting in March.

- B. Receive Update on Capital Replacement Planning Activities

Interim Manager Housen updated the Board on the capital replacement planning activities. She discussed the treatment plant replacement needs, collection system replacement needs, and replacement of the Montara forcemain. A discussion ensued.

Katherine Slater-Carter, Montara Water & Sanitary District, addressed the Board regarding engineers and staff working on the hiring of someone to do repair work, and permit problems.

Director Kowalczyk commented that it is fortunate to have an Interim General Manager with such expertise available to the Board.

Following discussion, Interim Manager Housen said she will have a list by the March 17, 2014 Budget workshop meeting for discussion.

- C. Ratify Agreement Between I.U.O.E., Local 39 and SAM regarding "Over Certification" of Local 39 Members

Interim Manager Housen reviewed the agreement between the I.U.O.E., Local 39 and SAM regarding over certification of Local 39 members. A discussion ensued.

Following discussion, Director Boyd moved and Director Kowalczyk seconded the motion to ratify the agreement between I.U.O.E., Local 39 and SAM regarding over certification of Local 39 members.

5. NEW BUSINESS

A. Discuss SAM Code of Ethics and Provide Direction to Staff

Director Woren asked that the discussion on the SAM code of ethics be tabled. Director Kowalczyk requested this matter be an agenda item on the next regular Board meeting.

B. Authorize March 17, 2014 as Date for SAM Board Budget Workshop

Director Kowalczyk requested a calendar invitation request be sent out for the Budget workshop meeting.

Following a brief discussion, Director Woren Moved and Director Boyd seconded the motion to set March 17, 2014, as the date for the budget workshop.

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

C. Discuss Possible Recycled Water Activities for SAM and Provide Direction to Staff

Interim Manager Housen presented the Board with a list of recycled water documents from the SAM website that provides a history of recycled water discussions. A discussion ensued. Director Lohman requested moving the project forward. Directors Lohman, Alifano and Boyd offered to be on the recycled water committee.

6. INTERIM MANAGER'S REPORT

Interim Manager Housen updated the Board on staff working diligently with Parsons Andersen CPA's on budget development. She also informed the Board of her presentation to the Coastside Emergency Action Committee, the updating of the SAM emergency policy, and her presentation at the San Mateo Special Districts group. Director Woren requested information on the recent fire at Coastside County Water District.

7. ATTORNEY'S REPORT

General Counsel Copeland updated the Board on the Foley/CalPERS lawsuit: SAM had been released from the litigation; Director Boyd and Supervisor of Administrative Services, Tracy, had testified in the matter; and Foley had filed his closing argument brief. At the request of Director Woren he also discussed recent and potential issues that have arisen under the Public Records Act and the Brown Act. Director Woren requested that the information also be emailed; the Interim Manager indicated she would do so.

8. DIRECTORS REPORT

Director Lohman thanked Interim General Manager Housen for her presentation at the February 4, 2014, quarterly meeting of the California Special District Association. Director Woren inquired about the non-

working rain gauge at the Portola Pump Station. Technical Services Supervisor Pullin replied that he has not been able to get one to communicate but is working on it.

9. PUBLIC COMMENT/ORAL COMMUNICATION -NONE

CLOSED SESSION - CONTINUED

A. Public Employee Appointment – Government Code Section 54957(b)1 Title: General Manager

The Board went back in to Closed Session at 10:11 P.M. The Board came out of Closed Session at 11:15 P.M.

Chair Harvey reported that no reportable action was taken.

10. ADJOURNMENT

Chair Harvey adjourned the meeting at 11:15 P.M. to the Budget Workshop meeting, to be held on March 17, 2014.

Respectfully submitted,



Susan Turbay
Recording Secretary

APPROVED BY:


BOARD SECRETARY