

MINUTES
SAM SPECIAL BOARD MEETING & BUDGET WORKSHOP
March 12, 2012

1. **CALL TO ORDER:** Chair Kowalczyk called the meeting to order at 6:13 p.m. at the SAM Administration Building, located at 1000 N. Cabrillo Highway, Half Moon Bay, CA.

2. **ROLL CALL:** Present: Harvey, Alifano, Kowalczyk, Woren, Boyd, Lohman
Absent: None

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

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

4. **CLOSED SESSION**

A. Conference with Labor Negotiator – Government Code Section 54957.6 – Designated Representative: Manager or Austris Rungus (IEDA) – Employee Organization – IUOE, Stationary Engineers, Local 39

The Board went into Closed Session at 6:14 p.m. The Board came out of Closed Session at 6:53 p.m. General Counsel Copeland advised that there was no reportable action in Closed Session.

5. **OLD BUSINESS**

A. Discussion and Possible Action with Respect to the Replacement of the IPS Across Coronado Street, including the Retention of a Consulting Engineer to Provide Needed Engineering Services

General Manager Leonard reviewed the proposal from SRT Consultants for engineering services in connection with the IPS section replacement at Coronado Street, and recommended the Board reconsider the proposal. A discussion ensued. Kathryn Slater-Carter, President of the Montara Water and Sanitary District, addressed the Board and commented on the excellence of the staff report, and requested a copy of the HMB staff report regarding the SRT proposal. Chair Kowalczyk thanked her for her comments and requested the General Manager to share the HMB report with all Board members and forward to the Board, the additional proposals received.

Director Harvey moved and Director Lohman seconded the motion to authorize the General Manager to approve the Engineering Proposal for the IPS Replacement at Coronado Street, for an amount not to exceed \$56,400.00.

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

10. **ADJOURNMENT**

This meeting was adjourned at 7:36 P.M., to reconvene for the Budget Workshop meeting.

1. **CALL TO ORDER:** Chair Kowalczyk reconvened to the Budget Workshop meeting at 7:46 P.M.

2. **ROLL CALL:** Present: Harvey, Alifano, Kowalczyk, Woren, Boyd, Lohman
Absent: None

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

3. PUBLIC COMMENT: NONE

4. BUDGET WORKSHOP

a. SAM Comprehensive Budget Fiscal Year 2012-13

General Manager Leonard reviewed the budget process and distributed an analysis of the Member Agency multi-year flow and hourly calculations. General Manager Leonard informed the Board of labeling errors on page 5 of 70, Comparisons of Operation Allocations, and on page 6 of 70, Comparison of Collection Allocations, and that the far right columns on page 6 of 70 should be read as an appendage to page 7 of 70. He reviewed the budget timeline of approval and informed the Board of his goal to have the Comprehensive Budget and the Collection Systems Maintenance and Operations Services Budget adopted by the three member agencies by May-June 2012, with final Board approval by the June 25, 2012, Board meeting.

Directors and staff discussed the general and project components of the Comprehensive Budget. General Manager Leonard pointed out significant budget proposals in the Collections Budget, including the purchase of a new hose and video recording equipment for the flusher truck, and reclassifying one collection worker position to a field supervisor position. He highlighted major cost drivers for pump station/collection system and plant equipment, the hiring of a Subordinate Supervisor to work with the Technical Services Supervisor, and proposed large maintenance items needed to maintain existing facilities. He also discussed funding strategies, and the use of restricted reserves. General Manager Leonard, per the request of Director Lohman, handed out calculations on the Treatment Budget for member agency flows. The Directors discussed the significant differences between the 2 year and the 5 year averages.

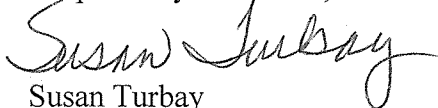
b. Conclusion/Next Steps

Following discussion, Vice-Chair Woren requested information on actual flows for each year in the dry weather months. Director Boyd suggested GSD and MWSD request system wide data. Chair Kowalczyk suggested taking the 3 year and 5 year rolling average back to their member agencies to put into the budget. Director Harvey suggested that General Manager Leonard request information from CCWD regarding the actual flow for each year during dry weather months. Director Alifano requested a footnote on the budget that will give the impact on the three member agencies to hire a Subordinate Supervisor to assist the Technical Services Supervisor.

5. ADJOURNMENT

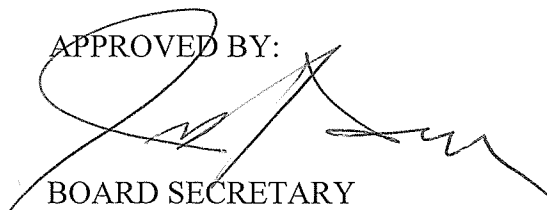
The meeting was adjourned at 9:20 P.M. to the regular SAM Board meeting, scheduled for March 26, 2012, at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019.

Respectfully submitted,



Susan Turbay
Recording Secretary

APPROVED BY:



BOARD SECRETARY