

MINUTES
SAM SPECIAL BOARD MEETING & BUDGET WORKSHOP
March 17, 2014

1. CALL TO ORDER: Chair Harvey called the meeting to order at 7:04 p.m. at the SAM Administration Building, located at 1000 N. Cabrillo Highway, Half Moon Bay, CA.

2. ROLL CALL/PLEDGE OF ALLEGEANCE: Present: Harvey, Alifano, Kowalczyk, Woren, Boyd, Lohman

STAFF PRESENT: Interim Manager Housen, Technical Services Supervisor Pullin, Supv. of Admin Svcs. Tracy, Recording Secretary Turbay and Kevin Andersen, Parsons Andersen CPA.

3. PUBLIC COMMENT/ORAL COMMUNICATION

Director Woren suggested that future Budget Workshop meetings be televised.

4. BUDGET WORKSHOP

A. Budget FY 2014-15 Process and Schedule

Interim Manager Housen reviewed the draft operations and collections contract budgets.

B. SAM Comprehensive Budget Fiscal Year 2014-15

1. General (Operating) Budget

- Administration
- Treatment
- 2013 Member Agency flows and allocation calculation
- NDWSCP

2. Collections Contract Budget

- Collections O&M Budget
- 2013 Collections Hours and cost allocation calculation

3. 5-Year Plan and Capitalized Replacement Budget

- Capital Maintenance Budget

Director Woren requested flows and distribution be brought back to the March 24th agenda for discussion.

Following discussion, Director Alifano moved and Director Lohman seconded the motion to approve items 1 thru 8 on the 5 year replacement plan draft with \$320,000 in current fiscal year budget reserves and ask staff for a definite answer by the April Board meeting on the air-vac valve design. A discussion ensued. Following discussion Director Alifano amended his motion to approve items 1 thru 8 on the 5 year replacement plan draft with \$320,000 in current fiscal year budget reserves plus \$15,000 for the surge analysis needed in order to determine where to place the air-vac valve replacements in the 5 year replacement plan. Director Lohman seconded the motion.

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

Following further discussion, Director Woren requested an analysis of renting versus buying bypass pumps.

Director Kowalczyk moved and Director Boyd seconded the motion to set FY 2014-15 Capital Budget at \$500,000 with \$320,000 funded by a 10% increase in rates, \$180,000 funded by a borrowing from emergency reserves, making items 9, 10 and 11 of the 5 year replacement plan draft a priority for FY 2014-5, and directing that staff recommend routine maintenance and projects to be included in the budget and put into place a plan to repay the borrowing from the emergency reserves from future increases in rates over the next 5 years.

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

Director Woren requested the monthly LAIF statement show the allocation of the amount therein to its fund and account sources.

6. NEW BUSINESS

- A. Announce Approval of General Manager Employment Contract between Sewer Authority Mid-Coastside and Robert Hopkins

Chair Harvey announced the approval of a General Manager Employment Contract between the Sewer Authority Mid-Coastside and Robert Hopkins. It is anticipated that Mr. Hopkins will start his new position on April 21, 2014.

- B. Discuss General Manager Transition Plan

Director Kowalczyk suggested Interim Manager Housen prepare a getting started plan for the new Manager. A discussion ensued. Following discussion, the Board concurred that Interim Manager Housen should continue with at least a 2 week overlap and ad hoc if necessary after that.

5. CLOSED SESSION


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

The Board went in to Closed Session at 9:30 p.m. The Board came out of Closed Session at 10:35 p.m. Chair Harvey reported that there was no reportable action taken during closed session.

7. ADJOURNMENT

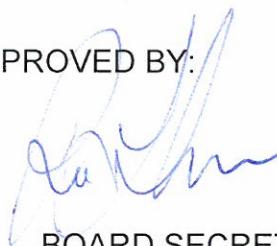
The meeting was adjourned at 10:35 P.M. to the next regular SAM Board meeting, scheduled for March 24, 2014, at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019.

Respectfully submitted,



Susan Turbay
Recording Secretary

APPROVED BY:



BOARD SECRETARY