

7

**MINUTES  
SAM REGULAR BOARD MEETING  
August 27, 2012**

**1. CALL TO ORDER:** Chair Kowalczyk called the meeting to order at 7:03 p.m. at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA.

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

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

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

**3. CLOSED SESSION**

- A. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9  
(a) John Szabo v. Sewer Authority Mid-Coastside and York Insurance Group, Case Nos. ADJ3466128; ADJ3155316; ADJ7184416
- B. Conference with Labor Negotiator – Government Code Section 54957.6 – Designated Representative: General Manager or Austris Rungus (IEDA) – Employee Organization – IUOE, Stationary Engineers, Local 39
- D. Public Employee Performance Evaluation – Title: General Manager – Government Code 54957

The Board went into Closed Session at 7:04 p.m. The Board came out of Closed Session at 7:28 p.m. General Counsel Copeland reported that no reportable action was taken.

**4. CONSENT AGENDA**

Vice-Chair Woren requested that the minutes of the July 23, 2012 SAM Board meeting be pulled, with a request that staff review the tape recording of the meeting with respect to the wording of the second motion under Agenda Item No. 4A. Hearing no objection from the Board, Chair Kowalczyk suggested the approval of the minutes be deferred until the next meeting in order that staff could review the tape and correct the wording as necessary.

Director Alifano moved and Director Woren seconded the motion to approve the following consent agenda items as presented:

- B. Receive and File Manager's Monthly Report for July 2012, including:
  - a. Monthly Flow Report
  - b. Financial Statement
  - c. Monthly NPDES Data
  - d. Collection System Data
- C. Approve Disbursements for August 2012

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

**5. OLD BUSINESS**

- A. Update – Flow Metering and Management

The General Manager reviewed the staff report for flow metering and management. He discussed the meeting he attended with the member agency managers, and informed the Board that the managers were asked to provide their input. He indicated that staff expects to be able to address these issues with the Board at the September meeting.

#### B. SAM Reserve Policy Review and Development

The General Manager informed the Board on his review of the reserve policies of other local utilities, and wastewater JPA's. He indicated that the manager group is in the process of developing and circulating proposed language related to a new policy. He stated that he intends to update the Board on the input from the manager group at the September meeting. Director Alifano suggested that an outline of a proposed new policy be brought to that meeting.

#### C. Authorize Manager to Award Contract – Granada Force Main Repair

The General Manager introduced Tanya Yurovsky of SRT Consultants. Ms. Yurovsky reviewed the 4 bids received from qualified contractors. She advised that, in accordance with the bid documents, the Board could either reject all bids or accept the bid of the lowest responsive, responsible bidder for the Alternate 2 work; and that the bid of the lowest, responsible bidder is the bid of Anderson Pacific Contractors, Inc. She recommended that the Board accept that bid. She reported that the other bids exceeded the engineer's estimate. A discussion ensued.

Following discussion, Director Harvey moved and Vice-Chair Woren seconded the motion to authorize the Manager to accept the bid of Anderson Pacific Contractors, Inc., as the lowest, responsive, responsible bid for the Alternate 2 work, at the Total Alternate 2 Bid Price set forth in its bid in the amount of \$1,209,101.

By roll call vote: Harvey, Alifano, Kowalczyk, Woren, Boyd, and Lohman Aye/8 Ayes/0 Noes. The motion was passed.

The General Manager then explained the need for project management and administration for this Project. Following discussion, Director Boyd moved and Director Alifano seconded the motion to authorize the General Manager to retain SRT Consultants to provide project management and administration for this Project in an amount not to exceed \$27,410.00.

By roll call vote: Harvey, Alifano, Kowalczyk, Woren, Boyd, and Lohman Aye/8 Ayes/0 Noes. The motion was passed.

### 6. NEW BUSINESS

#### A. Development of a Capital Improvement Program and Capital Reserve Policy - Presentation

The General Manager introduced Nelson Slater of SRT Consultants. Mr. Slater discussed the planning and financial framework recommended in order to maintain and sustain a wastewater enterprise. He reviewed the framework for a capital improvement program (CIP), CIP implementation, financial issues, and the recommended next steps, including calculating the Nessie curve, analyzing the budget, identifying risks, identifying opportunities, and developing a CIP, and then coordinating the SAM CIP with the CIPs of the member agencies. A discussion ensued. Following discussion, Chair Kowalczyk thanked Mr. Slater for his presentation.

**7. MANAGER'S REPORT**

The General Manager informed the Board of the yearly tour by Skyline College and the thank you letter received from the students. He also thanked Technical Services Supervisor Tony Pullin for his work in obtaining the new NPDES permit. He introduced Jeff Tarantino of EKI who updated the Board on the progress of the WWFMP project. Mr. Tarrantino also informed the Board that the project will run past the contract time of October 1<sup>st</sup>, but he was hopeful it would not run past October 15<sup>th</sup>, which is on the permit. Vice Chair Woren requested staff measure total dissolved solids from the ground water at the construction site.

**8. ATTORNEY'S REPORT**

**A. CASA Attorney's Committee Meeting – August 10, 2012**

General Counsel Copeland commended Technical Services Supervisor Tony Pullin for successfully obtaining the new NPDES permit.

He also reviewed his memo from the CASA Attorney's meeting of August 10, 2012. He informed the Board of bills that are still in committee, and that Friday, August 30<sup>th</sup> is the deadline for moving these bills forward. He also provided an update on AB 2398 (Hueso) related to the consolidation of the State's recycling laws. Chair Kowalczyk thanked Counsel for his report.

**9. DIRECTORS' REPORT**

Director Lohman reported on the quarterly meeting of the County's Special Districts at which Supervisor Don Horsely was the speaker. He informed the Board that the County has put a sales tax measure on the November ballot as well as a measure that the election of Supervisors be by district in order that each of the five districts be able to elect its own Supervisor.

Chair Kowalczyk reported on his and Director Alifano's meeting with the General Manager of the Montara Water & Sanitary District, and his attendance at the retirement dinner for Pat McGowan.

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

**11. ADJOURNMENT**

The meeting was adjourned at 8:39 P.M., to the next regular Board Meeting scheduled for September 24, 2012, 7:00 P.M., at the SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019.

Respectfully submitted,



Susan Turbay  
Recording Secretary

APPROVED BY:



BOARD SECRETARY