

M I N U T E S  
SEWER AUTHORITY MID-COASTSIDE  
Regular Board Meeting Of October 26, 1987

SAM Administration Buidling  
1000 North Cabrillo Highway  
Half Moon Bay, CA 94019

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The Meeting was called to order at 7:30 PM by Chairman Giddings.

BOARD OF DIRECTORS ROLL CALL:

Present: Giddings, Shapira, Bedesem, Beer, Kuhn, Schuetrum  
Alternate: None  
Absent: None

STAFF PRESENT: General Manager Heaslet, Superintendent Valladao, Legal Counsel Copeland

APPROVAL OF MINUTES: Bedesem moved, and it was seconded by Kuhn, that the Minutes of the SAM Board of Directors Meeting of September 28, 1987, be approved as presented. The motion was unanimously approved.

ALLOWANCE FOR CLAIMS: Shapira moved, and it was seconded by Bedesem, that the identified Claims and Check Lists for both the manually and computer-prepared checks be so approved for payment as presented -- in the total amount of \$72,714.74. The motion was unanimously approved.

CONSENT CALENDAR:

A. For Approval: Bedesem moved and it was seconded by Schuetrum, that the Mileage/Expense Statements for both Messrs. Heaslet and Valladao be approved for payment as presented. The motion was unanimously approved.

B. For Information:

1. (CWPCA) (10-06-87) "TRI-TAC" Minutes of September 10, 1987 Meeting
2. (MTRLA) (10-05-87) Ltr to SAM - Apology for delay
3. (CCWD) (10-14-87) Ltr to Public Re: Water Conservation
4. (GSD) (09-24-87) Ltr to County of San Mateo Re: GSD Inspection of Lateral Connection to District's Sewer
5. (GSD) (10-13-87) Ltr to City of Half Moon Bay Re: GSD Inspection of Lateral Connection to District's Sewer
6. (SAM) (10-09-87) Ltr of Thank-you to Safety Council President
7. (SAM) (09-29-87) Ltr to Thomas Reid RE: Plant Expansion EIR
8. (SAM) (10-16-87) Ltr to GSD, MSD, & HMB Re: Digital Communicators in Lift Stations of Member Agencies
9. (MSD) (10-13-87) Ltr of Congratulations Re: Employees Pat McGowan and Mickey Barnes

CONSENT CALENDAR:B. For Information: (Continued)

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| 10. | (SAM)   | (10-05-87) | Ltr to GSD Re: Conflict of Interest  |
| 11. | (SAM)   | (10-05-87) | Transmittal Ltr to County of San Mateo Re: Conflict of Interest Code Forms 730 |
| 12. | (CSRMA) | (09-18-87) | Confirmation of Safety Inspection  |
| 13. | (PERS)  | (09-30-87) | Re: Contract Admendment effective August 1, 1987                               |
| 14. | (CASA)  | (09-30-87) | AB-318 Cortese (San Marcos)  |

Bedesem moved, and it was seconded by Shapira that Consent Calendar For Information -Items 1 thru 14, with the exception of Item 13 - be so adopted as presented. Item 13 being held for discussion, at the request of Board Member Kuhn. The motion was unanimously approved.

Kuhn directed a question to Manager Heaslet regarding Item 13, asking if the Board had previously approved this PERS Contract. Manager Heaslet explained that yes, in fact, the Board did approve this Admendment approximately 12 months ago, right after the Board approved the changeover of SAM employees, SAM Staff contacted PERS regarding the actuarial evaluation to determine what the new rate would be for the employees when they came over to SAM, as opposed to old rate for employees. The Board approved that, the Board okayed the \$240 fee, PERS lost the Actuarial, the person who did it retired, that is why it has taken so long to have this Admendment in effect. Now, we are in conflict with new personnel at PERS as to whether this Admendment takes place effective August 1, 1987, or whether it should go back and become retroactive to January 1, 1987. Manager Heaslet further explained that Board members are just seeing a long line of bureaucratic problems, therefore this item is still standing out with regard to the SAM Employee Changeover.

Kuhn moved and it was seconded by Bedesem, that Item 13 be approved as presented. The motion was unanimously approved.

PERSONNEL:

Manager Heaslet explained to the Board that two employees, Gregg Bellah and Gary Valladao have been presented with Certificates of Completion in a two-day course entitled Operator Certification Exam Review. Gary has taken the test for a Grade 4 and Gregg for a Grade 1 Certification. Test results will be available at a later date, to both Gary and Gregg.

ORAL COMMUNICATIONS:

Chairman Giddings opened the meeting to the public at this point for any questions or comments they might want to direct to the Board - no comments or questions were raised at this time.

MONTHLY REPORTS:

Manager Heaslet explained the flow records are now corrected and current for each of the member agencies, back to last April, which was the first month of the corrected period. We have sent to each member agency, the corrected flow data for April, May and June, and the final twelve (12) month average. We have also published the flow data as presented in the Flows Report for the months of July, August and September 1987. Our final reports shows the Average Daily Dry Weather Flows - for 1987, which brought the City of Half Moon Bay's figure to 741,000 gallons per day, Granada Sanitary District at 374,000 gallons per day, and Montara Sanitary District at 348,000 gallons per day. Manager Heaslet stated that these reports now bring our Flow records up-to-date and current. Manager Heaslet approached the Board for questions and comments regarding Flows.

Shapira questioned whether flows were affected during the Pumpkin Festival, because of the influx of so many people to the Coast during that weekend. Manager Heaslet indicated there was a jump in flows every weekend.

Chairman Giddings questioned Mark Weiss about the flow monitoring which the City of Half Moon Bay had been conducting and whether or not they had any reports to the Board. Mr. Weiss explained that they needed to take a closer look at their findings, that there was some monitoring which proved to be lower than that of SAM's, but not appreciably lower. Chairman Giddings requested that the City of Half Moon Bay share their findings with the Board as soon as they were able to make an analysis.

Chairman Giddings mentioned that Montara Sanitary District has been conducting two studies with regard to flows and meters - and that their conclusions were that equipment read too low and that the flows were much greater than what has been reported. A discussion ensued, with a question raised from Kuhn, as to what the Board will do to ensure that these flows are measured accurately. Kuhn requested an explanation as to why Granada's flows, Half Moon Bay's and Montara's flows have decreased from last year. Chairman Giddings suggested checking the flow monitoring system again.

Manager Heaslet stated that SAM had found through re-calibrations, double-checking, and currently with a double system running, that SAM was unable to verify any previous studies. All SAM could do was to determine that all SAM readings now published were considered accurate. He went on to explain the temporary problem with previous flow reporting had been corrected, with Don Baker reporting there was about a twenty percent (20%) error at the time of the first Montara Sanitary District Study.

MONTHLY REPORTS: (continued)

Manager Heaslet stated that last year's (1986) Daily Dry Weather Flows were higher than normal because of a very wet spring. This year we are in a very dry period so the Average Daily Dry Weather Flows are going to be lower. SAM has also put forward the possibility that since there are a lot of wells being drilled in the Granada area, they could have drawn down the water table, taking it down below the level of sewer lines, which would eliminate some infiltration. Manager Heaslet went on to explain that the measuring system is what the engineers designed and had installed, and that SAM has been running with it for four (4) years. SAM now has double the ability to track the accuracy of the system with new recording devices. As soon as we have our radio alarm system on line, with it's ability to give us data, SAM will be able to triple-check the accuracy of the flows measurement. Manager Heaslet stated that SAM was willing to do whatever the Board might recommend for further checking the measurement of flows.

Superintendent Valladao explained to Director Kuhn the 43,000 gallon difference from last year's report of flows for Granada Sanitary District stemmed from last year's dry weather period closely following a wet weather period. The dry weather flows can be affected by the level of the ground water, and the level of ground water throughout the dry weather period is affected by the wet weather period before. A discussion between Board members ensued.

Manager Heaslet stated that SAM has had three (3) engineering firms look at the flow measurements, had a fourth engineering firm design the measuring system, and they all seem to be agreeing with SAM's figures. SAM doesn't know what else can be done. Superintendent Valladao ensured that the double-check system, will be running indefinitely. Manager Heaslet stated that SAM staff is now calibrating meters monthly, that an outside calibration expert will do them quarterly, and we will have the dual system running parallel indefinitely. The third system will be added when we can take analog off our radio alarm system. These are all improvements since the temporary twenty percent (20%) error, and it is hoped SAM has done enough to ensure the Board as accurate reporting as can be done, including on-going calibrations. Chairman Giddings requested a copy of our Flow Meter Maintenance Program Report, which is presently being written.

Manager Heaslet briefly described both the Collection Systems Activity Report, noting the number of sewer lines being cleaned is less, due to being short one man. SAM now has an additional person to help out temporarily. Regarding the NPDES Report, - there were eight effluent violations, described in detail in the report. The Regional Board is not really concerned with these types of violations, realizing that we are just about operating at capacity. The Board requested pictures of the filamentous organism that has infiltrated the system, causing the violations to occur.

STAFF REPORTS/NEW BUSINESS/OLD BUSINESSA. Management & Operations Study

General Manager Heaslet stated that SAM had mailed out RFP's for the Management & Operations Study, to eleven (11) firms, and the following four (4) firms had responded: (1) Brightbill & Company, (2) Black & Veatch, (3) Metcalf & Eddy, and (4) Envirotech Operating Services, Inc. These responses had been sent to the Committee Members for their review/recommendations.

Shapira stated that she noted the price range varied from approximately \$5,500.00 to \$32,000.00 for the study to be conducted. She also thanked Manager Heaslet for his timely response in getting the RFP's out so quickly.

Beer stated that the Committee had not had enough time to review in detail the proposals received. Chairman Giddings requested that the Committee review the proposals, looking into budget limitations, and decide if they wanted to move forward. Bedesem suggested that each SAM Board member go back and talk with their respective Boards. It was decided that the SAM Board Representatives would go back to each member agency for review. The Sam Board was not ready to make a decision with regard to this subject without member agency input. Manager Heaslet made the recommendation to the Board that the funds for this study be taken from the contingency reserve.

B. Additional Personnel - Request For Reconsideration

General Manager Heaslet requested that the Board review his letter to Montara Sanitary District dated October 23, 1987 - subject being Operational & Collection Budget Assessments vs. Budget Payments, and Montara Sanitary District's letter to SAM dated October 20, 1987.

The Board recessed the meeting at 8:32 P.M. to review these letters. The meeting was called back to order at 8:40 P.M.

A lengthy discussion ensued, with Montara Sanitary District Representative Virgil Willis, along with Chairman Giddings, stating that Montara Sanitary District has not been receiving Extended Services as promised in the forthcoming contract between MSD and SAM. Reports had not been received as promised (verifiable inspection records; historical reviews of every pump station and every line in the system; preventative maintenance records in both summary and detail form, etc.) and therefore MSD could not justify payment for services not being received.

Manager Heaslet stated that MSD presented a contract proposal to SAM for Extended Services. It was reviewed, some changes were made and the contract was due to come back to SAM for signatures after review by SAM's Legal Counsel. The only thing holding up the process was the fact that the personnel required to achieve these extended services to MSD had not been approved by the SAM Board - so the contract was being held for signature at this time.

B. Additional Personnel - (continued)

Manager Heaslet went on to state that MSD had requested the upgrading of lift stations and that SAM had complied by first obtaining Board approval and then hiring a full-time Mechanic for these services. SAM was still awaiting Board approval to hire a Clerk II, to administer the work accomplished by the Mechanic into reports for MSD.

Chairman Giddings stated that if the services requested were being received as previously agreed to, the charges would be paid for accordingly. Manager Heaslet again stressed that the Clerical position required by SAM had to this date, not been approved, therefore, the administrative services requested could not be performed.

A lengthy discussion ensued with Director Kuhn pointing out that GSD also required some extended services from SAM (permit processing and plan reviewing) but they had turned the work over to GSD's engineer. Kuhn stated that the Engineer was much too costly to GSD and if the hiring of a Clerk II would ensure these services being provided by SAM, that he recommended the SAM Board to move ahead and authorize the hiring.

Director Shapira made the motion that a 1/2 time Permanent Clerk be approved for the Collection System Budget. Kuhn seconded the motion. After a discussion, Shapira requested that this motion be withdrawn, so that a substitute motion could be made. Director Bedesem made the substitute motion that the Board approve a Full-time Temporary Clerk II Position, with one-half of the personnel's time being designated specifically to Collections and that after the Management Review Study was completed, SAM's General Manager Heaslet was to decide when he wanted to place the Clerk II on full-time Permanent basis. Retroactive benefits and tenure of position were to be at the discretion of General Manager Heaslet. Kuhn seconded the motion. The motion was voted upon as follows: Giddings, AYE; Shapira, AYE; Bedesem, AYE; Beer, NO; Kuhn, AYE; Schuetrum, AYE.

Manager Heaslet then requested the Board review the position of Industrial Waste Inspector/Lab Technician, explaining to the Board that it wouldn't be practical to hire someone temporarily to fill this complex-type position. Manager Heaslet then requested the Board's approval to proceed with the hiring process for this position, because it would take a month or two, during which time the Management Review Study would be in process. SAM would not hire an Industrial Waste Inspector/Lab Technician without the prior approval of the Board. Director Shapira made the motion that Manager Heaslet be allowed to start the hiring process, with the final outcome of this position to be decided by the Management Review Study. Director Schuetrum seconded the motion. Shapira added to the motion that any announcement for this position must clearly state that the actual hiring for the position required prior approval of the SAM Board of Directors. Schuetrum seconded this addition to the original motion. A vote was taken upon this motion as follows: Giddings, AYE; Shapira, AYE; Bedesem, AYE; Beer, ABSTAINED; Kuhn, AYE, Schuetrum, AYE.

C. 1. Agreements with Each Member Agency Related to the Transfer of Member Agency Facilities to SAM

General Manager Heaslet described that SAM's Legal Counsel had rewritten Item 5 of the Agreement to be more specific. This rewording was discussed with Granada Sanitary District's Legal Counsel, who indicated that the Agreement was now acceptable to GSD. Manager Heaslet requested the Board consider approval of a Resolution that had been written to agree with the revised Item 5 wording and asked that the Board approve this Agreement at this time. Legal Counselor Copeland briefly clarified the revision to the Board for their information. Director Kuhn moved that said Agreement regarding GSD Transfer of Member Agency Facilities to SAM be approved, and Director Shapira seconded this motion. The motion was voted upon as follows: Giddings, AYE; Shapira, AYE; Bedesem, AYE; Beer; AYE, Kuhn, AYE; Schuetrum, AYE.

C. 2. Credit Payment - Montara Sanitary District

A discussion between Board Members ensued regarding Montara Sanitary District's Credit repayment to SAM, which resulted in a motion made by Director Kuhn for the approval of the Resolution adopting MSD Agreement to pay SAM in three (3) equal annual payments, starting July 1, 1988, with interest accumulating from December 31, 1987, and with the option to make payment in full anytime. Beer seconded this motion. A vote was taken as follows: Giddings, AYE; Shapira, AYE; Bedesem, AYE; Beer, AYE; Kuhn, AYE; Schuetrum, AYE.

C. 3. Allocation of Capacity

General Manager Heaslet asked if the Board wanted to discuss allocation of capacity. After a brief discussion, Legal Counselor Copeland recommended that each Board member request from their respective Counsels, information as to how they want to resolve the capacity issue.

D. Joint Powers Agreement - Rewrite Request

It was decided among Board Members present that this item would be placed on February 1988's Agenda.

E. Conflict of Interest Policy Clarification

Manager Heaslet requested clarification from the Board as to whether they would like to see the alternate Board Members file Conflict of Interest Statements. Kuhn made the motion that we leave this as it has previously been done, with just Board Members filing. Giddings seconded the motion. The motion passed by unanimous approval.

F. Legal Counsel Costs - CASA Conference Attendance

After a brief discussion, it was moved by Bedesem and seconded by Shapira that SAM pay its share of costs for Legal Counselor Copeland to attend CASA conferences quarterly or as he deemed necessary.

G. Preliminary Budget - Step 1 - Phase II - Plant Expansion

Manager Heaslet explained the Preliminary Budget to the Board, outlining the payments which have all been approved, and those costs which still must be paid. He stated that this report identified what has been done so far under Step 1 of the Preliminary Phase of Plant Expansion. The Board should address how they want each member agency charged, outside the budget?; have costs come out of reserve?; etc. Otherwise the costs will be billed to the member agencies as they come due.

H. Industrial Waste Program Proposed Ordinance

This item was decided among both staff and Board Members to be placed on November's Agenda.

I. Final Assessemnts - Based on Twelve (12) Months Actual Percentage

Manager Heaslet explained that this memorandum was mainly for the Board's information, stating that assessments are originally calculated from eight (8) months' actual flow data and then adjusted to the actual twelve (12) month flow data. This document presented in the packet reflects adjustments made and final assessments stated therein.

INSURANCE:

Manager Heaslet advised the Board Members that at the next CSRMA meeting they are going to be offering additional types of insurance. When these offerings are presented, the information would be presented to the Board for their consideration and review. The Board requested a copy of the letter pertaining to this subject to be included in November's packet.

FINANCIAL:

The Financial Statements for the Period Ending September 30, 1987, were briefly reviewed and identified as self-explanatory. Manager Heaslet did state that we did receive our first check for the interest earned on our investment in LAIF in the amount of \$1,694.22.

Manager Heaselt noted that some of the assessemnts in the Financial Statement Receivables section showed up a little short due to the billings for these assessments not being mailed out at the time of this report. Once these



FINANCIAL (continued)

billings have gone out, there would be some additional monies showing in this category on next months's financial statement.


Chairman Giddings questioned SAM Treasurer Beer as to whether he was satisfied with the financial reporting format. Beer stated that the format was satisfactory, but he would like to see in writing or hear a verbal report on the large variances of amounts budgeted vs. amounts actually spent as reported in these financial statements.

The meeting was duly adjourned at 10:55 P.M.

Respectfully submitted,

  
Jeannette L. Tracy  
Recording Secretary

APPROVED:

  
Darrell A. Kuhn  
SAM Secretary