

M I N U T E S

SEWER AUTHORITY MID-COASTSIDE

Regular Board Meeting of December 28, 1987

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

The Meeting was called to order at 7:35 P.M. by Chairman Giddings.

BOARD OF DIRECTORS ROLL CALL:

Present: Schuetrum, Bedesem, Shapira, Patridge, Giddings
Alternate: Okonek
Absent: None.

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

APPROVAL OF MINUTES: Director Schuetrum stated that the GSD Board was in concurrence with the cap of \$5,000 for the Management Study, not \$5,500 or more as stated by Director Kuhn and reported in the Minutes of the November 23, 1987 meeting. With this point of clarification, Director Giddings moved that the Minutes of November 23, 1987 Meeting be so approved, and was voted upon as follows: Schuetrum, AYE; Okonek, Abstain; Bedesem, AYE; Shapira, AYE; Patridge, Abstain. The motion carried and Minutes so approved.

ALLOWANCE FOR CLAIMS: Director Schuetrum moved, and it was seconded by Director 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 \$179,874.47. The motion was unanimously approved.

INFORMATION CALENDAR:

A. For Approval: Director Bedesem moved that the Mileage/Expense Statement for W. S. Heaselt in the amount of \$402.79 and the Mileage/Expense Statement for G. R. Valladao in the amount of \$28.80 be so approved for payment as presented, which was seconded by Director Schuetrum. The motion was then unanimously approved.

B. For Information:

1. (HMB) (11-18-87) Notice of Reorganization - City Council
2. (CASA) (12-02-87) Governor's Nomination of S.F. Bay As Estuary
3. (CASA) (11-25-87) "Tri-Tac" Minutes of October 9, 1987
4. (CASA) (12-11-87) "Tri-Tac" Minutes of November 12, 1987
5. (CASA) (12-01-87) "Tri-Tac" Organizational Chart
6. (CASA) (12-21-87) "SWRCB Non-Point Source Mgmt. Advisory Committee - Tri-Tac Representation
7. (State of CA) (11-01-87) Local Agency Investment Fund Statement for November 1987
8. (EPA) (12-03-87) Grant Amendment
9. (SAM) (12-21-87) Ltr to County Environmental Health Re: Anti-Freeze in sewer systems
10. (SAM) (12-21-87) Ltr to J. Copeland Re: By-Laws developed for MSD

Item No. 6 Director Bedesem extended her congratulations to General Manager Heaslet for his appointment to SWRCB Non-Point Source Management Advisory Committee.

Item No. 8 Legal Counselor Counselor Copeland questioned Manager Heaslet as to whether all was well with the Grant Amendment. Manager Heaslet explained that we are in the final step of Project Unit 3, where EPA amended the Grant to match the actual costs of the approved final figures. This letter from the EPA is just to keep SAM informed that they agree with our figures.

Item No. 9 Director Shapira expressed concern as to how Anti-freeze affected our system, particularly with the filamentous organism problem we have been having, could this be a contributor to that problem? Manager Heaslet explained that the letter to Ms. Goldberg was in response to the County Health Departments' request as to how each of our member agencies ordinances addressed the question of allowing or disallowing Anti-Freeze into their sewer system. Director Bedesem made the suggestion that we ask the County what type of ordinance they have to this regard. Through further discussion it was confirmed that SAM and its Member Agencies do not allow Anti-Freeze into their sewer systems.

Item No. 10

Chairman Giddings confirmed with Legal Counselor Copeland and Manager Heaslet that the proposed By-Laws by Montara Sanitary District will be on the January 1988 agenda for further discussion.

It was moved by Director Bedesem, and seconded by Director Patridge that Items 1 through 10 on the Information Calander For INformation be so approved as presented. The motion was unanimously approved.

PERSONNEL:

Manager Heaslet explained that James Bellah has received a Certificate of Competence in fullfilling requirements to become a Grade I Wastewater Treatment Plant Operator and Wilmas Frank has completed the requirements to achieve Grade I Laboratory Technologist.

Manager Heaslet discussed with Chairman Giddings the upcoming retirement plans of Gino Magri, who will be retiring on his anniversary date in February 1988, and whose position has been filled temporarily by Pat McGowan.

MONTHLY REPORTS:

Manager Heaslet briefly reviewed the NPDES Self-Monitoring Report to the Regional Water Quality Control Board, which showed there were no overflows, bypasses, or mechanical problems. He explained that operations went very smoothly during the month of November. The Monthly Flows Report was presented as being self-explanatory, as was the Collection Systems Basic Activity Report. Manager Heaslet presented the Lift Station Maintenance Report for the months of July, August, September, October and November. This report is in accordance with the Extended Services Contract. Gary Valladao explained the report to the Board.

STAFF REPORTS/NEW BUSINESS/OLD BUSINESS

Manager Heaslet presented Resolution No. 15-87 for Recognition of Service by Darrell A. Kuhn; Director Bedesem so moved that this Resolution be approved and presented to Director Kuhn. The motion was seconded by Director Shapira and unanimously approved.

Director Bedesem recommended thru motion that Secretary Pro-Tem for this meeting be Viola Schuetrum, and Treasurer Pro-Tem be Susan Shapira. The motion was seconded by Director Patridge and unanimously approved.

The Kennedy/Jenks/Chilton schedule of charges and standard conditions was presented by Manager Heaslet to the Board for their approval. This proposal was presented to set the rates for work done by Kennedy/Jenks/Chilton, should it become necessary to use this firm for future Engineering Services. After a brief discussion, it was decided by Board Members that the proposal should not be approved at this time. Staff advised the Board that they could work without the proposal. It was decided to drop the matter as not being necessary.

SAM MANAGEMENT AND OPERATIONS STUDY

It was reported by Chairmain Giddings that the original committee selected for this study have since left the Board of Directors and a replacement Staff Committee has since been formed consisting of Mark Weiss for the City of Half Moon Bay, Virgil Willis for Montara Sanitary District, and Kamil Azoury for Granada Sanitary District.

Director Bedesem raised the question to fellow Board Members present as to whether the Board wants to proceed with this study, as the cost would cover the hiring of additional personnel requested, which started this Management Study. Director Schuetrum stated she felt that the Study would be a waste of time and money, that SAM was too young, personnel was only with SAM for a short time, and that she is most pleased with Director Bedesem's question. Director Schuetrum feels the Board should take second looks at having this study done, and reconsider the whole thing. Chiarman Giddings stated that he felt the study should be gone ahead with, as the Board Members needed to look at SAM's management structure for more proficiency. Director Okonek stated that Former Board Member Kuhn related to her that it was his feeling that SAM was managed very well, and that he didn't feel the study was necessary.

After a brief discussion, Director Bedesem suggested copies of the RFP and pertinent back-up documents be mailed to Board Members and placed on January's Agenda for approval or disapproval at that time. Manager Heaslet concurred with this, stating that he would put this material together with a cover letter to Board Members and mail or hand-deliver these packets to each Board Member.

AGREEMENT FOR MAINTENANCE AND OPERATION SERVICES WITH EACH OF THE MEMBER AGENCIES

Manager Heaslet presented this proposal to the Board for their review and Board Members respective Legal Counsel review. He asked if the general concept be agreeable or if any corrections are requested, the Board could discuss this at the Regualr Sam Board Meeting in January, and act on the matter at that time.

Director Bedesem suggested that the word "purveyed" should be changed to "conveyed" on Page One (1) of this proposal. Also, in the first paragraph of Page Four (4), there should be a specific time stated where the cost savings would be dealt with, i.e., annually, semi-annually, etc. Manager Heaslet stated we are set up to do this annually, and that it was a good point to be stated in the proposal.

Director Bedesem also stated she wasn't pleased with the arbitration clause in this proposal, as disputes should involve a member from an unbiased party, not people from a member agency.

Chairman Giddings suggested that this matter be held over for further discussion and review at SAM's Regular Board Meeting in January 1988.

INTEREST CHARGES FOR DELINQUENT ASSESSMENT PAYMENTS

Manager Heaslet requested the Board's policy on Interest Charges to Member Agencies who were delinquent in payments to meet assessment requirements. A lengthy discussion ensued, with Chairman Giddings recommending that this matter be held over to the SAM Regular January Board meeting, which will be after MSD meeting with SAM on January 6, 1988.

FINAL PAYMENT REQUEST

Manager Heaslet explained the final payment request for the Outfall Project excluding Claim in detail to Board Members, giving a background picture on the events that occurred since the beginning of Project Unit 4, Ocean Outfall. He stated that the State has indicated that they would not alter SAM's eligibility factor. The Board was advised that the \$443,672, exceeds our grant. SAM has asked that the State give us favorable consideration for all of the eligible costs in our final payment request, and adjust it by whatever is necessary to keep it within the current confines of the grant. They have been asked to automatically request an amendment to our grant to include the additional costs. Our pay request is about \$100,000 over the balance of the grant. If the State does do what they have indicated, SAM may be receiving a check for about \$300,000 within the next thirty to sixty days. Within the next several months, we should be getting a response from the Colonel of the Army Corps of Engineers. We have been advised to expect it to be as negative as the first consideration. Manager Heaslet explained that we have two steps left in our appeals process. The first to go to EPA Region Nine. If that fails, we still have a final reconsideration in Washington, D.C. A discussion between Board Members and Staff ensued.

NOMINATION FOR TREATMENT PLANT OF THE YEAR AWARD

The Application and Questionnaire for this award was explained to Board Members by Manager Heaslet as he advised that SAM has again been nominated

for the award for the second year in a row. Board Members requested copies of California Water Pollution Control's San Francisco Bay Section's check-off list that they use in grading which treatment facility should be chosen for this award.

Manager Heaslet stated that the examination for this award comes up in the middle of January and SAM would learn sometime shortly after that as to whether we have won this award or not.

INSURANCE

Manager Heaslet described and presented the entire Insurance Package as offered by CSRMA and requested the Board to give consideration at this time to the different policies. After considerable discussion, Director Bedesem moved that Staff recommendations as presented on Page Four (4) of W. S. Heaslet's memo dated December 17, 1987, be so approved, with an addendum to the first page of this same memo, changing the total cost for Liability Insurance for 1988 to \$36,000 from \$33,350. Director Okonek seconded this motion. A vote on this motion was taken as follows: Schuetrum, AYE; Okonek, AYE; Patridge, AYE; Bedesem, AYE; Shapira, AYE; Giddings, NO.

CSMRA INFORMATION

Manager Heaslet presented the Quarterly Claim Report for CSMRA to the Board to add assurance to the Board Members that CSMRA is a financially sound organization.

FINANCIAL

The financial reports ending November 30, 1987 were presented as self-explanatory. With regard to the adjustment required on the Collection Systems Report under Contractual Services, Director Patridge questioned the removal of \$5,635 that applied to last fiscal year. After a brief discussion with Staff, it was agreed that Director Patridge could contact either John Parsons, or John Peters, SAM's Auditors, to explain this change in detail.

PUBLIC COMMENTS

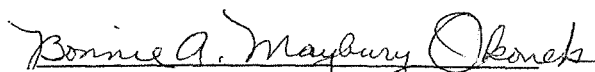
There were no comments from the public in attendance. Chairman Giddings suggested that Public Comments be placed on each Agenda before the Approval of Claims Section, which is at the beginning of every meeting.

A motion by Director Bedesem, which was seconded by Director Patridge, adjourned this meeting at 10:35 P.M.

Respectfully submitted,


Jeannette L. Tracy
Recording Secretary

APPROVED:


Bonnie A. Maybury Okonek