



**Montara Water  
and Sanitary District**  
*Serving the Community of Montara and Moss Beach*

P.O. Box 370131  
8888 Cabrillo Hwy  
Montara, CA 94037-0131  
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*To sensitively manage the natural resources entrusted to our care, to provide the people of Montara - Moss Beach with reliable, high – quality water, wastewater, and trash disposal at an equitable price, and to ensure the fiscal and environmental vitality of the district for future generations. Be open to providing other services desired by our community.*

# AGENDA

## **District Board of Directors**

8888 Cabrillo Highway  
Montara, California 94037

**September 5, 2019 at 7:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

**PRESIDENT'S STATEMENT**

**ORAL COMMENTS** (Items other than those on the agenda)

**PUBLIC HEARING**

**CONSENT AGENDA**

**OLD BUSINESS (None)**

**NEW BUSINESS**

1. [Initial Evaluation of Sewer Authority Mid-Coastside Organizational Improvement – Receive Presentation by Wastewater Management Specialists, LLC.](#)
2. [Review and Possible Action Concerning Special Meeting September 12, 2019, and Cancellation of Regular Scheduled Meeting September 19, 2019.](#)

**REPORTS**

1. Sewer Authority Mid-Coastside Meetings (Slater-Carter).
2. MidCoast Community Council Meeting (Slater-Carter).
3. CSDA Report (Lohman).
4. LAFCo Report (Lohman).
5. Attorney's Report (Schricker).
6. Directors' Reports.
7. General Manager's Report (Heldmaier).

## **FUTURE AGENDAS**

1. Collections Contract Status Update
2. Action Minutes Review

## **CONVENE IN CLOSED SESSION**

### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(2))  
Significant Exposure to Litigation  
Number of cases: 1

### **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code §54956.9(d)(1))  
Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.*  
(Santa Clara County Super. Ct. No. 17CV316927)

### **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

(Government Code §54957(b)(1))  
Title: General Manager

## **REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY**

## **ADJOURNMENT**

The District has a curfew of 10:30 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.

NOTE: In accordance with the Government Code, members of the public may address the Board on specific agenda items when the matter is discussed by the Board. Any other items of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. Upon request, this Agenda will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or accommodation in order to participate in the public meeting should be made at (650) 728-3545. Materials related to an item on this Agenda submitted to the Board after distribution of the Agenda Packet are available in the District Clerk's office during normal business hours. Such documents may also be available on the District's web site ([www.mwsd.montara.org](http://www.mwsd.montara.org)) subject to staff's ability to post the documents before the meeting.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **September 5, 2019**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Initial Evaluation of Sewer Authority Mid-Coastside Organizational Improvement – Receive Presentation by Wastewater Management Specialists, LLC.**

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The Sewer Authority Mid-Coastside (SAM) board of directors received a report suggesting SAM organizational improvements by Wastewater Management Specialists, LLC. The SAM board indicated interest to move forward with the provided suggestions. The associated cost for the processes will require a budget amendment from SAM, or other form of member agency approval. Principle Dan Child was asked to present the initial evaluation to all member agencies boards.

## RECOMMENDATION:

Receive presentation about the initial evaluation of SAM organizational Improvements.

Attachments



# Sewer Authority Mid-Coastside

INITIAL ORGANIZATION & MANAGEMENT EVALUATION AND NEXT STEPS

WASTEWATER MANAGEMENT SPECIALISTS LLC

AUGUST 26, 2019

# Sewer Authority Mid-Coastside

## ▶ TEN CATEGORIES OF FINDINGS:

- ▶ FINANCES
- ▶ TRUST
- ▶ BOARD
- ▶ JPA
- ▶ SAM MANAGER
- ▶ COLLECTIONS
- ▶ SAM MANAGEMENT
- ▶ STAFF
- ▶ WASTEWATER TREATMENT PLANT
- ▶ RECYCLED WATER

# Sewer Authority Mid-Coastside

## FINDINGS

- ▶ **FINANCES** - Finances/Audit/Budget (Format – Separate CIP, O&M, Environmental Compliance/Collections & Admin needed - and Budget Process Improvements) / Internal Controls / Insurance (insuring non-SAM vehicles?) / Finance signatories / Adequate Funding for CIP, O&M, (need to better define all and staff perceives a lack of available funding for needed maintenance updates and replacements / Lack of Transparency
- ▶ **TRUST** – Perceived or real – Board vs. Staff, Staff vs. Board, Staff vs. MAs , MAs vs. Staff, Board vs. Board. Trust – Has to start at the Board and SAM staff level. Need Ownership, not buy-in at all levels. MAs will learn to trust SAM based on interaction and performance – and vice versa. Top Down – Board is the first level and sets the tone. EPA and the State view SAM as one entity – it is not multiple entities in their minds.

# Sewer Authority Mid-Coastside

## FINDINGS

- ▶ **BOARD** – Policy Makers (not implementors), Vision setters (i.e. Sea Level Rise – Provide Staff Direction to investigate and report back). Desire to revise minute format. Retreat – Organizational Strategic Plan Development and Implementation Strategy? Need to do what is best for SAM while meeting needs of individual MAs.
- ▶ **JPA** -“ Joint Powers Agreement is OK and a good document” / “ Joint Powers Agreement is very old and does not address the current needs of the Authority” (many more felt this way) / “ JPA needs judicial review to clarify” / MAs had agreed to a JPA re-write but it stopped when the lawsuit started. / “ It is important for the coastside for SAM to maintain its independence.”
- ▶ **SAM MANAGER** – Some technical understanding is needed but does not need to be a Grade V Operator or an Engineer, Must have experience and skills to manage a JPA, bring unity, communicate openly, provide transparency and interact well with MAs and Staff.

# Sewer Authority Mid-Coastside

## FINDINGS

- ▶ **Collections** – Should SAM be in the Collections Business? / Current practice of 1-year contracts is absurd – Need to be able to plan needs, hire staff and amortize equipment over longer periods of time (5 years is absolute minimum). / Deferred maintenance and replacement / CIWQS reporting needs better coordination / SAM needs to provide detailed monthly reports of cleaning – what was done, what was found, recommendations for future repairs or immediate needs. / “SAM’s primary job is to prevent spills – it has gotten better over the past 3 years and the last manager was able to motivate and train staff to make that happen” / Develop a Pressure/Vacuum Relief Valve maintenance program and related SOPs
- ▶ **SAM Management Staff** – O&M Supervisor is overworked and always here. / Hard to delegate. All Management staff need to be on site at least 40 hours per week. / Need private office space (cubicles are too open for management and allows too much interruption and lack of privacy when dealing with confidential items. / Must develop and document needed policies, practices, procedures (SOPs) for the entire organization (See PCMP later). / Need stability – constant change of approach creates conditions where it is nearly impossible for the organization to ever reach a point of stable operations. / Succession Planning and funding is at a critical stage



# Sewer Authority Mid-Coastside

## FINDINGS

- ▶ **Staff** – O&M levels are perceived by SAM staff to be low (if someone is out it is real bad), Skills, (they want to do a great job and try their best, but most are young and need training), Wages (need a Staffing Evaluation and Plan, and a Total Compensation Study, to allow recruitment and retention of qualified staff), Training (need a program and time) and Succession Planning (key long-term personnel are retiring now or planning to in next 10 years and is at a critical stage) / Loss of institutional knowledge could be catastrophic – the technical knowledge is likely more critical than the administrative or political) / Administration levels are seen as high by some, but admit they do not know the exact demands / There is significant internal turmoil between some SAM Management/Supervision and staff – potential major issues that need to be addressed before they become significant. / “Need at least 3 mechanics” / “Kishen does a lot of projects but is underfunded and there is no O&M staff to support the projects” / “Recruitment with the one-hour call-out response requirement makes it very difficult to hire talented staff and being “on-call” is stressful for all” / Need to evaluate the org chart, including contract services, to evaluate the needs of the organization and the best structure to meet those needs.

# Sewer Authority Mid-Coastside

## FINDINGS

- ▶ **Wastewater Treatment Plant** – Thorough Evaluation of Updating Needs / Contract Ops is not the answer but approach as a hybrid Contract Ops and Municipal / ROI does not generally drive municipal decisions – mandated to provide service and want to do it in the most cost-effective manner over the long run. / Do not run to failure - Deferred maintenance is endemic! / Be proactive, not reactive to plant and collection system needs – will save a ton of money in the long run / Evaluate impact and cost/benefit ratio for on-site flow equalization. Also, does HMB need storm Flow Equalization? / Significant lack of redundancy throughout plant processes and equipment. / Need to clean #1 Digester ASAP
- ▶ **Recycled Water** – Golf Course, Coastside County Water District, City of HMB and SAM need to work together / Golf Course can likely use 100% of ADWF production, but wet weather use or storage is a question / Needs to be done ASAP / Coordination between agencies / Do “Scalping Plants” make any sense?

# Sewer Authority Mid-Coastside

- ▶ NEXT STEPS
- ▶ Culture Change at All Levels of SAM and Bring Member Entities Along
  - ▶ Time – Decades to get here, change will take 2 to 5 years
  - ▶ Intertwined – All ten issues are linked together in various ways
    - ▶ Finance Stands out as needing focus
    - ▶ All need immediate attention and efforts to resolve are linked and will work together
  - ▶ Leadership
    - ▶ Board Opportunity – Things I heard from you
    - ▶ Past is Past
    - ▶ Move Forward and Build
  - ▶ Trust
    - ▶ Must be built between Board, SAM Staff and Member Agency Staff – in all directions.
    - ▶ Requires open communication, transparency, compromise, performance, honesty and a lot of WORK!

# Sewer Authority Mid-Coastside

## ▶ NEXT STEPS

- ▶ Finances – Is the one defined area that needs immediate and direct attention
  - ▶ Audit(s)
    - ▶ Work Directly with Auditor and SAM Finance Staff to conclude past due audit and current year audit
    - ▶ Must Complete work on last audit and complete current FY audit by the end of the calendar year
    - ▶ Is a Forensic Audit Needed?
      - ▶ Not routine at Government Agencies
      - ▶ Extremely time consuming
      - ▶ Unless there is evidence to suggest the need, is it a wise expenditure?
        - ▶ Suggest evaluating audit outcomes prior to decision

# Sewer Authority Mid-Coastside

## ▶ NEXT STEPS

### ▶ Finances continued

#### ▶ Budget

- ▶ Separate Budgets for various categories (i.e. O&M, Administration, Collections, environmental Compliance, Capital Improvement Program)

- ▶ Timing and Review Process (i.e. Development, Review by MA Managers, Board Finance Committee, Full Board)

- ▶ Approval - Provide at earliest possible time with full support documentation

- ▶ Past Billing Discrepancies/Disagreements - Need to resolve past differences and move forward

- ▶ Policies – Multiple are Needed or Need Updating (Reserves, Stale Checks, Budget, etc.)

# Sewer Authority Mid-Coastside

## ▶ NEXT STEPS

### ▶ Software

- ▶ Tyler is well known and used widely in various forms
- ▶ SAM should move forward and continue to build it
  - ▶ Within Reasonable Cost and Impact
  - ▶ Provide training not only for SAM staff, but as applicable, others that may benefit
  - ▶ Find and Coordinate training as needed for staff

### ▶ Evaluate Staff Assignments and Abilities to Make Best Use of Talents

- ▶ Accounts Payable
- ▶ Accounts Receivable
- ▶ Other

# Sewer Authority Mid-Coastside

## ▶ NEXT STEPS

### ▶ Leadership

- ▶ Starts with the SAM Board
- ▶ Address Big Issues First and Globally
  - ▶ Finance
  - ▶ Trust

### ▶ Team Work

- ▶ Listening
- ▶ Ownership
- ▶ Trust, Trust, Trust, Trust (Book – The Speed of Trust)

# Sewer Authority Mid-Coastside

- ▶ Sewer Authority Mid-Coastside can be fixed.
  - ▶ The Board is taking the first steps
  - ▶ Audits can and should be figured out within 120 days
  - ▶ New Budget process will be implemented this year and reformed/updated in coming years (Open Gov)
  - ▶ Communication is absolutely critical – providing information and listening are equally important on both sides of the table
  - ▶ Compromise is always part of communicating – Working with SAM Staff, MA Managers and Staff, and the SAM Board of Directors the program will be successful and SAM will be changed forever!



# Sewer Authority Mid-Coastside

- ▶ Sewer Authority Mid-Coastside can be fixed.
  - ▶ Need a SAM-wide Process Control Management Program (PCMP)
    - ▶ Not only for the treatment process, but also for management of the agency as a whole
    - ▶ Plant O&M, Collections O&M, Finance, HR, PR, Engineering, Inter-agency actions (MA discussions, budgets, projects, agendas, etc.)
    - ▶ PCMP is a living documented program that provides a means of involving all affected parties in the decision-making process while still respecting chain of command and established roles (there is often some compromise involved at all levels!). The output of a successful PCMP is the definition of practices, policies, standard operating procedures, implementation and involvement of all. It is a full-time, two plus year process to design, implement and train everyone involved.
    - ▶ The successful PCMP will change SAM into a leader not only the wastewater industry, but in the world of successful government operations.
    - ▶ Through the PCMP process and use, the challenges of trust and communication with all involved in SAM will improve and provide transparency as the process is used.

# Sewer Authority Mid-Coastside

## Process Control Management Program

- ▶ Addresses all items previously identified by the Board related to work to be performed by Wastewater Management Specialists LLC (WMS):
  - ▶ Will Provide Maximum Organizational Effectiveness and Efficiency
  - ▶ Will Provide current Policies and Procedures for all facets of SAM's duties
  - ▶ Will provide an effective and efficient organizational structure, staffing levels/assignments. compensation and Succession Planning
    - ▶ WMS will provide staff levels, organizational structure and succession evaluations/recommendations
    - ▶ Requires the use of additional specialists to perform total compensation survey
  - ▶ Will provide defined roles for involvement, responsibilities and decision making authority between SAM and Member Agencies
  - ▶ Will develop and provide training on standard procedures to Board and Staff regarding interaction and direction

# Sewer Authority Mid-Coastside

- ▶ Other Items to Accomplish:
  - ▶ Provide assistance in hiring of new SAM Manager
    - ▶ Find a person that has the traits identified by the Board and the desire to raise SAM to a new Standard of Excellence through trust, teamwork, communications and trust!
    - ▶ Once hired, work side by side with Manager to implement the strategies identified by the Board
    - ▶ Succession Planning and Funding must be addressed soon
  - ▶ Work closely with the SAM Engineer and Engineering Consultants to provide high level expertise specifically from the Operations and Maintenance side of the industry in the design and construction of needed improvements to the treatment plant and collection system
    - ▶ Expertise is available in O&M applications, process improvements, constructability, construction inspection, start-up, commissioning, training, Instrumentation and Control, Odor and Corrosion Control, maintenance and accessibility, etc.

# Sewer Authority Mid-Coastside

- ▶ Other Items to Accomplish:

- ▶ Recycled Water

- ▶ Work with SAM Staff and Board and MA Managers to achieve the best possible recycled water system outcome possible.

- ▶ Develop and implement common goals

- ▶ Work with end users (golf course and potentially others for wet weather needs)

- ▶ Work with other affected parties, environmental groups, nature groups, homeowners, etc. to ensure their needs and thoughts are heard and addressed in ways that enhance the program and lessen impacts to the greatest extent possible.

- ▶ Work with the local water distribution agency to ensure the benefits of recycled water are a benefit to them and their users as well

- ▶ Work with regulatory agencies to ensure the system meets the needs of the end users and the regulators

- ▶ Get the Recycled Water designed and constructed in a timely manner to lessen the impacts of upcoming dry weather and potential drought

# Sewer Authority Mid-Coastside

## ▶ Timeline:

- ▶ There are no specific reports or deadlines associated with this work. This is very much a work with many moving parts and multiple goals that are interactive and entwined with each other. A monthly report will be provided to the Board of all completed work and work expected to be addressed in the coming month(s).
- ▶ The Financial aspects are a priority that will be addressed as we move forward with development and implementation of the Agency-wide Process Control Management Program addressing plant operations, collections system operations, finance, administrative processes, recycled water, succession planning, training, staff/board interaction, BMPs and the plethora of other items that will be needed to lift out of the current situation and raise it to organizational excellence!
- ▶ It is expected to take 28 months of full-time effort to address these issues and have programs in place that allow SAM to continue into the future with programs, policies, practices, procedures, attitudes, communication channels and staff in place and trained to continue forward as an agency that is well managed, organized, productive and efficient.

# Sewer Authority Mid-Coastside

## ▶ Program

### ▶ Estimated minimum of 28 months full time work

▶ Finance Department Assessment and Interaction	-	720 hours
▶ PCMP	-	2,800 hours
▶ Succession Plan	-	320 hours
▶ JPA Assistance	-	250 hours
▶ Consultation and Support of CIP & Recycled Water	-	500 hours
▶ General Manager Recruitment Consultation	-	<u>60 hours</u>
Total Hours	-	4,650 hours

# Sewer Authority Mid-Coastside

- ▶ Cost for 28-month Program:
  - ▶ WMS Principal - \$1,232,000 (4,667 hours over 28 months)  
(Billed at \$44,000 monthly)
  - ▶ WMS Direct Sub Contractors - \$ 185,500 (700 hours (25 hrs./month)  
(Estimate and Billed only as used)
  - ▶ Total WMS Contract - \$1,417,500
  
- ▶ “Total Compensation” Analysis - TBD  
(By Others)

Sewer Authority Mid-Coastside



THANK YOU  
FOR THE OPPORTUNITY  
TO WORK WITH  
SEWER AUTHORITY  
MID-COASTSIDE



**SEWER AUTHORITY MID-COASTSIDE  
ORGANIZATIONAL INVESTIGATION INITIAL FINDINGS  
AUGUST 26, 2019**

**Please be aware the following are all statements and observations made through the interview process. They are all real in that they are “perceptions” or “beliefs” of those who participated. It must be noted they may or may not be accurate in reality, but they are real in people’s minds and therefore should be addressed – either to correct misconceptions or to improve the organization going forward.**

Finances / Audit / Budget - (Format – CIP, O&M, Environmental Compliance/Collections & Admin - and Process) / Internal Controls/Insurance (insuring non-SAM vehicles?)/Finance signatories / Adequate Funding for CIP, O&M, (need to better define all and staff perceives a lack of available funding for needed maintenance updates and replacements) / Purchasing Guidelines / MA perception that SAM spends uncontrollably / Lack of Transparency / Employees get 2 raises per year / Is new accounting system working, what was wrong with the old one? / The previous Manager was surprised at how far behind the accounting was. How is that possible? / Switching of duties in the accounting group has caused some confusion and difficulty – especially with the implementation of the Tyler program (new system vs. QuickBooks) at the same time. / SAM says MAs owe them money but cannot prove it or show how and based on budgets and amendments the MAs do not believe they owe. / Montara Funding Advance from 90s – is set up to pay back when Montara needs the capacity, however, Montara may never need more capacity so that leaves HMB holding the bag for a long time. / The MAs believe they are generally frugal, but they do not feel SAM is. / SAM staff feels they are extremely frugal, sometimes to the point of absurdity, i.e. has to buy used trucks and it is often not in the best interest of saving money over the long term / “Audits have gone from bad to worse. Do not have year-end numbers for years, Incompetence or fraud? Need a forensic audit for all to see and to clear the air.” / All MA collections contracts should be based on the same contractual basis – i.e. cost per foot, cost per hour, etc. They are not currently. / Budgets are passed by MA Boards even though they do not understand them or have documentation to support them – they feel like they have to pass them to keep SAM running, but resent being put in the position they are in. / Does SAM have a Balance Sheet? / Investigate contracting accounting and finance services. / What really happened with Mayes? / MAs are “Asking for accountability for the money SAM wants” / “Do not want to get into day-to-day details” – MAs /

"Current costs for Finance employees at SAM is too high. They used to spend \$35k for an outside service. Now they have 2 employees plus outside help – too expensive and not that complicated" / The prior Finance/Administration Supervisor did not do things properly and often things landed on the Accounting Clerk's desk to figure out / Need to come up with a better system to charge the MAs as the current system of using only flow is not adequate / Got to get our arms around SAM's finances / Need to implement all audit findings ASAP /

**Trust** – Perceived or real – Board vs. Staff, Staff vs. Board, Staff vs. MAs and MAs vs. Staff. / Need Ownership, not buy-in at staff level. / Trust – Has to start at the Board and SAM staff level. / MAs will learn to trust SAM based on interaction and performance – and vice versa. / Top Down – Board is the first level and sets the tone. / Need better communications at staff level with MAs and SAM staff – perception of several is that it was good until the last manager, but some said it is a lot deeper and longer than that. / Shifting management dynamics causes stress at staff level / Extremely poor communications – did not know about 800k gallon spill for over 4 days (Board Members) and a week (MAs) / Policies that affect the MAs should be run by the MA Managers prior to going to the Board / Agenda Preparation – there is a need to develop a method to receive MA manager input to the agenda items (and staff reports where appropriate) prior to issuing Board Meeting agendas. / EPA and the State view SAM as one entity – it is not multiple entities in their minds and, as such, it is a stand-alone operation that has multiple owners (partners). Along those lines, if the SAM ship sinks, they all go down with it and need to have good communications and information to ensure their needs are being met. / SAM staff perception is that MAs are willing to raise their rates, but not spend anything on SAM. / MAs feel SAM does not keep them informed – in reality SAM does, but the MAs don't pay attention

**Board** – Policy Makers (not implementors), Vision setters (i.e. Sea Level Rise – Provide Staff Direction to investigate and report back). / Desire to revise minute format. / Retreat – Organizational Strategic Plan Development and Implementation Strategy? (Received comments that the current "Strategic Plan" does not address MAs needs.) / Need to do what is best for SAM while meeting needs of individual MAs. / Strife between agencies is too high and needs to be controlled to ensure SAM is able to best meet the needs of the ratepayers and public in general (this is a big deal to many). Staff (both SAM and some others) perceive the Board as "Smart people that often make dumb decisions." / Board recognizes long running political needs of North vs. South and small-town politics but has not been able to fix it. / Board and Management Teams "need to focus on cooperation while maintaining independence." / "There is a strong sense that the Board is dysfunctional" / Board needs to adopt and direct staff to implement all Audit findings in a timely manner / Board should not tell staff what or how to do the job. It is their role to define what they need as Member Agencies and to support what SAM staff needs to accomplish the work. / Board members may vote one way and then after consulting their people come back

and vote the opposite, it is very confusing and SAM staff never knows what the Board is going to do or want. / "The dynamics between the Board Members and the MAs do not allow them to work together and function as a unit to the benefit of the entire coastside and SAM." / "Not enough help and the root cause is the Board."

JPA - "Joint Powers Agreement is OK and a good document" / "Joint Powers Agreement is very old and does not address the current needs of the Authority" (many more felt this way) / "JPA needs judicial review to clarify" / "It is important for the coastside for SAM to maintain its independence." / MAs had agreed to a JPA re-write but it stopped when the lawsuit started /

SAM Manager – Technical Understanding (Does not need to be a Grade V Operator or an Engineer), Able to manage JPA, bring unity, communicate and interact well with MAs and staff / "SAM needs a local fulltime Manager that has WW knowledge, ability to bring people together, build cooperation and relationships between all and avoid being pulled to one side or the other on the political side of SAM." (various versions stated by multiple sources) / Issues over the years no matter who the SAM Manager was / Attitude of SAM is an independent agency and MAs have no input has caused significant strife in recent years / "It seems the Manager attended a lot of conferences. How can you do that if you are short-handed?" / The SAM Manager works for the SAM Board, not for individual Board Members or MA staff / "Need a stable Manager who is supported by the Board, MA Managers and SAM Staff" / "Experience with JPAs. This one needs fixing and we are all in it together" / Glad that Kishen is the interim Manager as he is a good person who listens and cares. / There needs to be a responsibility line defined that the Board and the Manager agree to not cross / Manager has to take a leadership role and be a leader for all associated with SAM

Collections – Should SAM be in the Collections Business? / Current practice of 1-year contracts is absurd – Need to be able to plan needs, hire staff and amortize equipment over longer periods of time (5 years is absolute minimum). / Deferred maintenance (stated by several that this is a problem) and replacement / CIWQS reporting needs better coordination with some MAs / SAM needs to provide detailed monthly reports of cleaning – what was done, what was found, recommendations for future repairs or immediate needs. / "SAM's primary job is to prevent spills – it has gotten better over the past 3 years and the last manager was able to motivate and train staff to make that happen" / HMB's collection threat last year caused a lot of stress and mistrust at the staff level. / The need to visit all pump/lift stations daily is a huge time sink. / Deferred maintenance at the pump/lift stations is a big problem that is going to create a mess someday / The Princeton pump station was scheduled for replacement 30 years ago and is still there – it should have been replaced years ago. / SAM has done work on private systems and other government (non-MA) systems – should not happen, they should call a private company due

to liability and also SAM ratepayers are subsidizing without their consent. / "WWTP and O&M in general are fine, but the IPS and Pump/Lift Stations are the source of ongoing problems" / IPS Condition/Status/Prevention - Must do work agreed to in lawsuit / Evaluate both IPS and Pump/Lift Stations Status / Develop a Pressure/Vacuum Relief Valve maintenance programs and related SOPs / MAs pave over manholes and SAM does not have anyway to deal with that / Pump Station and Lift Station wetwells need to be washed down annually

**SAM Management Staff** – O&M (Tim) is overworked and always here. Hard to delegate. Management staff needs to be on site at least 40 hours per week. / Need private office space (cubicles are too open for management and allows too much interruption and lack of privacy when dealing with confidential items. / Must develop and document needed policies, practices, procedures (SOPs) for the entire organization. / Need stability – constant change of approach creates conditions where it is nearly impossible for the organization to ever reach a point of stable operations. / There is no plan in place to backfill key positions (this also applies to staff) / Succession Planning is needed and funding to backfill before known retirements occur.

**Staff** – O&M levels are perceived by SAM staff to be low (if someone is out it is real bad), Skills, (Want to do a great job and try their best, but most are young and need training), Wages (Need Staffing Evaluation and Plan, and a Total Compensation Study, to allow recruitment and retention of qualified staff), Training (lack of) and Succession Planning (key long-term personnel are retiring now or planning to in next 10 years) / Loss of institutional knowledge could be catastrophic – the technical knowledge is likely more critical than the administrative or political) / Administration levels are seen as high by some, but admit they do not know the exact demands / There is significant internal turmoil between SAM management/Supervision and staff – potential major issues that need to be addressed before they become significant. / SAM Management does not support their staff and often react to MAs complaints before talking with SAM staff to get the other side of the story / There has often been bad mouthing of SAM Board and MA Managers by prior SAM Manager / "Need at least 3 mechanics" / "Contrary to the general image of government workers, SAM staff are people that are really dedicated to what they do" / "Kishen does a lot of projects but is underfunded and there is no O&M staff to support the projects" / "Recruitment with the one-hour call-out response requirement makes it very difficult to hire talented staff and being "on-call" is stressful for all" / Need to evaluate the org chart, including contract services, to evaluate the needs of the organization and the best structure to meet those needs. / Outside help is always needed due to the lack of manpower. It would be more effective and likely less expensive if SAM had adequate staff. / Safety is critical and the most important thing, but it is difficult to get work done because SAM does not have enough staff to cover safety needs on many jobs without pulling other people

away from their main job – it is inefficient. / Cannot always staff for emergencies, but should staff for the normal workload. / “Compensation does not allow a two income family to buy a home or live in the service area – something needs to change – especially for the new comers and young people.

**Wastewater Treatment Plant** – Thorough Evaluation of Updating Needs / Contract Ops is not the answer but approach as a hybrid Contract Ops and Municipal / ROI does not generally drive municipal decisions – mandated to provide service and want to do it in the most cost-effective manner over the long run. / Do not run to failure - Deferred maintenance is endemic! (several stated this is a big problem) / Need to take care of the utility so that it provides wastewater treatment and collections services for many decades / Be proactive, not reactive to plant and collection system needs – will save a ton of money in the long run / Need to develop a Process Control Management Plan (PCMP) for the O&M and Collections – PCMP results in engaged staff, consistent and repetitive process management, needed policies, consistent and needed SOPs, direction and ownership not only for the treatment process but also for the entire organization / Evaluate impact and cost/benefit ratio for on-site flow equalization. Also, does HMB need storm Flow Equalization? / Significant lack of redundancy throughout plant processes and equipment. / Need to clean #1 Digester ASAP / “SAM staff will need experienced start up assistance with the Nueros blowers – the air bearings are very temperamental (Nueros is good about standing behind them, but down time is not needed) and determining the blowers true range of operation once they are installed in actual operating conditions is difficult, but critical to prevent damage to the blowers.” /

**Recycled Water** – Golf Course, Coastside County Water District, City of HMB and SAM need to work together. / Golf Course can likely use 100% of ADWF production, but wet weather use or storage is a question / Needs to be done ASAP / Coordination between agencies / Do “Scalping Plants” make any sense?



# **MONTARA WATER AND SANITARY DISTRICT AGENDA**

For Meeting Of: **September 5, 2019**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Special Meeting September 12, 2019, and Cancellation of Next Regular Scheduled Meeting September 19, 2019.**

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To facilitate the board's regular September business a special meeting will be scheduled for September 12, 2019. At this time there are no urgent items that require holding the next regular scheduled meeting September 19.

RECOMMENDATION:

This item is for information only.