

**Carmel Area Wastewater District/Pebble Beach Community Services District
Pebble Beach Company**

**WASTEWATER RECLAMATION PROJECT
MANAGEMENT COMMITTEE**

MINUTES

**Meeting of May 12, 2017
Pebble Beach Community Services District Boardroom
Forest Lake & Lopez Roads, Pebble Beach, CA**

1. Call to Order

Mike Niccum, PBCSD General Manager, serving as facilitator, called the meeting to order at 9:30 a.m. Members or alternates present were: Ken White and Charlotte Townsend, Carmel Area Wastewater District Board of Directors (CAWD); Peter McKee and Richard Gebhart, Board of Directors, Pebble Beach Community Services District (PBCSD); Brent Reitz, Capital Services Project Manager, Pebble Beach Company (PBCo), and Mike Bowhay, Independent Reclaimed Water Users Group (IRWUG)

Others in attendance:

Barbara Buikema, General Manager, CAWD
Rob Wellington, Legal Counsel, CAWD/PBCSD
Jim Grover, Principal Accountant, CAWD
Ed Waggoner, Operations Superintendent, CAWD
David Stoldt, General Manager, Monterey Peninsula Water Management District (MPWMD)
Suresh Prasad, Chief Financial Officer, MPWMD
Nick Becker, Principal Engineer, PBCSD
Laura Dadiw, Clerk, PBCSD

2. Period for welcoming visitors, receiving public comment regarding matters not listed or considering changes to the agenda

There were no comments or requested changes to the agenda.

3. Minutes

It was moved by Member White, seconded by Member Townsend, and unanimously carried, to approve the minutes of the Committee meeting of February 17, 2017.

4. CAWD/PBCSD Wastewater Reclamation Project Budget for Fiscal Year 2017-18

Barbara Buikema, CAWD General Manager, gave a comprehensive review of the proposed budget. Mr. Stoldt advised that in comparison to the \$6,235 cost per acre-foot of project water (reflected on page 17 of the proposed budget), the California American Water cost per acre-foot of water (based on 1,000 acre-feet, the same as the project basis) is \$7,433. Members Bowhay and Reitz gave details on the recommended drilling of an additional well in the Sawmill Gulch area.

It was moved by Member Bowhay, seconded by Member White, and unanimously carried, to adopt the CAWD/PBCSD Reclamation Project Budget for fiscal year 2017-18 with the transfer of \$200,000 from the Project Reserve Fund for installation of an additional well in Sawmill Gulch in a location yet to be determined.

5. Review status of CAWD Treatment Plant Reverse Osmosis Improvement Project

Ed Waggoner, Operations Superintendent for CAWD presented slides and reported on the status of the Reverse Osmosis (RO) Improvement Project. CAWD has completed the installation of new equipment and is currently operating the improved RO system. The original 2-stage system has now been upgraded to a 4-stage system, allowing for a recycled recovery rate of approximately 85% (10-15% increase over the 2-stage system). This increased recovery is projected to be in the range of 100,000 gallons per day. In addition, Mr. Waggoner gave an overview of treatment plant operations including the recently completed preventative maintenance task of re-coating the Micro-Filtration (MF) basins and installation of the associated membranes. Membrane performance will continue to be monitored throughout the irrigation season along with the influence of "ClearLogx" (a pretreatment additive used to prevent membrane fouling) on prolonging membrane service life.

6. Receive and consider reports relating to Operations and Maintenance of Project

A. Financial Statements (ending March 31, 2017)

Jim Grover, Principal Accountant for CAWD presented an updated financial report for the current fiscal year; noting that water sales were down throughout the past quarter (due to low demand as a result of the wet winter season) and noted a slight increase in fixed cost as a result of rising interest rates. Mr. Grover also noted that a significant amount of capital expenditures were not booked this year (as CAWD's treatment plant capital improvement project will not be completed prior to the close of the current fiscal year); these capital expenditures will be carried forward into FY2017-18.

The O & M Financial Statements for the period were received for information and no action was required.

B. Receive/consider reports relating to Project operations and maintenance – ("O & M") of Project

Mr. Waggoner had no further report.

C. Distribution System O & M

Nick Becker provided a written report on Reclamation Project distribution system operations and maintenance. The recycled water demand throughout February, March and April tracked well below normal. This below normal trend can be directly attributed to the above normal precipitation observed throughout late winter / early spring. With increased demand noted in/around mid-March the MF/RO pad was intermittently brought online in an effort to maintain a full reservoir. All three alternative source water projects (well #8, #9 and 4th fairway diversion) were brought online on April 27th as it was evident that the 2017 irrigation season had begun. Member Bowhay suggested including additional flows and production increases in forecasting reservoir storage levels.

The Distribution System O & M Report was received for information and no action was required or taken by the Committee.

7. Receive Miscellaneous Information or Announcements from Members, Staff or Visitors

David Stoldt, MPWMD General Manager had nothing to report.

8. Closed Session

The Committee did not meet in a closed session.

9. Adjournment & Next Meeting Date

There being no further business at 10:35 a.m., it was moved and seconded, and determined by consensus of the members, that the Reclamation Management Committee adjourn to its next regular meeting on Friday, August 11, 2017, at 9:30 a.m. in the PBCSD Boardroom at 3101 Forest Lake Road, Pebble Beach.

Respectfully submitted:

Laura Dadiw, Clerk
Pebble Beach Community Services District/Dadiw Associates