

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

**WASTEWATER RECLAMATION PROJECT
MANAGEMENT COMMITTEE**

MINUTES

**Meeting of March 9, 2012
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 9:34 a.m. Members or alternates present were: Bob Siegfried and Ken White, Carmel Area Wastewater District Board of Directors (CAWD); Rick Verbanec and Jerry Verhasselt, Pebble Beach Community Services District Board of Directors (PBCSD); and Mark Stilwell, Executive Vice President, Pebble Beach Company (PBCo).

Others in attendance:

Barbara Buikema, General Manager, CAWD
Rob Wellington, Legal Counsel, CAWD/PBCSD
J.T. Rethke, Associate Engineer, PBCSD
Christina Baca, Associate Engineer, PBCSD
Cheri Rainwater, Administrative Assistant, PBCSD
Brent Reitz, Capital Services Project Manager, PBCo
David Stoldt, General Manager, Monterey Peninsula Water Management District (“MPWMD”)
Suresh Prasad, Administrative Services Manager/Chief Financial Officer, MPWMD
Larry Brown, Chief Operator, CAWD
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 Stilwell, and unanimously carried, to approve the minutes of the Committee meeting of November 18, 2011.

4. Receive Annual Financial Report for Fiscal Year ending June 30, 2011

CAWD General Manager, Barbara Buikema noted that the financials had been reviewed by the Technical Advisory Committee. The Management Discussion and Analysis summarized the report. The auditor was on teleconference for any questions.

It was moved by Member Verbanec, seconded by Member White, and unanimously carried, to approve the Financial Report for Fiscal Year ending June 30, 2011.

5. **Receive and consider reports relating to Operations and Maintenance of Project**

A. Financial Statements (July 2011 to November 2011)

Ms. Buikema reported on the project financial statements from July 2011 to November 2011. CAWD had updated its accounting software so report formats had changed somewhat. No potable water was used in the system however service charges continued to be assessed. The numerous voided checks were due to new software convergence problems.

Suresh Prasad, MPWMD Administrative Services Manager/Chief Financial Officer stated that the District's accounting software was the cause of the three to four month lag time in providing financial reports after year end close. The lag time would hopefully be reduced once MPWMD purchased new accounting software in the next year.

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

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

The Committee received a written status report from CAWD Treatment Plant Chief Operator, Larry Brown regarding treatment plant operations for the period November 2011 to February 2012. Ms. Buikema reported a sewer lateral at Carmelo and 11th was damaged during construction of the recycled water pipeline. The residents were only there one time per year causing delay in discovering the leak. Three quotes were obtained with the lowest being \$3,964 and repair work completed.

MPWMD General Manager, David Stoldt requested that any report generated from the visit to the CAWD treatment plant by H2O Innovations Membrane Systems be provided to him in the next three months. Mr. Brown stated that he would obtain the large data file from Siemens Manufacturing when they visited as well.

There being no further questions or comments, the written and oral reports regarding Treatment Plant O & M were received as informational and no action was required or taken by the Committee.

C. Distribution System O & M

The Committee received a written Distribution System Operations Report from PBCSD Associate Engineer, J.T. Rethke. Mr. Rethke reported that irrigation demand for the months of February and March to-date had been high, reducing the reservoir to 112 million gallons from its 115 million gallon capacity. Dry weather had resulted in high irrigation demand that was unusual for February and March.

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

6. **Authorize a letter to California Department of Fish and Game supporting CAWD Carmel River Lagoon Water Augmentation Project:**

Ms. Buikema spoke regarding a draft of a letter to be submitted by the committee to the Department of Fish and Game in support of the CAWD Carmel River Lagoon Water Augmentation Project. Once the letter of support was received by Fish and Game, a Memorandum of Understanding (“MOU”) would be signed by CAWD to conduct project operations. There was concern that the augmentation source water consisting only of reverse osmosis concentrate would not always be available and that CAWD not be responsible for creation of any habitat resulting from Lagoon augmentation. Member Verbanec felt that potentially Fish and Game could override any such provision of non-responsibility for the creation of habitat. Based on past experience, Ms. Buikema felt that sufficient language could be developed to bind all parties to MOU conditions. Counsel Wellington stated that past agreements would be referenced that had similar enhancement waivers that had been effective in protecting involved parties. Mr. Stoldt stressed that CAWD develop a detailed, comprehensive project description to help with habitat enhancement definition.

The benefits of augmentation for the reclamation project and CAWD would be outreach to the community on the beneficial use of a recycled water resource for habitat enhancement and eliminating any dry weather discharge to Carmel Bay, an Area of Special Biological Significance.

It was moved by Member White, seconded by Member Stilwell, and carried, with Member Verbanec abstaining, to authorize a letter to California Department of Fish and Game supporting CAWD Carmel River Lagoon Water Augmentation Project.

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

Mr. Stilwell reported that the next step for the Local Coastal Plan amendments was to go before the Coastal Commission with a target date of April 11 – 13, 2012.

8. **Closed Session**

The Committee did not meet in a closed session.

9. **Adjournment & Next Meeting Date:**

There being no further business at 10:20 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, June 8, 2012, at 9:30 a.m. in the PBCSD Boardroom at 3101 Forest Lake Road, Pebble Beach.