

DRAFT

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

**WASTEWATER RECLAMATION PROJECT
MANAGEMENT COMMITTEE**

MINUTES

**Meeting of November 6, 2006
Pebble Beach Community Services District Boardroom
Forest Lake & Lopez Roads, Pebble Beach, CA**

1. Call to Order

Craig Anthony, PBCSD General Manager, serving as facilitator, called the meeting to order at 9:38 a.m. Members or alternates present were: Charlotte Townsend and Joyce Stevens, Carmel Area Wastewater District Board of Directors (CAWD); Gary D. Hornbuckle and Richard Verbanec, Pebble Beach Community Services District Board of Directors (PBCSD); and Mark Stilwell, Executive Vice President, Pebble Beach Company (PBCo).

Others in attendance:

Craig Anthony, General Manager, PBCSD
Ray von Dohren, General Manager, CAWD
Andrew Bell, District Engineer, Monterey Peninsula Water Management District (MPWMD)
Michael Niccum, P.E., District Engineer, PBCSD
Brent Reitz, Capital Services Project Manager, Pebble Beach Company
Robert Wellington, Legal Counsel, CAWD/PBCSD
Barbara Buikema, Accountant/Controller, CAWD
Michael Magretto, Operations Supervisor, California American Water
Vinod Badani, Vice President, E2 Consulting Engineers
Laura Paxton, Clerk, PBCSD

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

Following introductions, there were no comments from visitors or Committee members regarding matters not listed on the agenda, and no requests were received to change the content or order of the agenda.

3. Minutes:

It was moved and seconded by Member Stilwell and Member Hornbuckle, and carried, to approve the minutes of the Committee meeting of September 13, 2006, with noted corrections.

4. Receive and consider reports relating to operations and maintenance (“O & M”) of Project:

4-C. Consolidated Financial Statements from July 2006 through September 2006

Barbara Buikema reviewed the financial statements for the period from July 2006 through September 2006. Regarding disbursements, CAWD legal counsel George Thacher used the services of Bold, Polisner, et al, to assist with the water entitlement agreement. Page 7, Reclamation Project expenditures operating supplies, column 16 the total is incorrect. Same page under PBCSD distribution system costs, the new position of Engineering Assistant needs to be budgeted. Ms. Buikema will provide Mr. Stilwell with the detail of the escrow account to clarify non-operating income – water entitlements totals page 10 columns 3 and 5.

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

4-B. Treatment Plant O & M

The Committee received a written status report from CAWD Treatment Plant Superintendent, Mark Scheiter, regarding treatment plant operations. Mr. von Dohren informed the committee of the new method for discharging tertiary treated recycled water indirectly to the lagoon. It was suggested that the media be re-apprised as to the environmental benefit of this discharge program.

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.

4-C. Distribution System O & M; reclaimed and potable water use

PBCSD District Engineer, Michael Niccum, reviewed his Distribution System Operations Report, dated November 6, 2006 and indicated that it had been a routine period. Mr. Niccum responded to questions.

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

4-C-1. Budget Change – Emergency Pipeline Repair Project

Mr. Niccum, in addition to his written report, presented slides of the emergency pipeline repair that took place at the intersection of 17 Mile Drive and Sloat Road, located above a cart tunnel.

Moved by Member Stilwell, seconded by Member Hornbuckle, and unanimously carried, to approve a budget allocation of \$50,000 for emergency repair work to the recycled water pipeline.

4-C-2. Reclamation Storage Tank Rehabilitation Project

Mr. Niccum, in addition to his written report, presented slides of the 2.5 million gallon water storage tank that provides static pressure for the distribution system and irrigation water to Poppy Hills Golf Course located off Viscaino Road near the Poppy Hills Golf Course maintenance yard. He recommended the budget be increased for the project based on the cost proposals received from contractors.

Moved by Member Stilwell, seconded by Member Townsend, and unanimously carried, to increase the budget allocation for the reclamation water storage tank rehabilitation project from \$100,000 to \$150,000.

5. Receive status reports concerning Main Components Phase II (Expanded) Reclamation Project:

5-A. Planning and Design of Advanced treatment: micro-filtration/reverse osmosis facilities

CAWD General Manager, Ray von Dohren, reported that construction management trailers are being moved into the area this week; construction is to begin tomorrow or Wednesday. Excavation for the concrete slab should be completed by Thanksgiving. The CAWD/PBCo agreement for construction of the project is drawn up and ready to be signed today. PBCo is still interested in selling water entitlements outside of the Del Monte Forest.

5-B. Forest Lake Reservoir Construction Project

Mr. Niccum reviewed his submitted report. The District is beginning the process to submit an application to the California Division of Safety of Dams (“DSOD”) for authority to expand the storage capacity of the Forest Lake Reservoir from 325 to 375 acre-feet by reducing the freeboard from 8 feet to 4 feet.

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

Mark Stilwell, Executive Vice President, PBCo, commented regarding the letter he received from Mr. Michael Bowhay, Independent Reclaimed Water Users Group (“IRWUG”), dated October 6, 2006. A settlement between California American Water (“Cal-Am”) and the Public Utilities Commission to exempt Pebble Beach golf courses from paying a special customer surcharge for potable water to fund the Coastal Water Project most likely will not have any bearing on the IRWUG reclaimed water usage rate schedule, of which the basis was negotiated back in 1992. The reclaimed water rate is based on Cal-Am potable water rates paid by golf courses “similarly situated” on the Peninsula.

There were no further reports or announcements from Committee members, staff or visitors.

7. Closed Session

The Committee did not meet in a closed session.

8. Adjournment & Next Meeting Date:

There being no further business at 10:36 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, January 12, 2007 at 9:30 a.m. in the PBCSD Boardroom at 3101 Forest Lake Road, Pebble Beach.

Respectfully submitted:

Laura Paxton

Clerk

Pebble Beach Community Services District/Paxton Ad Hoc