

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

**WASTEWATER RECLAMATION PROJECT  
MANAGEMENT COMMITTEE**

**MINUTES**

**Meeting of February 8, 2022  
Virtual Meeting hosted by  
Pebble Beach Community Services District (PBCSD)**

**1. Call to Order**

Mike Niccum, PBCSD General Manager, serving as facilitator, called the meeting to order at 9:32 a.m. Members or alternates present were: Ken White and Charlotte Townsend, Board of Directors, Carmel Area Wastewater District (CAWD); Peter McKee and Richard Verbanec, Board of Directors, Pebble Beach Community Services District (PBCSD); David Heuck, Executive Vice President/Chief Administrative Officer, Pebble Beach Company (PBCo); Joe Huston, Independent Reclaimed Water Users Group (IRWUG)

Absent: None

**Others in attendance:**

Barbara Buikema, General Manager, CAWD  
Jim Grover, Principal Accountant, CAWD  
Rob Wellington, Legal Counsel, CAWD/PBCSD  
Ed Waggoner, Operations Superintendent, CAWD  
Nick Becker, District Engineer, PBCSD  
Chris Simmons, Assistant Engineer, PBCSD  
Brent Reitz, Director of Energy and Water Conservation, PBCo  
Suresh Prasad, Administrative Services Manager/Chief Financial Officer, Monterey Peninsula Water Management District (MPWMD)  
Vinod Badani, E2 Consulting Engineers  
Marianna Pimentel, Finance Director, PBCSD  
Yuriana Nuñez, Administrative Coordinator, PBCSD  
Laura Paxton, Clerk, PBCSD

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

There were no requested changes to the agenda.

**3. Minutes**

*It was moved by Member Heuck and seconded by Member White to approve the minutes of the November 9, 2021 Committee meeting. Member White – Aye; Member Townsend – Aye; Member Heuck – Aye; Member Verbanec – Aye; Member McKee – Aye; Member Huston – Aye. Motion passed.*

**4. Audit Services Agreement for Fiscal Years 2021-2024**

The Committee received and reviewed the staff report prepared by General Manager Buikema.

*It was moved by Member Huston and seconded by Member McKee to authorize execution of an agreement with The Pun Group to provide audit services to the CAWD/PBCSD Reclamation Project for the fiscal years 2021-2024 with an option to extend for three additional years. Member White – Aye; Member Townsend – Abstain; Member Heuck – Aye; Member Verbanec – Aye; Member McKee – Aye; Member Huston – Aye. Motion passed.*

**5. Replacement Reverse Osmosis Membranes Purchase**

The Committee received and reviewed CAWD Operations Superintendent Waggoner's staff report. Mr. Waggoner recommended an immediate unbudgeted purchase of the Torey membranes due to escalating prices and restricted availability. Freight charges would be determined at the time of shipment since trucking costs are volatile right now.

*It was moved by Member Huston and seconded by Member White to approve purchasing 63 Torey TMG20D-400 Reverse Osmosis (RO) membranes to replace all 3<sup>rd</sup> and 4<sup>th</sup> stage RO membranes from trains A, B and C for the sum of \$32,855.13 plus freight charges for an estimated total of \$35,000.00 Member White – Aye; Member Townsend – Aye; Member Heuck – Aye; Member Verbanec – Aye; Member McKee – Aye; Member Huston – Aye. Motion passed.*

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

**A. Financial Statements (ending December 31, 2021)**

Jim Grover, CAWD Principal Accountant gave an overview of Financial Statements for the six-month period ending December 31, 2021. On July 1, 2022, Certificates of Participation (COP) will be transferred from long-term debt to current debt. The last COP payment will be made June 2023; Mr. Niccum encouraged the committee to begin addressing project capital reserve policy issues now, well before COP payoff in June 2023. The Reclamation Project was reported to be in good standing.

*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**

Ed Waggoner, CAWD Operations Superintendent presented slides on plant maintenance and operations over the last three months. Cell #2 of the microfiltration membranes was replaced in September and is running fine. Chemical costs are the long-term focus now. Sulfuric acid went from \$1.92/gallon to \$4.90/gallon. A substitute cerium chloride product for the sand filters has been found in California at a significantly lower cost. Consultation with Trussell Technologies is underway to address chemical use and cost control. On stages three and four, Clean in Place (CIP) will be done on a

monthly basis for six months since the CIP chemical is much less expensive than acid and cerium chloride. Treatment plant and tertiary system operations were commended by the Regional Water Quality Control Board inspector during the unannounced site inspection on November 16<sup>th</sup>. On February 4<sup>th</sup> there was a major VFD (Variable Frequency Drive) electrical fault on RO train #2. The maintenance staff with great teamwork replaced the 15-year-old VFD in just 2 hours. The current price for a new VFD is \$25,000. The one replaced can be rebuilt for \$10,000 - \$15,000. A new VFD could be purchased and the old one rebuilt for use as a spare. Mr. Waggoner will distribute a staff report with recommendation.

*The report on Project operations and maintenance was received for information and no action was required.*

**C. Distribution System Operations and Maintenance and Water Use**

Nick Becker, District Engineer for PBCSD presented a distribution system capital, operations, and maintenance report. The planned capital purchase of Forest Lake mixers is anticipated to be \$15,000 over budget. However, two of the three Forest Lake outlet gate electric actuators will be rebuilt with purchase of only one, saving \$30,000 that will cover the budget overage on the mixers. It is still being considered whether to purchase an inflatable work boat. Forest Lake Reservoir reached 100% capacity significantly earlier than the 5-year average. The 2021 calendar year demand was on par with the 5-year average of 961 Acre-feet. Plant production rates dropped in November and December due to rain events, and in January due to the plant being shut down for maintenance during full reservoir. The PBCo commissioned a new dry weather diversion project on the 18<sup>th</sup> Green in late October adding to the portfolio of alternative source water projects; production wells remain offline and ground water recovery remains encouraging at all well sites.

*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**  
There were no miscellaneous reports or announcements.

8. **Closed Session**  
The Committee did not meet in closed session.

9. **Adjournment & Next Meeting Date**  
*There being no further business at 10:09 a.m., the Reclamation Management Committee adjourned until its next regular meeting on Tuesday, May 10, 2022, at 9:30 a.m. virtually and/or in the PBCSD Boardroom at 3101 Forest Lake Road, Pebble Beach.*

Respectfully submitted:

Laura Paxton, Clerk  
Pebble Beach Community Services District