

**CARMEL AREA WASTEWATER DISTRICT (CAWD)  
MINUTES  
Regular Board Meeting – 9:30 a.m. – Thursday, January 24, 2013**

**CALL TO ORDER - ROLL CALL**

Present: Directors: Greg D'Ambrosio, Robert Siegfried, Ken White,  
Suzanne Paboojian and President Charlotte Townsend  
Absent: None  
Others Present: Barbara Buikema, General Manager  
Dotty Hall, Secretary to the Board  
James Pinkevich, Treatment Plant Superintendent  
James Grover, Principal Accountant  
Rob Wellington, District Legal Counsel  
Mike Niccum, General Manager, PBCSD  
(Pebble Beach Community Services District)  
Leo Laska, Board Director, PBCSD

**APPEARANCES, ORDERS OF BUSINESS & ANNOUNCEMENTS**

**1. Appearances/Public Comments**

There were no unscheduled appearances or public comments.

**2. Agenda Changes**

There were no Agenda changes.

**CONSENT CALENDAR: APPROVAL OF MINUTES, FINANCIAL STATEMENTS AND MONTHLY REPORTS**

- 3. Approve Regular Board Meeting Minutes of December 14, 2012**
- 4. Approve Register of Checks-CAWD - November 2012**
- 5. Approve Register of Checks-Reclamation Project - November 2012**
- 6. Receive Statement of Receipts and Disbursements - November 2012**
- 7. Receive Income Statement and Budget to Actual - November 2012**
- 8. Receive Bank Statement Review - October 2012**
- 9. Receive Collection System Supervisor's Report - December 2012**
- 10. Receive Report on Treatment Plant Operations - December 2012**
- 11. Receive Safety Report - December 2012**
- 12. Receive Environmental Compliance Inspector's Report - December 2012**
- 13. Receive Engineer Report - December 2012**
- 14. Receive Capital Improvement Program Project Status - December 2012**

*The Board reviewed all Consent Calendar items. General Manager Buikema, Principal Accountant Grover and Plant Superintendent Pinkevich responded to questions.*

Director Paboojian requested Item #3, "Approve Regular Board Meeting Minutes of December 14, 2012", be amended to reflect that she abstained from voting on Item #17, "Resolution No 2012-34, Approving Additions to the Revised Senior Operator Job Description and Replacing Resolution 12-18 in its Entirety Amending the Designation of Classification Titles in the Carmel Area Wastewater District and the Number of Positions and Monthly Salary Ranges."

#### **Board Action**

*Following a motion by Director White, a second by Director Siegfried, the Board unanimously approved the Minutes of December 14, 2012 as amended and all Consent Calendar items.*

#### **ACTION ITEMS BEFORE THE BOARD**

##### **15. Presentation and Acceptance of the Financial Audit for Fiscal Year Ending 06-30-12**

Ralph Marcello, President and CPA (Certified Public Accountant) of Marcello & Company, by means of a conference call, provided a brief overview of the annual Financial Report for Year End, June 30, 2012. The District received a "clean" or unqualified opinion.

There was Board consensus to accept the audit as presented.

#### **RESOLUTIONS**

##### **16. Resolution No. 2013-01, Approving the Adoption of the Amended Expense Reimbursement and Travel Policy as Attached as per Required by AB1234 and Directing the General Manager to Include Said Policy in All Necessary and Appropriate District Documents.**

The District presently has in place an expense reimbursement policy that is not in compliance with certain state law requirement. The General Manager has prepared an updated policy, entitled "Carmel Area Wastewater District-Expense Reimbursement & Travel," consisting of nine pages. A copy was included with the agenda packet for the January 24, 2013 regular Board meeting.

The CAWD Board has reviewed the updated policy and the General Manager's staff report which describes and explains this policy. The Board is persuaded that the new policy adequately addresses the needs of the District and also is in conformity with state laws regulating expense reimbursement including without limitation, AB 1234.

#### **Board Action**

*Following a motion by Director White and a second by Director Paboojian, the Board unanimously approved, as amended, changes to be made within 60 days to Resolution No. 2013-01, as follows: "Approving the Adoption of the Amended Expense Reimbursement and Travel Policy as Attached as per Required by AB1234 and Directing the General Manager to Include Said Policy in All Necessary and Appropriate District Documents."*

- 17. Resolution No. 2013-02, Amending the District's Fixed Asset Policy to Increase the Capitalization Threshold for Both the District and the District's Portion of all Reclamation Assets from \$3,000 to \$10,000, Effective February 1, 2013.**

The District's fixed asset policy provides inventory control over the tangible capital-type items based on the value of the asset. The last time the District increased its capitalization threshold was in July 2010, from \$1,500 to \$3,000. For the past few years the District's auditor has recommended an increase to the capitalization threshold because of the increasing cost of both obtaining and maintaining inventory records and current recommended accounting practices.

**Board Action**

*Following a motion by Director Siegfried and a second by Director D'Ambrosio, the Board unanimously approved Resolution No. 2013-02, "Amending the District's Fixed Asset Policy to Increase the Capitalization Threshold for Both the District and the District's Portion of all Reclamation Assets from \$3,000 to \$10,000, Effective February 1, 2013."*

- 18. Resolution No. 2013-03, Approving the Adoption Amending the Budget and Authorizing the General Manager to Sign an Agreement with Exceedio in an Amount Not to Exceed \$29,276 to Purchase and Install a Cisco Unified Communication system.**

The current telephone system needs replacement and the new system will require hardware, warranty, installation service and support service, which can be provided most economically and efficiently by service through Exceedio. The purchase and installation of a Cisco Telecommunication System, and the replacement telephone system have been budgeted in the "Unscheduled" column and will require a transfer from the unallocated Capital Improvement Reserves of \$29,276.00. There are sufficient funds in the current year operating budget to cover the cost of system support.

**Board Action**

*Following a motion by Director Siegfried and a second by Director D'Ambrosio, the Board unanimously approved Resolution No. 2013-03 contingent on General Manager Bukiema negotiating a reasonable contract term, "Authorizing the General Manager to Sign an Agreement with Exceedio in an Amount Not to Exceed \$29,276 to Purchase and Install a Cisco Unified Communication system."*

**OTHER ITEMS BEFORE THE BOARD**

- 19: Board Member Assignments, 2013**
- **CASA Conference and WateReuse Symposium**
  - **Attendance at PBCSD Board Meetings**
  - **Committee Assignments**

*The Board discussed and reviewed the 2013 conference, committee and PBCSD Board meeting assignments. Superintendent Pinkevich and General Manager Buikema informed the Board that there will be tours of the CAWD plant and Forest Lake following the WateReuse Symposium. Directors Townsend and White agreed to be present to assist during the Symposium tours. Director Siegfried suggested a post tour questions and answers session be provided.*

*The following assignments were made for 2013:*

**COMMITTEE ASSIGNMENTS-2013**

<b>COMMITTEE</b>	<b>MEMBERS</b>
Budget	D'Ambrosio
	Siegfried
Salary & Benefits	D'Ambrosio
	White
Pension	Townsend
	Buikema
	Wellington
Reclamation Management	White
	Siegfried
Special District's Assoc.	Townsend
	Paboojian

There were no alternates assigned.

**2013 Conferences**

**Attendees**

**JAN 16-18**

CASA Mid-Year Conference  
Wed, 01/16/2013 - 13:30 to Fri, 01/18/2013 - 11:00  
Today's Waste, Tomorrow's Resource  
Renaissance Esmeralda, Indian Wells, CA  
44-400 Indian Wells Lane  
Indian Wells, CA 92210-8708  
Phone: (760) 773-4444  
Toll free: (877) 622-3140 (central rese

**Bob Siegfried**

**MAR 17-19**

WaterReuse California Annual Conference  
Sun, 03/17/2013 to Tue, 03/19/2013  
Portola Hotel & Spa  
Monterey, CA

**Townsend, Paboojian, White,  
D'Ambrosio, Siegfried**

**APR 24**

CASA Spring Conference  
Wed, 04/24/2013 (All day) to Fri, 04/26/2013 (All day)  
Newport Beach Marriott  
Newport Beach, CA  
Reservations  
(866) 440-3375

**Ken White**

**AUG 21**

CASA 58th Annual Conference  
Wed, 08/21/2013 (All day) to Sat, 08/24/2013 (All day)  
Manchester Grand Hyatt  
San Diego, CA  
Reservations  
(619) 232-1234

**Barbara Buikema**

### **ATTENDANCE AT PBCSD BOARD MEETINGS-2013**

It is important that at least one CAWD Board Member attend the Pebble Beach Community Services District's regular meetings, held the final Friday of every month at 9:30a.m., and if possible, any special meetings during the assignment period, with usual compensation. Members please provide an oral report to the CAWD Board at the Board meeting following the PBCSD meeting.

Assignments are for a period of one month. It is the responsibility of the assigned member to get a substitute if the member cannot attend.

January, 2013	Ken White
February, 2013	Greg D'ambrosio
March, 2013	Bob Siegfried
April, 2013	Charlotte Townsend
May, 2013	Suzanne Paboojian
June, 2013	Ken White
July, 2013	Bob Siegfried
August, 2013	Greg D'ambrosio
September, 2013	Charlotte Townsend
October, 2013	Suzanne Paboojian
December, 2013	Ken White

#### **20. Review of 2012 Monterey County Civil Grand Jury Interim Report No. 3 - "An Overview of the Carmel Area Wastewater District" and Give Direction to Staff Regarding the Response.**

Director Townsend suggested developing a subcommittee to review and discuss the Grand Jury response. Directors D'Ambrosio, Director White and General Manager Buikema agreed to be members of the subcommittee. The subcommittee planned to meet prior to the next Board meeting and report back. The Grand Jury has allowed CAWD to respond to the report within 90 days.

### **INFORMATION/DISCUSSION ITEMS**

#### **21. Electrical System Assessment and Repair Status**

Plant Superintendent Pinkevich provided a report on the status of an electrical system assessment at the plant. He had a conference call with Todd Beecher of Beecher Engineering to determine the next step in the assessment process. Information has been received and a single diagram analysis has been developed. He expects to receive a Technical Memorandum from Beecher within the next six weeks including recommendations.

The Superintendent feels that he has a better understanding of how the electrical system is

routed through the plant and has clearly determined the necessity of improving the operability and reliability of the system. The staff will continue to work with Kennedy Jenks and Beecher Engineering to combine electrical system repairs with the CIP.

Superintendent Pinkevich responded to questions and comments of the Board.

## **22. Maintenance Software Project Status**

Superintendent Pinkevich reported on the status of the Maintenance Software Project at the treatment plant. He indicated he has assigned the project to Lacey Jiles and a team of three CAWD staff. He will also remain in the background for any assistance that is needed.

Ms. Jiles has been at the Plant. She is working closely with staff to define tasks and expectations as they move the project forward. A foundation has been built. Superintendent Pinkevich is very pleased with the results to date. Ms. Jiles will be available in the future to present the software program to the Board.

## **STAFF & BOARD MEMBER REPORTS**

### **23. General Manager's Report**

**Vision Statement:** The General Manager reported presenting her Vision Statement for CAWD to the general staff this month. She believes it was fairly well received.

**September Ranch:** General Manager Buikema reported that CAWD was mentioned by Kate McKenna, the Executive Director of LAFCO during the Special Districts meeting. LAFCO will be doing a survey on all water and wastewater agencies in the County. CAWD's General Manager and the Principal Engineer met with Kate McKenna and Tom McKune from LAFCO in December regarding September Ranch.

September Ranch is nearly at a point in their development where they would like to complete annexation to our District. Presently gaps exist between September Ranch boundaries in Carmel Valley and CAWD's boundaries. LAFCO would like the District to prepare an EIR that would in effect "fill in" the gaps. However, that process would be costly and of little value to CAWD's ratepayers. The District has always taken the position that costs of annexation are the responsibility of the party wishing to be annexed. CAWD does not wish to absorb the cost of annexing September Ranch.

**Reclamation:** The project is once again experiencing problems with the membranes potting material expanding. For the last 2 months, the project has been able to produce only 1/2 MGD when they should be producing 1MGD. The project expects CAWD to fill the reservoir at this time of year so that there is adequate water during summer months. 200 new membranes have been ordered from Australia and should be here and installed the beginning of February.

**Health Insurance Open Enrollment:** Open enrollment for employee health insurance occurs during the month of February, and is effective March 1st. On average, the increase

in premium across all plans is 18%. This increase is shared by the District and employees with 100% paid for employee premium and 60/40 dependent coverage. There has been feedback from employees that they are unhappy with the increase.

**Kennedy-Jenks:** The General Manager would like to plan a special workshop designed to present information from the Capital Plan report developed by Kennedy-Jenks. She will be contacting the Board in the near future to begin developing this special workshop to talk solely about the long term Capital Plan.

**Termites:** The General Manager reported that there have been termites discovered in the Administrative building. It is not a major infestation but we will be treating and replacing a little of the wood trim and the sign in front of the building.

The General Manager responded to questions and comments from the Board.

## **COMMUNICATIONS**

24.

**Directors Office:** Director Townsend wanted to make sure all Board members were aware that they have an office at the Administrative building available for their use.

General Manager Buikema informed the Directors that there is no working computer in the Board Office and asked them if they would be requiring a working computer. The Board agreed there is no need for a computer in the office at this time.

**Drop off Program:** Director White made an announcement that he was at the electronic collection point last Saturday at the Vista Robles and had a discussion with Angie Mendoni the Recycle Coordinator. He spoke with her about the recycled medicine drop off. Angie expressed an interest in speaking with the General Manager to discuss where CAWD is with our drop off program to see if she could be of assistance. There had been a prior plan to have a drop off location at the Police and Fire Stations but the plan has not moved forward.

Director Siegfried reported attending a sneak preview of a law that is proposed by either the City or County of Alameda, which if passed would require pharmaceutical companies to take back their drugs. Presently there is a lawsuit concerning this proposal. CAWD awaits the outcome with interest.

**CASA Mid-Year Conference:** Director Siegfried tabled his report on the 2013 CASA Mid-Year Conference that he attended on January 16 - 18, 2013. He will report at the February 28th Board meeting.

**CLOSED SESSION:** *As permitted by Government Code, Section 54965 et seq., the Board held Closed Session as follows:*



25. A. Personnel Matter
1. Goals of the General Manager and the District
  2. Public Employee Evaluation: General Manager

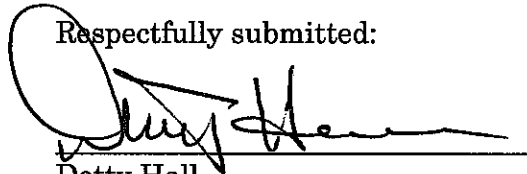
**ANNOUNCEMENTS AND/OR ACTIONS FROM CLOSED SESSION**

*The closed session was concluded at 12:20 p.m. The Board discussed the items on the Agenda, no reportable action was taken.*

**ADJOURNMENT**

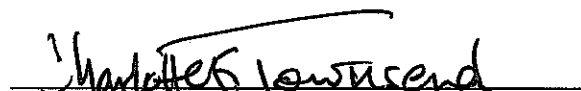
At 12:21 p.m., a motion was made to adjourn. The motion passed unanimously.

Respectfully submitted:



Dotty Hall,  
Secretary to the Board

APPROVED:



Charlotte F. Townsend, President