

CARMEL AREA WASTEWATER DISTRICT (CAWD) MINUTES

Regular Board Meeting – 9:30 a.m. – Thursday, April 25, 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 Drew Lander, Principal Engineer 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

Page number 7 of the March 28, 2013 Minutes indicate, "*The next Regular Meeting will be held at 9:30 am, Thursday May 23, 2013 or ...*" The date should be corrected to read, "*The next Regular Meeting will be held at 9:30am, Thursday, April 25, 2013 or ...*"

Move item #19 "Review and Approve Prop. 218 Notification Letter" to be held after item #22, "Preliminary Review of Proposed Rate Model, 2013-14."

Move items 27 & 28 to be heard prior to item #3.

27. *Recognition of CAWD's Plant Senior Operator, Christian Schmidt, and Safety and Compliance Officer, Joseph Gregory for achieving their Certificates of Competence as a Grade III Water Treatment Plant Operator and for their promotions.*

28. *Welcome new Plant Operator I, Michael Hooks*

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

3. Approve Regular Board Meeting Minutes of - March 28, 2013
4. Approve Summary of Pension Plan Trustees Meeting - April 15, 2013
5. Approve Special Board Meeting Minutes of - April 11, 2013
6. Approve Register of Disbursements-CAWD - March 2013
7. Approve Register of Disbursements - Reclamation Project - March 2013
8. Receive Statement of Cash Receipts and Disbursements - March 2013
9. Receive Income Statement and Budget to Actual - March 2013
10. Receive Bank Statement Review - March 2013 (Unavailable)
11. Receive Collection System Supervisor's Report - March 2013
12. Receive Report on Treatment Plant Operations - March 2013
13. Receive Safety Report - March 2013
14. Receive Environmental Compliance Inspector's Report - March 2013
15. Receive Capital Improvement Program Project Status - March 2013
16. Receive Engineers Report - March 2013

The Board reviewed all Consent Calendar items. General Manager Buikema and Superintendent Pinkevich responded to questions.

Director Siegfried requested that the future Summary of Pension Plan Trustee Meeting (page 12 of the Board packet) reflect the District contributions as part of the Portfolio Performance Comparison.

Director Siegfried requested the language on pages 1-2 of the April 11 Special Board Meeting Minutes (pages 14-15 of the Board packet) be changed from "Staff did affirm that all existing processes will be thoroughly evaluated for efficiency and energy consumption on a project by project basis and all areas where new technologies are economically more desirable, process changes will be proposed" should read, " Staff did affirm that all existing processes will be thoroughly evaluated for efficiency and energy consumption on a project by project basis and all areas where new technologies are economically and environmentally more desirable, process changes will be proposed."

Director Siegfried requested that the future Wastewater Treatment Facility Operations Report (page 25 of the Board packet) have a column added to the Electrical Costs section indicating the "dollars per kilowatt hour of rates being paid."

Director Siegfried requested that the future graphs provided as part of the Treatment Plant Operations report (page 26 of the Board packet) incorporate a vertical axis to better describe the lines on the graph.

General Manager Buikema and Superintendent Pinkevich responded that they would come back to the Board with a formula for dollars per kilowatt hours being created by the micro turbines.

Board Action

Following a motion by Director White, and a second by Director Siegfried, the Board unanimously approved the Minutes of March 28, 2013 and all Consent Calendar items as amended.

ACTION ITEMS BEFORE THE BOARD

- 17. Staff is requesting the Board to provide direction on the placement of the boardroom television screen and pass a motion affirming said action.**

The Board and the General Manager discussed the current placement of the boardroom television screen and after some discussion, there was a vote taken. Suggestion was made by Director White to leave the television in its current location for a trial period of one year at which time, the placement will be re-evaluated.

The Board voted, and the majority vote was to leave the television at its present location for the period of one year and then re-evaluate.

- 18. Staff is requesting the Board to assign an alternate Board member to attend the next Reclamation Management Meeting scheduled for May 17, 2013.**

General Manager Buikema added that the May 17th meeting is an important meeting to attend since it will include the Annual Budget.

President Townsend volunteered as the alternate and will attend the Reclamation Management Meeting scheduled for May 17, 2013.

- 20. Staff is requesting the Board to approve a motion authorizing its Special District Association representative authority to vote, in the affirmative, on the California Special District Association (CSDA) Chapter Affiliation Agreement.**

General Manager Buikema added that the various agencies attend the Legislative Update and attend conferences then report back to the CSDA.

Mike Niccum of PBCSD offered that PBCSD, as a member of CSDA, attend CSDA's annual meetings and training sessions held for Board members and staff.

Counsel Wellington added that CSDA has impressive topics for training and regular "Webinars" (web seminars) for staff and Board members.

Following a movement by Director Siegfried and a second by Director D'Ambrosio the Board unanimously approved the motion authorizing its Special District Association representative authority to vote in the affirmative on the California Special District Association (CSDA) Chapter Affiliation Agreement.

21. Preliminary Review of Proposed Budget, 2013-14

General Manager Buikema and Superintendent Pinkevich responded to questions made by the Board.

Following a movement by Director Paboojian and a second by Director D'Ambrosio the Board unanimously approved the Preliminary Review of the Proposed Budget, 2013-14.

22. Preliminary Review of Proposed Rate Model, 2013-14

General Manager Buikema responded to questions made by the Board.

Director Paboojian requested a CPI (consumer price index) indicating what we would see if CAWD adopted an annual CPI increase.

General Manager Buikema responded that she would calculate the CPI and bring it back to the Board.

It was noted that the 2013-14 Proposed Rate Model has been reviewed and approved by the Budget Committee.

Director Siegfried left the Board meeting at 11:40 am.

19. Review and Approve Prop. 218 Notification Letter

The Board reviewed the Prop. 218 notification letter concerning user fees for the 2013-14 fiscal year.

General Manager Buikema responded to questions made by the Board.

The Board discussed the need to establish guidelines for the methods to be used for public outreach concerning the Capital Improvement Plan.

General Manager Buikema agreed to bring the public outreach procedures back to the May Board meeting.

Following a motion by Director White and a second by Director D'Ambrosio the remaining Board unanimously approved the Prop. 218 Notification Letter.

Director Siegfried was absent for the vote.

The Board passed the Action Items by Consensus.

**OTHER ITEMS BEFORE THE BOARD
INFORMATION/DISCUSSION ITEMS**

23. Electrical System Assessment and Repair Status

Superintendent Pinkevich reported that the Electrical System Assessment is complete and they are ready to begin the repair of the electrical system.

24. Maintenance Software Project Status

Because of the recent personnel turnover, Superintendent Pinkevich reported that he has re-assigned project responsibilities among the remaining staff. Lacey Jiles will be working with current staff and will train the new staff once the hiring process is complete.

25. SAM Pension Plan Valuation

General Manager Buikema informed the Board that Nicolay Consulting will conduct an analysis that reviews actuarial assumptions used in determining annual funding contribution in three areas:

- 1) Interest Rate
- 2) Mortality tables update
- 3) Payment form (i.e. lump sum Vs. annuity)

At the conclusion of the analysis, staff will provide a recommendation concerning the possibility of the plan self-administering the annuity option. A consultant from Nicolay Consulting will report findings to the Board at the June meeting.

26. Cell Tower - Draft Lease Agreement Version #2

General Manager Buikema informed the Board of the status of the ongoing negotiations with Verizon Wireless to place a cell phone tower at the treatment plant site.

STAFF & BOARD MEMBER REPORTS

29. General Manager's Report

General Manager Buikema reported sending an invitation to Keith Israel, General Manager of the MRWPCA to attend the June or July Board Meeting to discuss ground water replenishment. Mr. Israel is out of town at this time but will be contacting the General Manager to confirm a date in the near future.

General Manager Buikema reported being invited to speak at the local Kiwanis Club meeting on April 25th. She will report back to the Board at the scheduled May meeting.

General Manager Buikema reported being invited by Keith Israel, General Manager of the MRWPCA to attend a tour of Orange County Groundwater Replenishment System on April 29th. She will report on her visit at the May Board meeting.

General Manager Buikema reported receiving a visit from Jason Stillwell, Administrator of the City of Carmel by-the-Sea, to discuss the possibility of sharing certain equipment, the Trestle Bridge and the Pharmaceuticals Drop-Off Plan. Mr. Stillwell visited the Administrative office and toured the Treatment Plant.

COMMUNICATIONS

30. Board Members or staff may wish to make announcements concerning items of interest to the Board.

- A. *Oral reports or announcements from Board President, Directors or staff concerning their activities and/or meetings or conferences attended.*

Reclamation Management Committee Meeting - May 17, 2013 (President Townsend and Director White are scheduled to attend. Director Siegfried will be unable to attend)

*PBCSD Board Meeting, Draft Minutes -March 29, 2013
(Director Siegfried and General Manager Buikema attended; report written by Ms. Buikema)*

*PBCSD Board Meeting Agenda - April 26, 2013
(President Townsend is scheduled to attend. The next meeting is scheduled for Friday, May 24, 2013 and Director Paboojian is scheduled to attend)*

Special Districts Association of Monterey County - April 16, 2013 at the Shoreline Conference Center in Marina (President Townsend, Director Paboojian and General Manager Buikema attended; report written by Ms. Buikema)

*Salary and Benefits Committee Meeting-April 17, 2013
(Directors White and D'Ambrosio attended with General Manager Buikema)*

Director White suggested that an item be added to the next Agenda with a policy requiring the Board members to contact General Manager Buikema with their Agenda related questions prior to the scheduled Board meeting. This will enable the General Manager to have time to research and properly respond to each question prior to the Board meeting.

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

- 31. A Personnel Matter**
1. General Manager's Compensation

The Board adjourned at 12:05 pm for closed session to discuss the General Manager's compensation. The Board returned to open session at 12:10 pm.

Following a motion by Director Paboojian and seconded by President Townsend, the Board

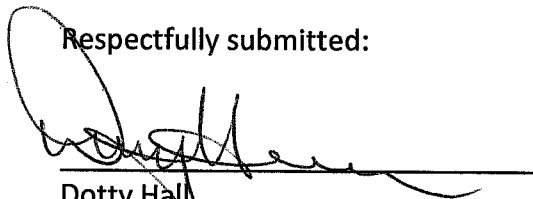
voted unanimously to compensate General Manager Buikema with a 2% COLA salary increase and a 1% CalPers increased contribution, effective immediately. Director Siegfried was absent for the vote.

ADJOURNMENT

There being no further business, the Board Meeting was adjourned at 12:15 pm.

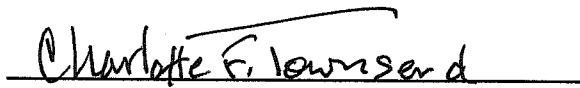
The next Regular Meeting will be held at 9:30 a.m., Thursday May 23, 2013 or an alternate acceptable date, in the Board Room of the District Office, 3945 Rio Road, Carmel, CA 93923.

Respectfully submitted:



Dotty Hall
Secretary to the Board

APPROVED:


Charlotte F. Townsend, President