



CARMEL AREA WASTEWATER DISTRICT

Regular Board Meeting

3945 Rio Road, Carmel, CA 93923

March 30, 2023
Thursday
9:00AM

CLOSED SESSION

The regular board meeting will be opened by the Board Chair and will then go into the Closed Session. Open Session will Reconvene shortly thereafter



CARMEL AREA WASTEWATER DISTRICT REGULAR BOARD MEETING MINUTES

Thursday, 9:00 a.m., February 23, 2023

Via Teleconference Webinar & In Person with Proof of Vaccination

CALL TO ORDER - ROLL CALL - The meeting was called to order at 9:00 a.m. –
A quorum was present.

Present: Directors: President Ken White, Pro Temp Bob Siegfried, and Directors Greg D’Ambrosio, Mike Rachel, Kevan Urquhart

Absent: Barbara Buikema, General Manager, Carmel Area Wastewater District (CAWD or District)

Others: Chris Foley, Maintenance Superintendent, (Acting General Manger)
Carmel Area Wastewater District (CAWD or District)
Rachél Lather, Principal Engineer, CAWD
Patrick Treanor, Plant Engineer, CAWD
Ed Waggoner, Plant Superintendent, CAWD
Kevin Young, Plant Supervisor, CAWD
Mike Skinkle, Maintenance Mechanic III (Acting Maintenance Superintendent), CAWD
Robert Bowman, Collection Worker III (Acting Collections Superintendent),CAWD
Domine Barringer, Board Secretary, CAWD
Kevin Young, Operations Supervisor, CAWD
Robert Wellington, Wellington Law Offices, CAWD Legal Counsel
Peter McKee, Director of the Board Pebble Beach Community Services District (PBCSD)
Mike Niccum, General Manager, PBCSD
Nick Becker, Deputy General Manager, PBCSD
Public attendees:(In person or via Zoom (*))
Deborah Ju(*) Donna(2) (*) Ilana Entin(*) Jim Burnis(*)
Michael Lang(*) Queen(*) 18312779977(*) Paul Goldman(*)
Barb Lang(*) Keith Porter 18319159063(*) Chuck Keller
Craig Barnes Eric Oberg Nicolas De Luca
Wei Huang(September Ranch) (*)
Rich Weber (Whitson Engineering) (*)
Steve Thomas (TBC Communication) (*)

- 1. *Appearances/Public Comments: Public Comments:***
Prior to homeowners speaking the Board Secretary read aloud each homeowners name regarding their email submission and posting on the District website.

Homeowners stated their concerns regarding the ejector pump policy during the public comment period. See recorded motion by the Board on agenda item number 23.

2. *Agenda Changes:*

- **Item #43 on the agenda** – Closed Session was moved to the 9 am time frame after the meeting was opened. Legal Counsel, Rob Wellington stated that the closed session matter is based upon significant exposure to litigation based upon existing facts and circumstances brought to the District’s attention.

The board room was cleared of all attendees and the Board went into closed session, and discussed item #43 on the agenda. The closed session ended at 9:45 am and open session was reconvened immediately thereafter. See recorded Board motion on item #43 below.

- **Item #3 on the agenda** on pages 14-16 in the packet, the Pension & Budget meeting minutes were pulled and moved to the March 2023 board meeting
- **Item #4 on the agenda** on page 17 in the board packet - the Bank Statement Review was performed by Clifton Larson Allen (CLA) not Hayashi & Wayland.
- **Item #18 on the agenda** (September Ranch) on page 91 in the board packet-the dollar amount under the Discussion paragraph is listed as \$361,252 the correct amount is \$319,662.
 - **Corrected language on the following agenda items occurred:**
 - Staff Report-Discussion paragraph: CARMEL RESERVE needs to provide easements for the facilities to the District, provide a deposit of \$319,662 to pay for engineering inspection, District staff costs, and sign a sewer installation agreement.
 - Item #18 on the agenda-page 106 in the packet: Resolution 2023-10- **Additional language added:**
 - WHEREAS, Contingent on District receiving funds from CARMEL RESERVE in the amount of \$319,662.
- **Item #19 on the agenda**-page 120 in the packet:
 - Resolution 2023-11- **Additional language added:**
 - WHEREAS, Contingent on District receiving funds from CARMEL RESERVE in the amount of \$319,662.
- **Item #20 on the agenda**- page 137 of the packet:
 - Resolution 2023-12- **Additional language added:**
 - WHEREAS, Contingent on District receiving funds from CARMEL RESERVE in the amount of \$299,662.
- **Item #23 on the agenda** on page 144 in the board packet - Resolution 2023-15 approving the Carmel Area Wastewater District installed ejector pump policy was moved forward directly following the closed session to accommodate the attendees who wished to make public comments. The list below was read prior to all comments to indicate that the District had received their respective communication and the inclusion into the board meeting discussion.

Open session reconvened at 9:47 am, and Item #23 on the agenda was moved before the consent calendar, at which time public comments were heard by the Board regarding the Ejector Pump Policy. See recorded Board motion on Item #23.

Name	Address
Douglas Arme y	24700 Pescadero Rd
Ken & Kristine Keller	24916 Lincoln St.
Rod Richardson	24720 Pescadero Rd
Philip Aissen	24760 Pescadero Rd
Keith & Lori Porter	2935 Ribera Rd.
Gene & Donna Kusumoto	2915 Ribera Rd.
Michael Lang	24674 Pescadero Rd.
Deborah & Werner Ju	2805 Ribera Rd.
Laura Arme y & Nicholas De Luca	24770 Pescadero Rd.
Don Ryan	24752 Pescadero Rd.
Gail & Stan Dryden	2795 Ribera Rd.
Diane Guinta & Paul Goldstein	2730 Ribera Rd.
Margaret J. Sincoff	3030 Ribera Rd.
Jessica Raymond	24780 PESCADERO RD

If additional documents are produced by the District and provided to the Board regarding any item on the agenda, they will be made available on the District website.

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

Consists of routine items for which Board approval can be taken with a single motion and vote.

Board Action

A motion to receive and approve the amended consent agenda was made by Director Urquhart and seconded by Director Siegfried. After a Roll Call vote, the Board unanimously received and approved the following amended Consent Calendar/Agenda items.

The amended consent calendar occurred for the following reasons:

- ***Director Siegfried requested that going forward the monthly financial statement comparison showing budget to actual variances be included in the board packet going forward.***
- ***February 13,2023 Pension Committee Meetings and the February 16,2023 Budget meeting minutes were pulled and moved to the March 30th board meeting.***

The board was in consensus with adding the financial statement comparison and removing the minutes for February 13th and 16th to the next board meeting.

3. Approve January 26, 2023, Regular Board Meeting Minutes &
 Approve January 23, 2023 Budget Committee Meeting Minutes
 Approve January 31, 2023 Budget Committee Meeting Minutes
 Approve February 7, 2023 Budget Committee Meeting Minutes
 Approve February 9, 2023 Salary & Benefit Committee Meeting Minutes
~~Approve February 13, 2023 Pension Committee Meeting Minutes (Moved to March Meeting)~~
~~Approve February 16, 2023 Budget Committee Meeting Minutes (Moved to March Meeting)~~
4. Receive and Accept Bank Statement Review by ~~Hayashi Wayland~~ – January 2023
*Received document on 2-21-23 and posted to the CAWD website
 Hayashi Wayland changed to CliftonLarsenAllen (CLA)*
5. Receive and Accept Schedule of Cash Receipts & Disbursements-January, 2023
6. Approve Register of Disbursements – Carmel Area Wastewater District –January, 2023
7. Approve Register of Disbursements – CAWD/PBCSD Reclamation Project –January, 2023
8. Receive and Accept Financial Statements and Supplementary Schedules – January, 2023
9. Receive and Accept Collection System Superintendent’s Report – 2023 January,
 December & November 2022
10. Receive and Accept Safety and Regulatory Compliance Report-January, 2023
11. Receive and Accept Treatment Facility Operations Report – 2023 January
 December & November, 2022
12. Receive and Accept Laboratory/Environmental Compliance Report –January 2023
13. Receive and Accept Capital Projects Report/Implementation Plan
14. Receive and Accept Project Summaries – Capital & Non-Capital
15. Receive and Accept Plant Operations Report – January 2023
16. Receive and Accept Maintenance Projects Report –January 2023
17. Receive and Accept District Engineer’s Report-February 2023

ACTION ITEMS BEFORE THE BOARD

Action Items consist of business which requires a vote by the Board. These items are acted upon in the following sequence: (1) Staff Report (2) Board Questions to Staff (3) Public Comments, and (4) Board Discussion and Action.

RESOLUTIONS

18. **Resolution No. 2023-10;** Resolution To Approve The September Ranch Sewer Extension Pipeline Installation Agreement With Carmel Reserve, project #18-29- *Report by Rachel Lather, District Engineer*

Board Action

After a lengthy discussion, a motion to approve the amended resolution was made by Director Siegfried and seconded by Director Rachel, with Director Urquhart abstaining. The amendment included that the District would own the entire sewer system, except for the ejector pumps from individual and private sewer laterals, and also contingent upon updating the MNS proposal for the additional work. Following a Roll Call vote, the Board passed Resolution 2023-10, Approving The September Ranch Sewer Extension Pipeline Installation Agreement With Carmel Reserve, project #18-29.

- 19. Resolution No. 2023-11;** Resolution To Approve The September Ranch Sewer Extension Project Easement Agreement For Sewer Improvements, Project #18-29-*Report by Rachel Lather, District Engineer-Note: If exhibits are not attached they will be inserted when received*

Board Action

After a lengthy discussion, a motion to approve the amended resolution was made by Director Siegfried and seconded by Director Rachel, with Director Urquhart abstaining. The amendment included that the District would own the entire sewer system, except for the ejector pumps from individual and private sewer laterals, and also contingent upon updating the MNS proposal for the additional work. Following a Roll Call vote, the Board passed Resolution 2023-11, Approving The September Ranch Sewer Extension Project Easement Agreement For Sewer Improvements, Project #18-29.

- 20. Resolution No. 2023-12;** A Resolution Authorizing The General Manager To Enter Into A Contract With MNS Engineers To Provide Construction Inspection Services For The September Ranch Sewer Project #18-29, In An Amount Not To Exceed \$299,662-*Report by Rachel Lather, District Engineer-Note: If exhibits are not attached they will be inserted when received*

Board Action

After a lengthy discussion, a motion to approve the amended resolution was made by Director Siegfried and seconded by Director Rachel, with Director Urquhart abstaining. The amendment included that the District would own the entire sewer system, except for the ejector pumps from individual and private sewer lateral, and also contingent upon updating the MNS proposal for the additional work. Following a Roll Call vote, the Board passed Resolution 2023-12, Authorizing The General Manager To Enter Into A Contract With MNS Engineers To Provide Construction Inspection Services For The September Ranch Sewer Project #18-29, In An Amount Not To Exceed \$299,662.

- 21. Resolution No. 2023-13;** A Reimbursement Resolution For Corona Road Through The Clean Water State Revolving Fund Program Requesting A Maximum For The Project Of \$6M-*Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

Board Action

After brief discussion, a motion to approve the resolution was made by Director Urquhart and seconded by Director D'Ambrosio. Following a Roll Call vote, the Board unanimously passed Resolution 2023-13, A Reimbursement Resolution For Corona Road Through The Clean Water State Revolving Fund Program Requesting A Maximum For The Project Of \$6M.

- 22. Resolution No. 2023-14;** A Resolution For Corona Road Authorizing the General Manager To Sign and File, On Behalf Of The District, A Financial Assistance Application For A Financing Agreement With The Clean Water State Revolving Fund Program – *Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

Board Action

After brief discussion, a motion to approve the resolution was made by Director Urquhart and seconded by Director Siegfried. Following a Roll Call vote, the Board unanimously passed Resolution 2023-14, A Resolution For Corona Road Authorizing the General Manager To Sign and File, On Behalf Of The District, A Financial Assistance Application For A Financing Agreement With The Clean Water State Revolving Fund Program.

- 23. Resolution No. 2023-15;** A Resolution Approving The Carmel Area Wastewater District Installed Ejector Pump Policy- *Report by Rachel Lather, District Engineer*

Board Action

After a lengthy discussion, The Board made a motion to table Resolution 2023-15 with the first motion made by Director D’Ambrosio and seconded by Director Rachel. Following a Roll Call vote, the Board unanimously tabled Resolution 2023-15, and requested it be moved back to the Ejector Pump Ad Hoc Committee taking into consideration the public comments and move this item to the next board meeting.

- 24. Resolution No. 2023-16;** A Resolution Authorizing The General Manager To Execute A Professional Services Agreement With Kennedy Jenks Consultants In An Amount Not To Exceed \$291,208 For Wastewater Treatment Plant (WWTP) Water And Gas Service Replacement (Project #22-03)- *Report by Patrick Treanor, District Plant Engineer*

Board Action

After brief discussion, a motion to approve the resolution was made by Director Urquhart and seconded by President White. Following a Roll Call vote, the Board unanimously passed Resolution 2023-16, Authorizing The General Manager To Execute A Professional Services Agreement With Kennedy Jenks Consultants In An Amount Not To Exceed \$291,208 For The Wastewater Treatment Plant (WWTP) Water And Gas Service Replacement (Project #22-03).

- 25. Resolution No. 2023-17;** A Resolution Designating Classification Titles in the Carmel Area Wastewater District and Providing for the Number of Positions and Monthly Salary Ranges - *Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

Board Action

After brief discussion, a motion to approve the resolution was made by Director Urquhart and seconded by Director D'Ambrosio. Following a Roll Call vote, the Board unanimously passed Resolution 2023-17, for One Designating Classification Title change in the Carmel Area Wastewater District and Providing for the Number of Positions and Monthly Salary Ranges.

- 26. Resolution No. 2023-18-** A Resolution Authorizing the General Manager to Adopt a Workplace Electric Vehicle Charging Policy –*Report by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

Board Action

After brief discussion, a motion to approve the resolution was made by Director Urquhart and seconded by Director Rachel. Following a Roll Call vote, the Board unanimously passed Resolution 2023-18 Approving The Electric Vehicle Charging Policy.

- 27. Resolution No. 2023-19 –** A Resolution Authorizing the General Manager to Act as the District's Authorized Agent to Provide the Governor's Office of Emergency Services Application for Financial Assistance – *Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

Board Action

After brief discussion, a motion to approve the resolution was made by Director Urquhart and seconded by Director D'Ambrosio. Following a Roll Call vote, the Board unanimously passed Resolution 2023-19, Authorizing the General Manager to Act as the District's Authorized Agent to Provide the Governor's Office of Emergency Services Application for Financial Assistance.

- 28. Resolution No. 2023-20** – A Resolution Authorizing Execution of an Amendment to the Carmel Area Wastewater District Employees’ Pension Trust (“Plan”) - *Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

Board Action

After brief discussion, a motion to approve the amended resolution, with the word “remove” changed, was made by President White and seconded by Director Siegfried. Following a Roll Call vote, the Board unanimously passed Resolution 2023-20, Authorizing the Execution of an Amendment to the Carmel Area Wastewater District Employees’ Pension Trust (“Plan”).

Director Siegfried requested that the board agenda the General Manager’s role as a Trustee on the Pension Committee. Legal Counsel stated that this should be on the March agenda and there was board consensus to bring this topic to the next board meeting.

COMMUNICATIONS

- 29.** General Manager Report – An Oral and Written Report Regarding Summary of General Manager’s goals and a letter from Constituents

Director Siegfried requested an information update on the monitoring of the flu virus and requested that the District find a lab that can monitor this virus. Superintendent of the Plant, Ed Waggoner, stated that the lab is working on this issue and has quotes to provide the General Manager. Director Siegfried would like the quotes to be brought forward to the Budget Committee.

Director Siegfried also requested that the board agenda an amendment to the published fiscal year 2022 Audit report regarding Section 115.

OTHER ITEMS BEFORE THE BOARD

- 30.** Monterey County Treasurer Report dated December 31, 2022 – *Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

A motion to accept the Monterey County Treasurer Report dated December 31, 2022 was made by Director Urquhart and seconded by Director Rachel. After a roll call vote, the motion was accepted unanimously.

- 31.** CalPERS 2021 Classic & PEPRAs Plans Actuarial Report – *Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

A motion to accept the CalPERS 2021 Classic & PEPRAs Plans Actuarial Report was made by Director Urquhart and seconded by Director Siegfried. After a roll call vote, the motion was accepted unanimously.

- 32.** SAM 2022 Actuarial Report – *Motion to accept SAM 2022 Actuarial Report- Report written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

A motion to accept the SAM 2022 Actuarial Report was made by Director Urquhart and seconded by Director White. After a roll call vote, the motion was accepted unanimously.

Superintendent, Chris Foley stated the Pension Committee requested to add \$100K for fiscal budget year 2023-2024 due to the six month lag on the actuarial report and is currently in the Budget Committee hands. Director Siegfried stated that Pension Committee also recommended an additional \$100K added to the budget for Section 115.

- 33.** Double Time Policy - *Report Written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

A motion to accept the Double Time Pay adjustment, for this one-time only, for events that occurred on January 20, 2023 was made by Director Siegfried and seconded by Director Rachel, with a No vote from Director Urquhart . After a roll call vote, the Board accepted this one-time adjustment .

- 34.** New Brown Act Rules After the State Of Emergency Sunsets- *Report by Rob Wellington, Legal Counsel*

Informational only no action taken

- 35.** Reminder Form 700 FPPC– *Report by Domine Barringer, Secretary of the Board*

Informational only no action taken

INFORMATION/DISCUSSION ITEMS

36. January Construction Updates of Project #18-01 Electrical/Mechanical Rehab and Sludge Holding Tank Replacement – *Report by Plant Engineer, Patrick Treanor*
37. Wastewater Treatment Plant Rehab Paving Repairs Change Order Project #18-01-
Report by Plant Engineer, Patrick Treanor
38. December 9, 2022, PBCSD Board Meeting Summaries-*Report Written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*
39. Reclamation Management Committee -*Report Written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*
40. Pension Committee – *Hastie 4th Quarter Report Presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

The Board was in consensus to agendize the investment pool items and the Pension Committee is to bring a recommendation back to the Board on hiring a qualified consultant.

41. Annexation Cost Recovery- *Report Written by General Manager, Barbara Buikema and presented by Chris Foley, Superintendent of Maintenance (Acting General Manager)*

The Board was in consensus to agendize the annexation costs for more discussion in the March board meeting. During the discussion, Director Urquhart suggested to setup a trust fund account and Director Siegfried stated that the fees should take into account the impact of inflation.

42. Announcements on Subjects of Interest to the Board Made by Members of the Board or Staff

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

PBCSD Board Public Meeting Notice & Agenda – The next PBCSD meeting is scheduled for:
Friday, February 24, 2023, at 9:30 a.m. – Director D’Ambrosio is scheduled to attend.
Friday, March 31, 2023, at 9:30 a.m. – Director Rachel is scheduled to attend.

Special Districts Association of Monterey County – The next SDA meeting is scheduled for:
Tuesday, April 18, 2023, at 6:00 p.m. – Director D’Ambrosio is scheduled to attend.
Tuesday, July TBD, 2023, at 6:00 p.m. – Director Rachel is scheduled to attend.

Reclamation Management Committee (RMC) Meeting – The next RMC meeting is scheduled for:
Tuesday, May 9, 2023, at 9:30 a.m. Director Rachel is scheduled to attend.

The Board was in consensus to agendaize in the March meeting the increase in Director’s compensation. Director Urquhart requested a summary of what other Director’s compensation are receiving in the area. Legal Counsel stated that the District will have to comply with the controlling law.

- 43. CLOSED SESSION:** *As permitted by Government Code Section 54956 et seq., the Board of Directors may adjourn to a Closed Session to consider specific matters dealing with litigation, certain personnel matters, real property negotiations, or to confer with the District’s Meyers-Milias-Brown representative.*

After President White opened the February 23, 2023 board meeting Item #43 on the agenda regarding the Closed Session was moved to the start of the regular board meeting. Closed Session occurred and Legal Counsel reported out. Open session reconvened immediately thereafter.

44. ADJOURNMENT:

The Board adjourned open session at 9:01 a.m. and took a short break. The Board then convened into closed session at 9:02 a.m. The Board came out of closed session at 9:45 a.m., and Legal Counsel reported that during the closed session the Board took up, the matter at hand, with regard to the potential litigation, and no reportable action was taken. The Board came back into open session at 9:47 a.m. and the meeting was convened at 12:32 p.m.

As Reported To:

Domine Barringer, Secretary to the Board

APPROVED:

Ken White, President of the Board



CARMEL AREA WASTEWATER DISTRICT (CAWD)

PENSION COMMITTEE MEETING MINUTES

February 13, 2023, Monday, 1:00 p.m.

Via teleconference and in-person

CALL TO ORDER - ROLL CALL:

The meeting was called to order at 1:00 p.m.

Present: President Pro Tem Robert Siegfried, Committee member
Kevan Urquhart, Director Committee member
Chris Foley, Acting General Manager
Robert Wellington, Legal Counsel
Bill Hastie, Managing Partner, CPFA, Hastie Financial Group
Haley Hitchman, Partner, CPFA, Hastie Financial Group
Ryan Hastie, CPFA, Hastie Financial Group

Absent: **Barbara Buikema, General Manager**

Appearances/Public Comments: None

Agenda Changes: None

AGENDA ITEMS:

The committee discussed the following agenda items:

1. Review 4th quarter 2022 and discussed 1st quarter 2023 – presentation by Hastie Group
2. Discussion of Correlation Coefficients and implications of positive correlation
Discussion on bond funds and stocks having positive correlation and gave direction to protect principal. Discussion of investing in direct bonds versus bond funds.
3. Review CalPERS Actuarial report
No action on this item.
4. Review SAM Actuarial Report
Recommendation #1: Budget \$100,000 for FY23-24 to minimize rate spikes when future UAL is realized.
Recommendation #2: Direction to staff to research options on SAM conversion. Find out whether it is possible to convert SAM to CalPERS purchase of time. Goal is to replace our annuity maintenance.
5. Review Section 115 performance and make recommendation to Budget Committee
Recommendation #1: Budget \$100,000 for FY23-24 to minimize rate spikes when future UAL is realized.

Recommendation #2: Verify if there is option to combine strategies in Section 115 to Strategy 1 which is a more conservative model

6. Review state of committee & communication
Discussed role of General Manager as trustee.
7. Graph for Quarterly & Annual investment results
Committee requested Hastie to provide a graph in next report with 4 quadrants and each fund having a description of Fund Name, the percentage return, and a benchmark.
8. Discuss replacement of S & P as a component of the blended benchmark
Recommendation: Staff to provide recommendation to the committee on benchmark options.

ADJOURNMENT: *There being no further business to come before the Committee, the meeting concluded at 3:21 p.m. The next Regular Board Meeting will be held at 9:00 a.m., Thursday, February 23, 2023, or an alternate acceptable date, in-person and via teleconference webinar. The teleconference webinar is hosted through Zoom, and you may receive access by visiting our website homepage, www.cawd.org, calling the District office at 831-624-1248 or via email at downstream@cawd.org.*

As Reported To:

Chris Foley, Acting General Manager

APPROVED:

Ken White, President



CARMEL AREA WASTEWATER DISTRICT (CAWD)
BUDGET COMMITTEE MEETING MINUTES
February 16, 2023, Thursday, 12:00 p.m.
3645 Rio Road, Carmel, CA 93923

CALL TO ORDER - ROLL CALL:

The meeting was called to order at 12:00 p.m.

Present: President Pro Tem Robert Siegfried, Committee member
Director Greg D'Ambrosio, Committee member
Barbara Buikema, General Manager
Patrick Treanor, District Plant Engineer
Chris Foley, Maintenance Superintendent

Absent: None

Appearances/Public Comments: None

Agenda Changes: None

AGENDA ITEMS:

The committee discussed the following agenda items:

- The 2022-23 Proposed rate model.
The committee discussed the rate model and capital component of the rate model.
The committee took no reportable action.

ADJOURNMENT: *There being no further business to come before the Committee, the meeting concluded at 1:54 p.m. The next Regular Board Meeting will be held at 9:00 a.m., Thursday, February 23, 2023, or an alternate acceptable date, in person and via teleconference webinar. The teleconference webinar is hosted through Zoom and you may receive access by visiting our website homepage, www.cawd.org, calling the District office at 831-624-1248 or via email at downstream@cawd.org.*

As Reported To:

Barbara Buikema, General Manager

APPROVED:

Ken White, President



CARMEL AREA WASTEWATER DISTRICT (CAWD)
BUDGET COMMITTEE MEETING MINUTES
March 9, 2023, Thursday, 9:00 a.m.
3645 Rio Road, Carmel, CA 93923

CALL TO ORDER - ROLL CALL:

The meeting was called to order at 9:05 a.m.

Present: President Pro Tem Robert Siegfried, Committee member
Director Greg D'Ambrosio, Committee member
Barbara Buikema, General Manager
Patrick Treanor, Plant Engineer
Chris Foley, Maintenance Superintendent

Absent: None

Appearances/Public Comments: None

Agenda Changes: None

AGENDA ITEMS:

The committee discussed the following agenda items:

- Treatment Plant Operations & Maintenance (O&M) budget.
- Discuss/Review the 2023-24 Proposed Rate Models

ADJOURNMENT: *There being no further business to come before the Committee, the meeting concluded at 10:15 a.m. The next Regular Board Meeting will be held at 9:00 a.m., Thursday, March 30, 2023, or an alternate acceptable date, in person and via teleconference webinar. The teleconference webinar is hosted through Zoom and you may receive access by visiting our website homepage, www.cawd.org, calling the District office at 831-624-1248 or via email at downstream@cawd.org.*

As Reported To:

Barbara Buikema, General Manager

APPROVED:

Ken White, President



**CARMEL AREA WASTEWATER DISTRICT (CAWD)
BOARD OF DIRECTORS SPECIAL BOARD MEETING MINUTES
SEPTEMBER RANCH (CARMEL RESERVE)**

Monday, 1:00 p.m., March 13, 2023

Via teleconference webinar and in person

CALL TO ORDER - ROLL CALL:

The meeting was called to order at 1:01 p.m.- **A quorum was present**

Present: President Ken White
Pro Tem Bob Siegfried
Director Greg D'Ambrosio
Director Michael Rachel
Director Kevan Urquhart
Barbara Buikema, General Manager
Rachel Lather, District Engineer
Ed Waggoner, Plant Superintendent
Kevin Young, Plant Supervisor
Rob Wellington, District Legal Counsel

Absent: None

Others:

- Anthony Lombardo Rich Weber | Whitson Engineering
- Wei Huang | Carmel Reserve Murat | MNS Engineering
- Rmsierra

Appearances/Public Comments: None

Agenda Changes: Insertion of updated resolutions 2023-21 and 2023-22 with an updated map

AGENDA ITEMS:

Information/Discussion Items: Acceptance of September Ranch (Carmel Reserve) subdivision into the District.

Board Action

A motion to approve resolution 2023-21 and 2023-22 was made by Director Urquhart seconded by Director D'Ambrosio. After a Roll Call vote, the Board unanimously passed Resolutions 2023-21 and 2023-22 accepting the September Ranch (Carmel Reserve) subdivision sewer improvements into the District..

ADJOURNMENT: *There being no further business to come before the Board, the meeting concluded at 1:10 p.m. The next Regular Board Meeting will be held at 9:00 a.m., Thursday, March 30, 2023, or an alternate acceptable date, via teleconference webinar. The teleconference webinar is hosted through Zoom and you may receive access by visiting our website homepage, www.cawd.org, calling the District office at 831-624-1248 or via email at downstream@cawd.org.*

As Reported To:

Domine Barringer, Board Secretary

APPROVED:

Ken White, President



CARMEL AREA WASTEWATER DISTRICT (CAWD)

BUDGET STANDING COMMITTEE MEETING MINUTES

March 20, 2023, Monday, 3:00 p.m.

3645 Rio Road, Carmel, CA 93923

CALL TO ORDER - ROLL CALL:

The meeting was called to order at 3:06: p.m.

Present: President Pro Tem Robert Siegfried, Committee member
Director Greg D'Ambrosio, Committee member
Barbara Buikema, General Manager
Chris Foley, Maintenance Superintendent
Patrick Treanor, Plant Engineer

Absent: None

Appearances/Public Comments: None

Agenda Changes: None

AGENDA ITEMS:

The committee discussed the following agenda items:

- The committee reviewed the introductory budget sections and discussed the suggested improvements. The committee agreed to bring the fiscal year 2023-2024 preliminary budget to the full board for approval.

ADJOURNMENT: *There being no further business to come before the Committee, the meeting concluded at 3:46 p.m. The next Regular Board Meeting will be held at 9:00 a.m., Thursday, March 30, 2023, or an alternate acceptable date, in person and via teleconference webinar. The teleconference webinar is hosted through Zoom and you may receive access by visiting our website homepage, www.cawd.org, calling the District office at 831-624-1248 or via email at downstream@cawd.org.*

As Reported To:

Barbara Buikema, General Manager

APPROVED:

Ken White, President



CliftonLarsonAllen LLP
26515 Carmel Rancho Blvd, Suite 100
Carmel, CA 93923

phone 831-624-5333 fax 831-626-9113
CLAAconnect.com

INDEPENDENT ACCOUNTANTS' REPORT

March 15, 2023

To the Board of Directors
Carmel Area Wastewater District

We have performed the procedures enumerated below, which were agreed to by Carmel Area Wastewater District (CAWD), solely to assist you in connection with a determination as to whether there were differences in the Company's recorded cash disbursements and recorded cash receipts for the month of February 2023. CAWD is responsible for its cash disbursements and cash receipts records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We have completed our review of your bank reconciliations for the Monterey County checking account, the Chase Bank O&M account and the Chase Bank payroll account. This service is limited in scope and is neither designed nor intended to deter or discover fraud, embezzlements or any other irregularities.

The procedures we performed and the associated findings are as follows:

- (1) We reviewed individual checks (or electronic images of individual checks or substitute checks). This procedure did not reveal any significant differences.
- (2) We examined the signatures on each check and compared them to a copy of the signature card on file with your bank to determine if the correct authorized people have signed the checks (we are not handwriting or forgery experts). This procedure did not reveal any significant differences.
- (3) We examined the payee on the check and matched it to the payee name appearing in your cash disbursements journal. This procedure did not reveal any differences.
- (4) We matched interbank account transfers. This procedure did not reveal any differences.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the cash disbursements records or cash receipts records, accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors of Carmel Area Wastewater District and is not intended to be and should not be used by anyone other than these specified parties.

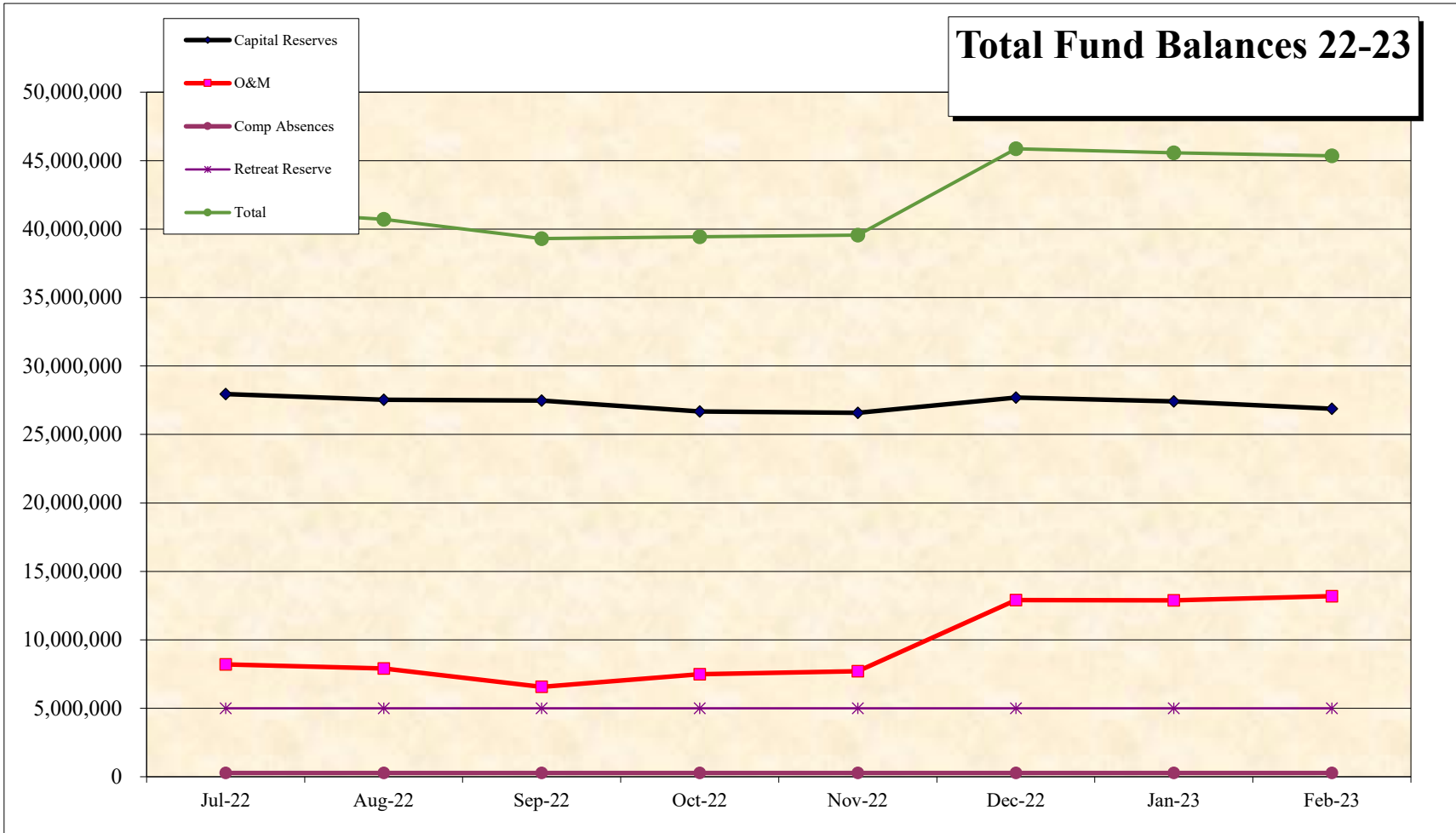
A handwritten signature in blue ink, appearing to read "Robert Lee", is positioned above the printed name.

Robert Lee, CPA
Principal
CliftonLarsonAllen LLP

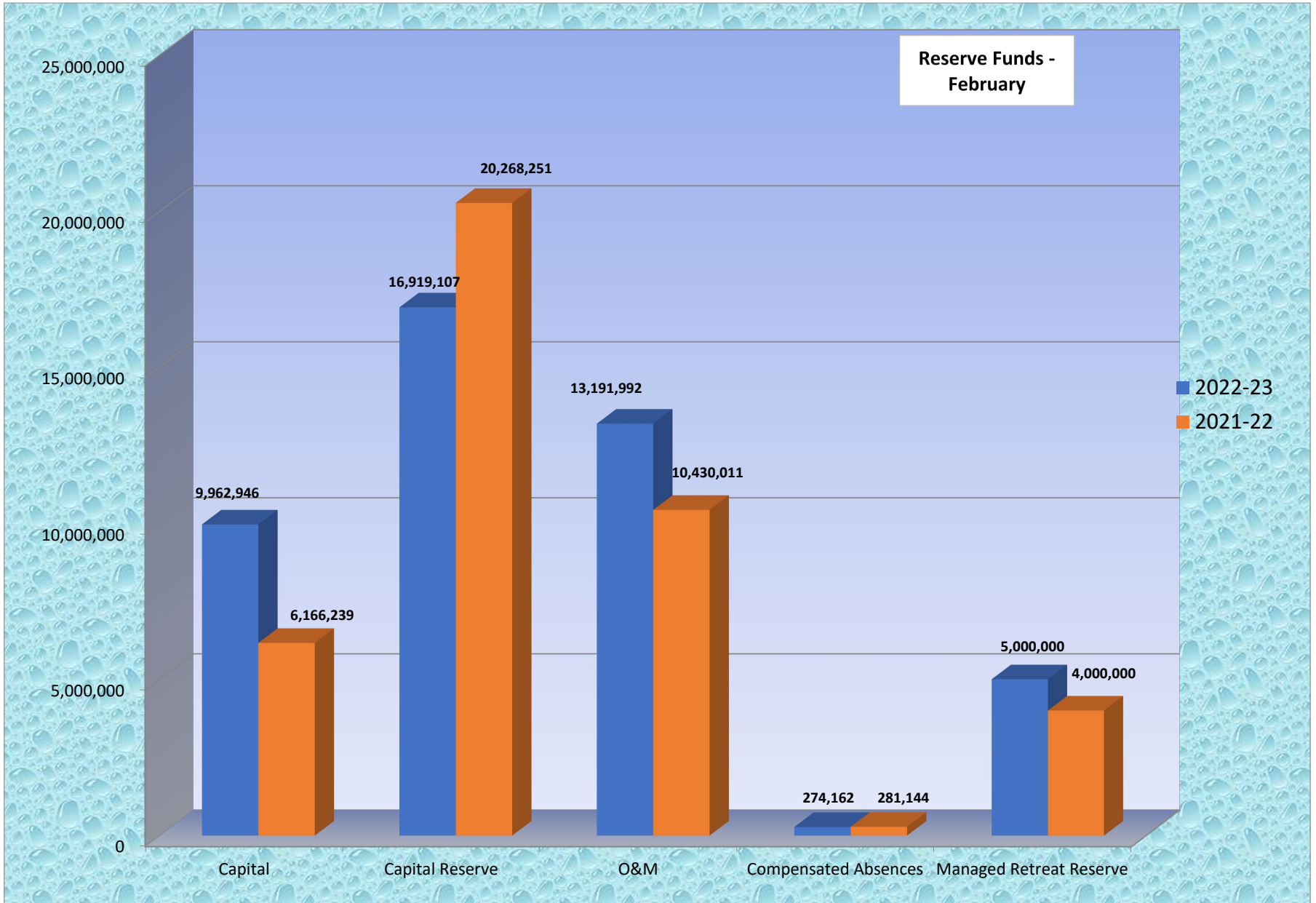
Cc: Mr. Ken White, President

Carmel Area Wastewater District
Schedule of Cash Receipts and Disbursements - FEBRUARY 2023

	Capital Fund	Capital Improvement Reserve	General O & M Fund	Compensated Accruals Reserve	Defend or Managed Retreat Reserve	COUNTY Total Fund Balance	Chase Bank O & M Balance	Chase Bank PR Balance	L.A.I.F. Balance
BALANCE BEGINNING OF MONTH	\$10,108,633	\$17,315,196	\$12,882,058	\$274,162	\$5,000,000	\$45,580,049	\$382,067	\$5,842	\$1,210,849
Receipts:									
User Fees			309,934				1,677		
Property Taxes		58,224							
PBCSD Treatment Fees							115,000		
Reclamation O & M reimbursement							93,853		
Reclamation capital billing									
Permits							4,320		
PBCSD capital billing									
Other misc. revenue							1,344		
Interest income									
Connection Fees							24,978		
CCLEAN receipts							76,937		
CRFree Project grant funds							28,449		
GovDeals sale of spare parts									
Greeley and Hansen return duplicate check									
Void checks-replace lost checks								139	
Total Receipts	0	58,224	309,934	0	0	368,158	346,557	139	0
Fund Transfers:									
Transfers to Chase Bank O&M	(145,687)	(454,313)					600,000		
Transfers to Chase Bank PR							(250,000)	250,000	
Transfer to Defend or Managed Retreat Fund									
Intra-fund transfers for capital expenditures									
Rebalance Capital and O&M Reserves									
Total Transfers	(145,687)	(454,313)	0	0	0	(600,000)	350,000	250,000	0
Disbursements:									
Operations and capital							604,925		
Payroll & payroll taxes								243,404	
Employee Dental reimbursements							2,323		
CALPERS EFT							36,280		
CAWD SAM pension EFT							0		
CAWD pension loans EFT							0		
Home Depot EFT							352		
US Bank EFT							6,240		
Deferred comp contributions EFT							13,558	0	
PEHP contributions EFT							3,237	0	
Bank/ADP fees							0	1,613	
Highlands Bond Debt Service Payment									
Annual County admin billing fee									
Greeley Hansen deposit lost check									
HCM Unlocked EFT							2,250		
Total Disbursements	0	0	0	0	0	0	669,165	245,017	0
BALANCE END OF MONTH	9,962,946	16,919,107	13,191,992	274,162	5,000,000	45,348,208	409,459	10,964	1,210,849



Capital Reserve + O&M + O&M Reserve + Compensated Absences Reserve = Total Fund held in County



Carmel Area Wastewater District
Disbursements
Feb-23

Date	Check	Vendor	Description	Amount
02/01/23	4022	Allied Fluid Products	Sewer hoses and trash pump	7,085.43
02/01/23	4023	Amazon Capital Services	Collection supplies and Sense Energy Monitor for the Plant	533.06
02/01/23	4024	AT&T CALNET 3	Admin alarm	36.51
02/01/23	4025	CAL FIRE	Easement clearing labor	907.76
02/01/23	4026	CAWD\PBSCD Reclamation Project	Reimbursement for tertiary lab PG&E	604.67
02/01/23	4027	Cintas Corporation #63D	Laundry service	415.14
02/01/23	4028	Culligan Water Conditioning	C&I exchange service for the lab	17.35
02/01/23	4029	Equitable Financial Life Insurance	Life insurance, long-term and short-term disability premiums	2,589.23
02/01/23	4030	Exceedio	Two year warranty for Plant server	1,758.06
02/01/23	4031	FGL Environmental	Sample analysis	1,361.00
02/01/23	4032	First Alarm	Plant alarm quarterly billing	456.72
02/01/23	4033	Fisher Scientific	Lab supplies	776.85
02/01/23	4034	Grainger	Operating supplies	142.31
02/01/23	4035	Harrington Industrial Plastics	Pump for ferric	4,227.00
02/01/23	4036	Monterey Bay Analytical Services	Sample analysis	350.00
02/01/23	4037	Monterey Fire Extinguisher	Annual service	906.52
02/01/23	4038	NAPA Auto Parts	V-belts	93.38
02/01/23	4039	Patelco Credit Union	Health savings accounts contributions	4,944.19
02/01/23	4040	Patrick Treanor	CASA Winter Conference expenses	747.30
02/01/23	4041	Peninsula Welding & Medical Supply	Non-liquid cylinder rent	38.70
02/01/23	4042	Pacific Gas & Electric	Monthly service	8,318.32
02/01/23	4043	Pure Water	Monthly service	127.00
02/01/23	4044	Quill LLC	Office supplies	189.15
02/01/23	4045	Quinn Company	Plant and collections generator testing	7,931.10
02/01/23	4046	Raymond De Ocampo	Dental	276.00
02/01/23	4047	Robert Bowman	Dental	439.00
02/01/23	4048	Scarborough Lumber (ACE)	Operating supplies	100.75
02/01/23	4049	Shape Incorporated	3127 Flygt Pump for Monte Verde & 16th pump station (CAPITAL)	15,270.18
02/01/23	4050	Streamline	Website maintenance	400.00
02/01/23	4051	United Rentals (North America)	Rental of an articulation lift	4,020.25
02/01/23	4052	Universal Staffing	Admin temp service	842.00

**Carmel Area Wastewater District
Disbursements
Feb-23**

Date	Check	Vendor	Description	Amount
02/01/23	4053	Vision Service Plan	Vision insurance premium	617.40
02/15/23	4054	Amazon Capital Services	Plant and Collections operating supplies	538.30
02/15/23	4055	American Legal Publishing Corporation	Codification of District ordinances	7,458.00
02/15/23	4056	AT&T Mobility	Cell service	655.07
02/15/23	4057	AT&T CALNET 3	Plant fiber router	615.17
02/15/23	4058	AutomationDirect, Inc.	Operating supplies	58.19
02/15/23	4059	Barbara Buikema	Dental	263.00
02/15/23	4060	Bay Area Barricade Service	Barricades with lights	652.91
02/15/23	4061	Best Best & Krieger LLP	District legal services	1,314.80
02/15/23	4062	Beth Ingram	December and January HR services	11,375.00
02/15/23	4063	Biobot Analytics	Influent sample testing	1,750.00
02/15/23	4064	Bryan Mailey Electric	Plant and collections electrical services	8,325.00
02/15/23	4065	California American Water	Monthly service	1,110.56
02/15/23	4066	California Special Districts Association	2023 annual membership renewal	8,810.00
02/15/23	4067	Carmel Guess One LLC	Refund of eight years of user fees for their building	67,905.27
02/15/23	4068	Carmel Pine Cone	Bid notice for spot repair projects	156.00
02/15/23	4069	Charlotte Townsend	Replace uncashed and lost check for trustee	138.53
02/15/23	4070	Charles DayEngel	Dental	29.40
02/15/23	4071	Cintas Corporation #63D	Laundry service	1,020.38
02/15/23	4072	Clark Pest Control	Plant service	293.00
02/15/23	4073	Clark Bros., Inc.	Elec/Mech Rehab and Holding Tank Project #18-01 (CAPITAL), Progress payment #16	109,250.00
02/15/23	4074	CliftonLarsonAllen LLP	Bank reconciliation oversight	900.00
02/15/23	4075	Comcast	Pump station internet	537.00
02/15/23	4076	Daryl Lauer	Dental	175.00
02/15/23	4077	Datco Services Corporation	Controlled substance test for employee	54.50
02/15/23	4078	Del Monte Gardeners	Tree removal from easement	6,840.00
02/15/23	4079	Denise Duffy & Associates	Corona Road Sewer Extension Project #18-21	13,205.45
02/15/23	4080	Edges Electrical Group	Plant and admin electrical parts	4,445.48
02/15/23	4081	Edward Waggoner	Dental (\$200.00) and vision copay	240.00
02/15/23	4082	Exceedio	Five Ruckus T310c outdoor wireless access points	3,893.40

Carmel Area Wastewater District
Disbursements
Feb-23

Date	Check	Vendor	Description	Amount
02/15/23	4083	Fisher Scientific	Lab supplies	1,519.34
02/15/23	4084	Fluke Electronics Corporation	Thermometer calibration	288.00
02/15/23	4085	GLS US	Shipping charges for samples	401.91
02/15/23	4086	Green Rubber Kennedy Ag	QK-MOR belt and fastener	3,963.42
02/15/23	4087	Greeley and Hansen	Long term sea level rise planning	5,864.98
02/15/23	4088	Hach Company	SC4500 controller and flow sensor	4,102.04
02/15/23	4089	Harrington Industrial Plastics	Pump, filter products and mounting plates	7,232.32
02/15/23	4090	ICON Cloud Solutions	Telephone service	1,007.93
02/15/23	4091	Kevin Young	Employee certificate renewal	95.00
02/15/23	4092	Manco	Effluent VFD remote keypad kits	180.48
02/15/23	4093	Michael Rachel	Dental	356.00
02/15/23	4094	Miele, Inc.	Lab supplies	135.30
02/15/23	4095	MNS Engineers	Scenic Rd Pipe Bursting Project #20-08 and Pescadero Creek Area Pipe Rehab Project #21-05 (CAPITAL)	1,786.25
02/15/23	4096	Monterey Bay Analytical Services	Sample analysis	1,253.00
02/15/23	4097	Monterey Bay Window Cleaning	Admin building window cleaning and power wash	1,420.00
02/15/23	4098	Murphy Austin Attorneys	Legal services-Monterey County option agreement	2,500.00
02/15/23	4099	Pacific Crest Engineering	Lorca Lane engineering services	2,080.00
02/15/23	4100	Patrick Treanor	CASA Winter Conference hotel charge	275.20
02/15/23	4101	Pacific Gas & Electric	Monthly service	33,681.34
02/15/23	4102	Pure Dakota Design, LLC	Bridge and trail project engineering	2,500.00
02/15/23	4103	Quill LLC	Office supplies	615.40
02/15/23	4104	Raymond De Ocampo	Dental	585.00
02/15/23	4105	SRT Consultants	Carmel Meadows Gravity Sewer Project #19-03 final design and Bay/Scenic Pump Station Rehab. Project #20-07 (CAPITAL)	7,455.40
02/15/23	4106	Star Sanitation LLC	Collections portable toilet rental	24.30
02/15/23	4107	Synagro Technologies	Sludge hauling	5,475.41
02/15/23	4108	TBC Communications & Media	Pescadero Creek Area Pipe Rehab Project #21-05 (CAPITAL)	11,925.00
02/15/23	4109	Toro Petroleum	Mobil SHC oil	564.31
02/15/23	4110	Town & Country Gardening	Plant and admin service	700.00
02/15/23	4111	Univar Solutions USA Inc.	Sodium bisulfate and hypochlorite	19,590.98

**Carmel Area Wastewater District
Disbursements
Feb-23**

Date	Check	Vendor	Description	Amount
02/15/23	4112	Universal Staffing	Admin temp service	288.00
02/15/23	4113	Wine Country Balance	Lab balances calibration	470.00
02/15/23	4114	WM Corporate Services	Plant and admin garbage	1,819.22
02/17/23	4115	Express Sewer & Drain	Rehabilitation of 21 manholes	131,232.00
02/24/23	4116	Public Agency Coalition Enterprise	Health insurance	37,329.51
				607,248.78

CAWD/PBCSD Reclamation Project
Disbursements
Feb-23

Date	Check	Vendor	Description	Amount
02/01/23	867	Fisher Scientific	Lab supplies	776.84
02/01/23	866	Harrington Industrial Plastics	Sulfuric Acid Tank Project #18-26 (CAPITAL)	2,176.04
02/01/23	865	Monterey Bay Analytical Services	Sample analysis	1,501.00
02/01/23	864	Monterey Fire Extinguisher	Annual service	138.48
02/01/23	863	Pebble Beach Company	Bond principal and interest, past letter of credit and bond fees and project rep costs	275,521.50
02/01/23	862	Pacific Gas & Electric	Tertiary billing	16,711.11
02/01/23	861	Thermo Electron North America	Lab supplies	723.07
02/15/23	868	Allied Fluid Products	Operating supplies	227.89
02/15/23	869	Beecher Engineering	MF/RO VFD replacement engineering services	630.00
02/15/23	870	Bryan Mailey Electric	Electrical services	3,525.00
02/15/23	871	Carmel Area Wastewater District	O&M reimbursement	93,852.93
02/15/23	872	Fisher Scientific	Lab supplies	1,519.29
02/15/23	873	Grainger	Compressed air regulators	521.76
02/15/23	874	Hach Company	SC4500 controller and flow sensor	4,899.15
02/15/23	875	Harrington Industrial Plastics	New pump	4,846.29
02/15/23	876	Iconix Waterworks (US) Inc.	Operating supplies	1,463.58
02/15/23	877	Miele, Inc.	Lab supplies	135.30
02/15/23	878	Monterey Peninsula Engineering	Sulfuric Acid Tank Project #18-26 (CAPITAL)	43,773.28
02/15/23	879	Parkson Corporation	DynaSand inspection	750.00
02/15/23	880	Pebble Beach Community Services District	O&M and capital reimbursement	84,422.82
02/15/23	881	Pacific Gas & Electric	MF/RO billing	14,804.84
02/15/23	882	Thatcher Company of California	Citric acid and container return	8,483.11
02/15/23	883	Wine Country Balance	Microscope calibration	470.00
				561,873.28



**Financial Statements
and
Supplementary Schedules**

February 2023

March 30, 2023

Carmel Area Wastewater District

Balance Sheet

February 2023

ASSETS		
Current Assets		
Cash		
Cash	46,979,479.62	
TOTAL Cash	46,979,479.62	
Other Current Assets		
Other Current Assets	205,789.83	
TOTAL Other Current Assets	205,789.83	
TOTAL Current Assets		47,185,269.45
Fixed Assets		
Land		
Land	308,059.76	
TOTAL Land	308,059.76	
Treatment Structures		
Treatment Structures	70,377,201.24	
TOTAL Treatment Structures	70,377,201.24	
Treatment Equipment		
Treatment Equipment	8,864,043.57	
TOTAL Treatment Equipment	8,864,043.57	
Collection Structures		
Collection Structures	1,238,843.71	
TOTAL Collection Structures	1,238,843.71	
Collection Equipment		
Collection Equipment	1,524,870.54	
TOTAL Collection Equipment	1,524,870.54	
Sewers		
		15,765,472.56
Disposal Facilities		
Disposal Facilities	1,643,890.85	
TOTAL Disposal Facilities	1,643,890.85	
Other Fixed Assets		
Other Fixed Assets	4,511,351.21	
TOTAL Other Fixed Assets	4,511,351.21	
Capital Improvement Projects		
Capital Improvement Projects	7,350,346.29	
TOTAL Capital Improvement Projects	7,350,346.29	
Accumulated depreciation		
		(56,777,957.36)
TOTAL Fixed Assets		54,806,122.37
Other Assets		
Other Assets	5,760,856.28	
TOTAL Other Assets		5,760,856.28
TOTAL ASSETS		107,752,248.10

Carmel Area Wastewater District

Balance Sheet

February 2023

LIABILITIES			
Current Liabilities			
Current Liabilities	557,471.71		
TOTAL Current Liabilities	<u>557,471.71</u>		557,471.71
Long-Term Liabilities			
Long Term Liabilities	1,451,116.09		
TOTAL Long-Term Liabilities	<u>1,451,116.09</u>		1,451,116.09
TOTAL LIABILITIES			<u>2,008,587.80</u>
	NET POSITION		
Net Assets	101,293,950.98		
Year-to-Date Earnings	4,449,709.32		
	<u>105,743,660.30</u>		
TOTAL NET POSITION			<u>105,743,660.30</u>
TOTAL LIABILITIES & NET POSITION			<u>107,752,248.10</u>

Carmel Area Wastewater District
Income Statement-Actual to Budget
Year-to-Date Variance, February 2023 - current month, Consolidated by
account

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
Income				
Revenue	8,107,786.73	7,482,492.44	625,294.29	8.4 %
TOTAL Income	<u>8,107,786.73</u>	<u>7,482,492.44</u>	<u>625,294.29</u>	8.4 %
Adjustments				
Discounts	15.56	0.00	15.56	
TOTAL Adjustments	<u>15.56</u>	<u>0.00</u>	<u>15.56</u>	
*****	<u>8,107,802.29</u>	<u>7,482,492.44</u>	<u>625,309.85</u>	8.4 %
***** OPERATING INCOME	<u>8,107,802.29</u>	<u>7,482,492.44</u>	<u>625,309.85</u>	8.4 %
Operating Expenses				
Salaries and Payroll Taxes				
Salaries and Payroll Taxes	2,561,877.09	2,828,206.00	266,328.91	9.4 %
TOTAL Salaries and Payroll Taxes	<u>2,561,877.09</u>	<u>2,828,206.00</u>	<u>266,328.91</u>	9.4 %
Employee Benefits				
Employee Benefits	603,086.36	532,372.20	(70,714.16)	-13.3 %
TOTAL Employee Benefits	<u>603,086.36</u>	<u>532,372.20</u>	<u>(70,714.16)</u>	-13.3 %
Director's Expenses				
Director's Expenses	18,003.27	22,099.20	4,095.93	18.5 %
TOTAL Director's Expenses	<u>18,003.27</u>	<u>22,099.20</u>	<u>4,095.93</u>	18.5 %
Truck and Auto Expenses				
Truck and Auto Expenses	38,761.44	53,627.04	14,865.60	27.7 %
TOTAL Truck and Auto Expenses	<u>38,761.44</u>	<u>53,627.04</u>	<u>14,865.60</u>	27.7 %
General and Administrative				
General and Administrative	522,293.92	514,491.69	(7,802.23)	-1.5 %
TOTAL General and Administrative	<u>522,293.92</u>	<u>514,491.69</u>	<u>(7,802.23)</u>	-1.5 %
Office Expense				
Office Expense	49,985.71	55,325.07	5,339.36	9.7 %
TOTAL Office Expense	<u>49,985.71</u>	<u>55,325.07</u>	<u>5,339.36</u>	9.7 %
Operating Supplies				
Operating Supplies	299,947.56	338,289.09	38,341.53	11.3 %
TOTAL Operating Supplies	<u>299,947.56</u>	<u>338,289.09</u>	<u>38,341.53</u>	11.3 %
Contract Services				
Contract Services	512,213.83	578,900.47	66,686.64	11.5 %
TOTAL Contract Services	<u>512,213.83</u>	<u>578,900.47</u>	<u>66,686.64</u>	11.5 %

Carmel Area Wastewater District
Income Statement-Actual to Budget
Year-to-Date Variance, February 2023 - current month, Consolidated by
account

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
Repairs and Maintenance				
<i>Repairs and Maintenance</i>	578,922.79	671,080.71	92,157.92	13.7 %
TOTAL Repairs and Maintenance	578,922.79	671,080.71	92,157.92	13.7 %
Utilities				
<i>Utilities</i>	267,123.59	255,006.03	(12,117.56)	-4.8 %
TOTAL Utilities	267,123.59	255,006.03	(12,117.56)	-4.8 %
Travel and Meetings				
<i>Travel and Meetings</i>	30,863.50	37,312.11	6,448.61	17.3 %
TOTAL Travel and Meetings	30,863.50	37,312.11	6,448.61	17.3 %
Permits and Fees				
<i>Permits and Fees</i>	60,296.50	74,838.00	14,541.50	19.4 %
TOTAL Permits and Fees	60,296.50	74,838.00	14,541.50	19.4 %
Memberships and Subscriptions				
<i>Memberships and Subscriptions</i>	35,265.16	36,459.90	1,194.74	3.3 %
TOTAL Memberships and Subscriptions	35,265.16	36,459.90	1,194.74	3.3 %
Safety				
<i>Safety</i>	37,039.23	79,058.32	42,019.09	53.1 %
TOTAL Safety	37,039.23	79,058.32	42,019.09	53.1 %
Other Expenses				
<i>Other Expense</i>	19,566.68	10,991.69	(8,574.99)	-78.0 %
TOTAL Other Expenses	19,566.68	10,991.69	(8,574.99)	-78.0 %
TOTAL Operating Expenses	5,635,246.63	6,088,057.52	452,810.89	7.4 %
***** OPERATING INCOME (LOSS)	2,472,555.66	1,394,434.92	1,078,120.74	77.3 %
Non-op Income, Expense, Gain or Loss				
Other Income or Gain				
<i>Other Income, Gain, Expense and Loss</i>	1,977,153.66	1,568,282.00	408,871.66	26.1 %
TOTAL Other Income or Gain	1,977,153.66	1,568,282.00	408,871.66	26.1 %
TOTAL Non-op Income, Expense, Gain or Loss	1,977,153.66	1,568,282.00	408,871.66	26.1 %
***** NET INCOME (LOSS)	4,449,709.32	2,962,716.92	1,486,992.40	50.2 %
***** NET INCOME (LOSS)	4,449,709.32	2,962,716.92	1,486,992.40	50.2 %

Carmel Area Wastewater District
Op Exps. Actual to Budget-Collections
*Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 5*

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
*****	0.00	0.00	0.00	
***** OPERATING INCOME	0.00	0.00	0.00	
Operating Expenses				
Salaries and Payroll Taxes				
<i>Salaries and Payroll Taxes</i>	455,995.95	484,122.00	28,126.05	5.8 %
TOTAL Salaries and Payroll Taxes	455,995.95	484,122.00	28,126.05	5.8 %
Employee Benefits				
<i>Employee Benefits</i>	148,791.65	139,271.92	(9,519.73)	-6.8 %
TOTAL Employee Benefits	148,791.65	139,271.92	(9,519.73)	-6.8 %
Truck and Auto Expenses				
<i>Truck and Auto Expenses</i>	33,188.67	44,358.61	11,169.94	25.2 %
TOTAL Truck and Auto Expenses	33,188.67	44,358.61	11,169.94	25.2 %
General and Administrative				
<i>General and Administrative</i>	38,581.59	56,093.00	17,511.41	31.2 %
TOTAL General and Administrative	38,581.59	56,093.00	17,511.41	31.2 %
Office Expense				
<i>Office Expense</i>	964.40	5,075.03	4,110.63	81.0 %
TOTAL Office Expense	964.40	5,075.03	4,110.63	81.0 %
Operating Supplies				
<i>Operating Supplies</i>	26,799.63	30,166.64	3,367.01	11.2 %
TOTAL Operating Supplies	26,799.63	30,166.64	3,367.01	11.2 %
Contract Services				
<i>Contract Services</i>	122,179.16	134,483.33	12,304.17	9.1 %
TOTAL Contract Services	122,179.16	134,483.33	12,304.17	9.1 %
Repairs and Maintenance				
<i>Repairs and Maintenance</i>	389,238.66	426,200.00	36,961.34	8.7 %
TOTAL Repairs and Maintenance	389,238.66	426,200.00	36,961.34	8.7 %
Utilities				
<i>Utilities</i>	29,914.41	31,190.08	1,275.67	4.1 %
TOTAL Utilities	29,914.41	31,190.08	1,275.67	4.1 %
Travel and Meetings				
<i>Travel and Meetings</i>	6,765.53	12,275.05	5,509.52	44.9 %

Carmel Area Wastewater District
Op Exps. Actual to Budget-Collections
*Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 5*

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
TOTAL Travel and Meetings	6,765.53	12,275.05	5,509.52	44.9 %
Permits and Fees				
<i>Permits and Fees</i>	7,402.60	6,600.00	(802.60)	-12.2 %
TOTAL Permits and Fees	7,402.60	6,600.00	(802.60)	-12.2 %
Memberships and Subscriptions				
<i>Memberships and Subscriptions</i>	2,372.35	2,374.95	2.60	0.1 %
TOTAL Memberships and Subscriptions	2,372.35	2,374.95	2.60	0.1 %
Safety				
<i>Safety</i>	14,416.06	20,883.33	6,467.27	31.0 %
TOTAL Safety	14,416.06	20,883.33	6,467.27	31.0 %
Other Expenses				
<i>Other Expense</i>	0.00	291.69	291.69	100.0 %
TOTAL Other Expenses	0.00	291.69	291.69	100.0 %
TOTAL Operating Expenses	1,276,610.66	1,393,385.63	116,774.97	8.4 %
***** OPERATING INCOME (LOSS)	(1,276,610.66)	(1,393,385.63)	116,774.97	8.4 %
***** NET INCOME (LOSS)	(1,276,610.66)	(1,393,385.63)	116,774.97	8.4 %
***** NET INCOME (LOSS)	(1,276,610.66)	(1,393,385.63)	116,774.97	8.4 %

Carmel Area Wastewater District
Op Exps. Actual to Budget-Treatment
*Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 6*

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
*****	0.00	0.00	0.00	
***** OPERATING INCOME	0.00	0.00	0.00	
Operating Expenses				
Salaries and Payroll Taxes				
<i>Salaries and Payroll Taxes</i>	1,179,936.32	1,392,710.00	212,773.68	15.3 %
TOTAL Salaries and Payroll Taxes	1,179,936.32	1,392,710.00	212,773.68	15.3 %
Employee Benefits				
<i>Employee Benefits</i>	346,563.53	297,409.64	(49,153.89)	-16.5 %
TOTAL Employee Benefits	346,563.53	297,409.64	(49,153.89)	-16.5 %
Truck and Auto Expenses				
<i>Truck and Auto Expenses</i>	5,289.68	7,178.43	1,888.75	26.3 %
TOTAL Truck and Auto Expenses	5,289.68	7,178.43	1,888.75	26.3 %
General and Administrative				
<i>General and Administrative</i>	384,300.88	363,234.69	(21,066.19)	-5.8 %
TOTAL General and Administrative	384,300.88	363,234.69	(21,066.19)	-5.8 %
Office Expense				
<i>Office Expense</i>	25,390.75	29,016.71	3,625.96	12.5 %
TOTAL Office Expense	25,390.75	29,016.71	3,625.96	12.5 %
Operating Supplies				
<i>Operating Supplies</i>	272,132.16	301,664.14	29,531.98	9.8 %
TOTAL Operating Supplies	272,132.16	301,664.14	29,531.98	9.8 %
Contract Services				
<i>Contract Services</i>	320,235.58	384,479.06	64,243.48	16.7 %
TOTAL Contract Services	320,235.58	384,479.06	64,243.48	16.7 %
Repairs and Maintenance				
<i>Repairs and Maintenance</i>	160,586.54	237,548.99	76,962.45	32.4 %
TOTAL Repairs and Maintenance	160,586.54	237,548.99	76,962.45	32.4 %
Utilities				
<i>Utilities</i>	220,452.36	209,535.95	(10,916.41)	-5.2 %
TOTAL Utilities	220,452.36	209,535.95	(10,916.41)	-5.2 %
Travel and Meetings				
<i>Travel and Meetings</i>	14,153.48	14,903.70	750.22	5.0 %

Carmel Area Wastewater District
Op Exps. Actual to Budget-Treatment
Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 6

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
TOTAL Travel and Meetings	14,153.48	14,903.70	750.22	5.0 %
Permits and Fees				
<i>Permits and Fees</i>	29,343.90	44,688.00	15,344.10	34.3 %
TOTAL Permits and Fees	29,343.90	44,688.00	15,344.10	34.3 %
Memberships and Subscriptions				
<i>Memberships and Subscriptions</i>	4,288.06	6,362.45	2,074.39	32.6 %
TOTAL Memberships and Subscriptions	4,288.06	6,362.45	2,074.39	32.6 %
Safety				
<i>Safety</i>	22,544.36	56,224.99	33,680.63	59.9 %
TOTAL Safety	22,544.36	56,224.99	33,680.63	59.9 %
Other Expenses				
<i>Other Expense</i>	5,933.14	0.00	(5,933.14)	
TOTAL Other Expenses	5,933.14	0.00	(5,933.14)	
TOTAL Operating Expenses	2,991,150.74	3,344,956.75	353,806.01	10.6 %
***** OPERATING INCOME (LOSS)	(2,991,150.74)	(3,344,956.75)	353,806.01	10.6 %
***** NET INCOME (LOSS)	(2,991,150.74)	(3,344,956.75)	353,806.01	10.6 %
***** NET INCOME (LOSS)	(2,991,150.74)	(3,344,956.75)	353,806.01	10.6 %

Carmel Area Wastewater District
Op Exps. Actual to Budget-Administration
*Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 7*

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
*****	0.00	0.00	0.00	
***** OPERATING INCOME	0.00	0.00	0.00	
Operating Expenses				
Salaries and Payroll Taxes				
<i>Salaries and Payroll Taxes</i>	476,844.09	515,420.00	38,575.91	7.5 %
TOTAL Salaries and Payroll Taxes	476,844.09	515,420.00	38,575.91	7.5 %
Employee Benefits				
<i>Employee Benefits</i>	107,731.18	95,690.64	(12,040.54)	-12.6 %
TOTAL Employee Benefits	107,731.18	95,690.64	(12,040.54)	-12.6 %
Director's Expenses				
<i>Director's Expenses</i>	17,853.27	21,749.20	3,895.93	17.9 %
TOTAL Director's Expenses	17,853.27	21,749.20	3,895.93	17.9 %
Truck and Auto Expenses				
<i>Truck and Auto Expenses</i>	283.09	2,090.00	1,806.91	86.5 %
TOTAL Truck and Auto Expenses	283.09	2,090.00	1,806.91	86.5 %
General and Administrative				
<i>General and Administrative</i>	72,154.15	75,164.00	3,009.85	4.0 %
TOTAL General and Administrative	72,154.15	75,164.00	3,009.85	4.0 %
Office Expense				
<i>Office Expense</i>	23,630.56	21,216.69	(2,413.87)	-11.4 %
TOTAL Office Expense	23,630.56	21,216.69	(2,413.87)	-11.4 %
Operating Supplies				
<i>Operating Supplies</i>	374.29	833.36	459.07	55.1 %
TOTAL Operating Supplies	374.29	833.36	459.07	55.1 %
Contract Services				
<i>Contract Services</i>	69,044.38	59,938.08	(9,106.30)	-15.2 %
TOTAL Contract Services	69,044.38	59,938.08	(9,106.30)	-15.2 %
Repairs and Maintenance				
<i>Repairs and Maintenance</i>	15,006.47	1,365.00	(13,641.47)	-999.4 %
TOTAL Repairs and Maintenance	15,006.47	1,365.00	(13,641.47)	-999.4 %
Utilities				
<i>Utilities</i>	16,756.82	14,280.00	(2,476.82)	-17.3 %

Carmel Area Wastewater District
Op Exps. Actual to Budget-Administration
Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 7

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
TOTAL Utilities	16,756.82	14,280.00	(2,476.82)	-17.3 %
Travel and Meetings				
<i>Travel and Meetings</i>	9,944.49	10,133.36	188.87	1.9 %
TOTAL Travel and Meetings	9,944.49	10,133.36	188.87	1.9 %
Permits and Fees				
<i>Permits and Fees</i>	23,550.00	23,550.00	0.00	
TOTAL Permits and Fees	23,550.00	23,550.00	0.00	
Memberships and Subscriptions				
<i>Memberships and Subscriptions</i>	28,604.75	27,722.50	(882.25)	-3.2 %
TOTAL Memberships and Subscriptions	28,604.75	27,722.50	(882.25)	-3.2 %
Safety				
<i>Safety</i>	78.81	1,075.00	996.19	92.7 %
TOTAL Safety	78.81	1,075.00	996.19	92.7 %
Other Expenses				
<i>Other Expense</i>	13,633.54	10,700.00	(2,933.54)	-27.4 %
TOTAL Other Expenses	13,633.54	10,700.00	(2,933.54)	-27.4 %
TOTAL Operating Expenses	875,489.89	880,927.83	5,437.94	0.6 %
***** OPERATING INCOME (LOSS)	(875,489.89)	(880,927.83)	5,437.94	0.6 %
***** NET INCOME (LOSS)	(875,489.89)	(880,927.83)	5,437.94	0.6 %
***** NET INCOME (LOSS)	(875,489.89)	(880,927.83)	5,437.94	0.6 %

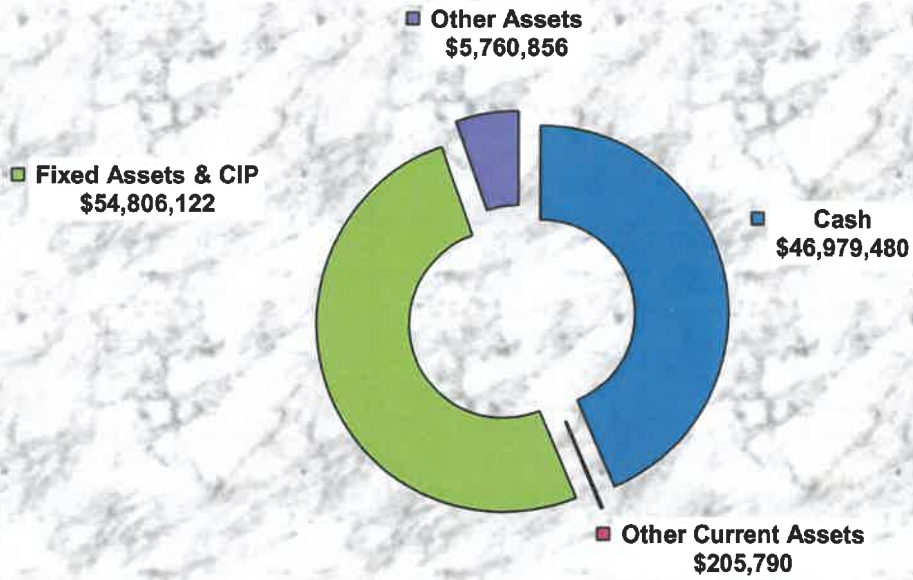
Carmel Area Wastewater District
Op Exps. Actual to Budget-Reclamation
*Year-to-Date Variance, February 2023 - current month, Consolidated by
account, Department 8*

	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
*****	0.00	0.00	0.00	
***** OPERATING INCOME	0.00	0.00	0.00	
Operating Expenses				
Salaries and Payroll Taxes				
<i>Salaries and Payroll Taxes</i>	448,954.20	434,662.00	(14,292.20)	-3.3 %
TOTAL Salaries and Payroll Taxes	448,954.20	434,662.00	(14,292.20)	-3.3 %
Director's Expenses				
<i>Director's Expenses</i>	150.00	350.00	200.00	57.1 %
TOTAL Director's Expenses	150.00	350.00	200.00	57.1 %
General and Administrative				
<i>General and Administrative</i>	27,257.30	20,000.00	(7,257.30)	-36.3 %
TOTAL General and Administrative	27,257.30	20,000.00	(7,257.30)	-36.3 %
Operating Supplies				
<i>Operating Supplies</i>	641.48	4,958.31	4,316.83	87.1 %
TOTAL Operating Supplies	641.48	4,958.31	4,316.83	87.1 %
Contract Services				
<i>Contract Services</i>	754.71	0.00	(754.71)	
TOTAL Contract Services	754.71	0.00	(754.71)	
Repairs and Maintenance				
<i>Repairs and Maintenance</i>	14,091.12	4,300.00	(9,791.12)	-227.7 %
TOTAL Repairs and Maintenance	14,091.12	4,300.00	(9,791.12)	-227.7 %
Safety				
<i>Safety</i>	0.00	875.00	875.00	100.0 %
TOTAL Safety	0.00	875.00	875.00	100.0 %
TOTAL Operating Expenses	491,848.81	465,145.31	(26,703.50)	-5.7 %
***** OPERATING INCOME (LOSS)	(491,848.81)	(465,145.31)	(26,703.50)	-5.7 %
***** NET INCOME (LOSS)	(491,848.81)	(465,145.31)	(26,703.50)	-5.7 %

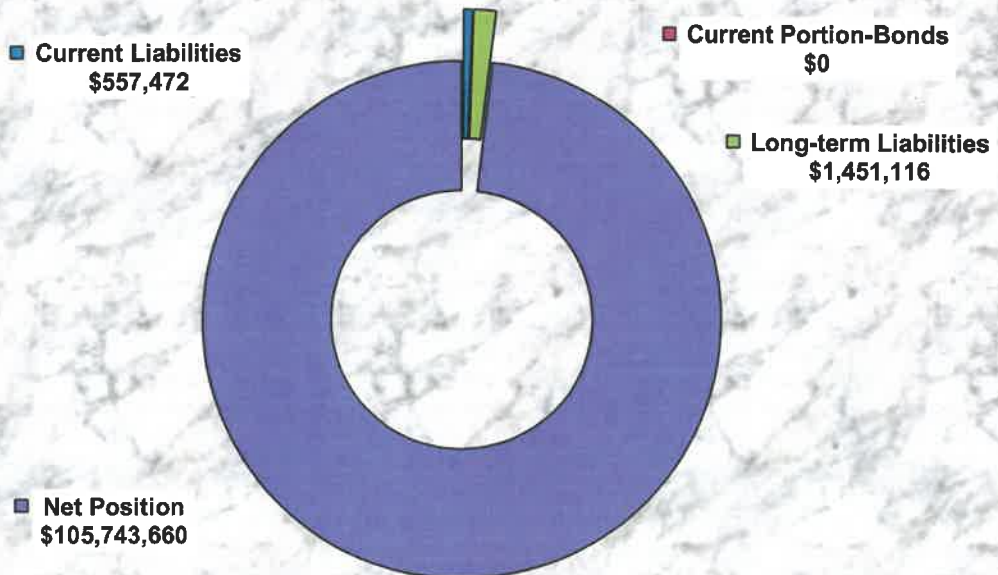
Carmel Area Wastewater District
I/S Actual to Budget-Brine Disposal
Year-to-Date Variance, February 2023 - 1 month back, Department 10

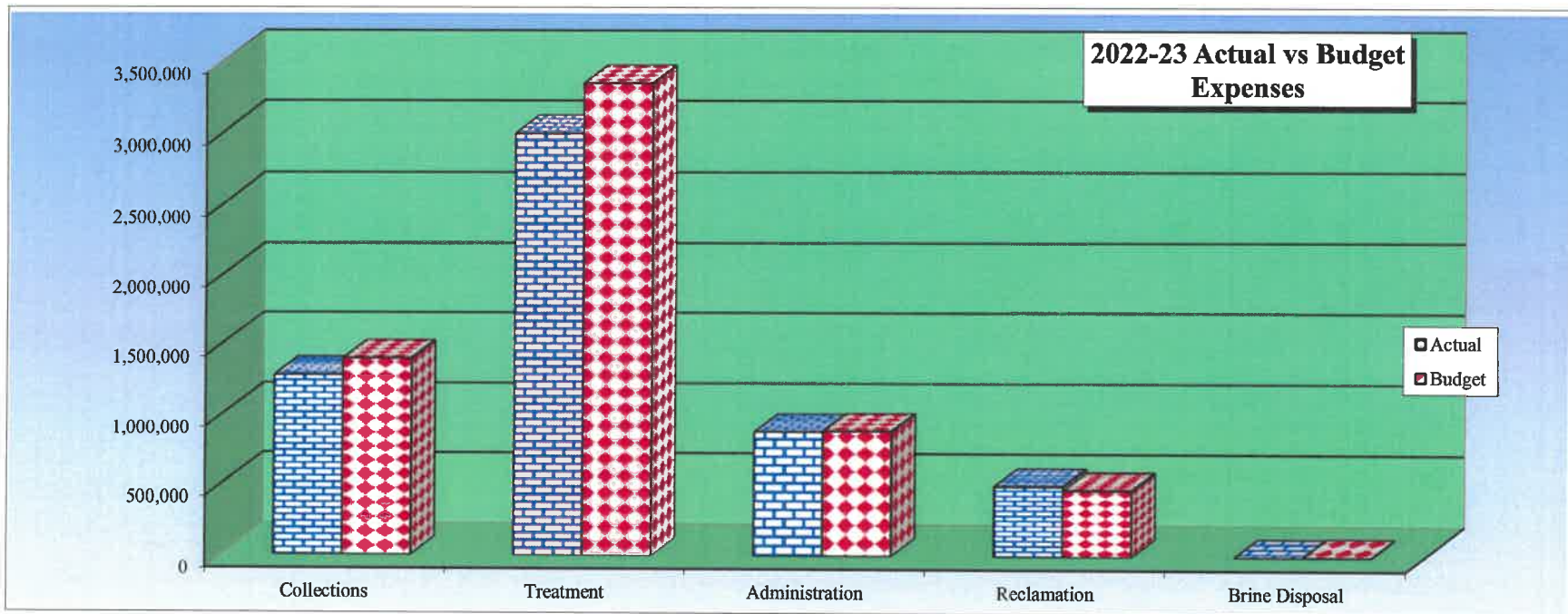
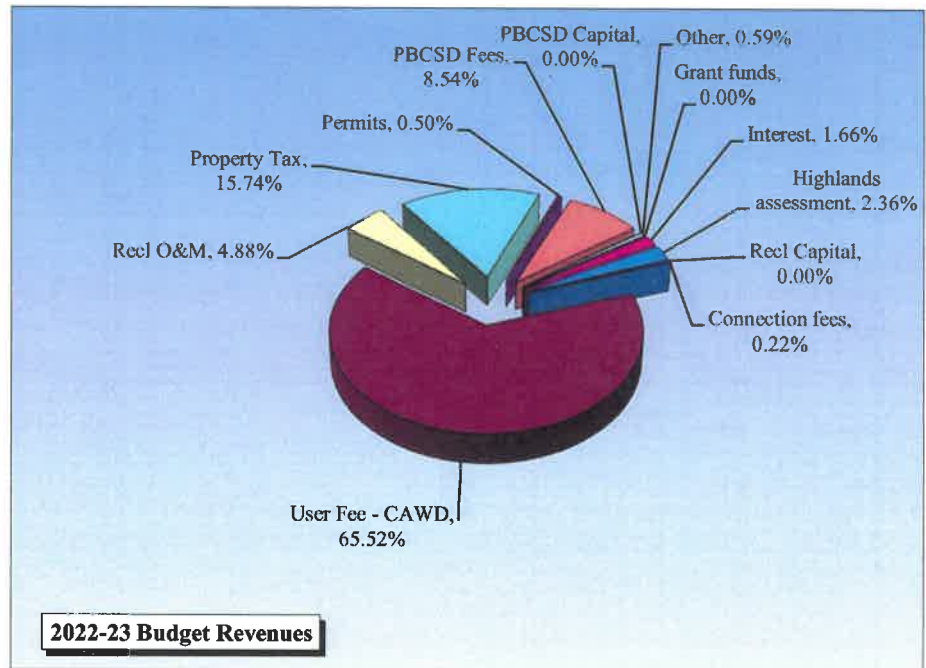
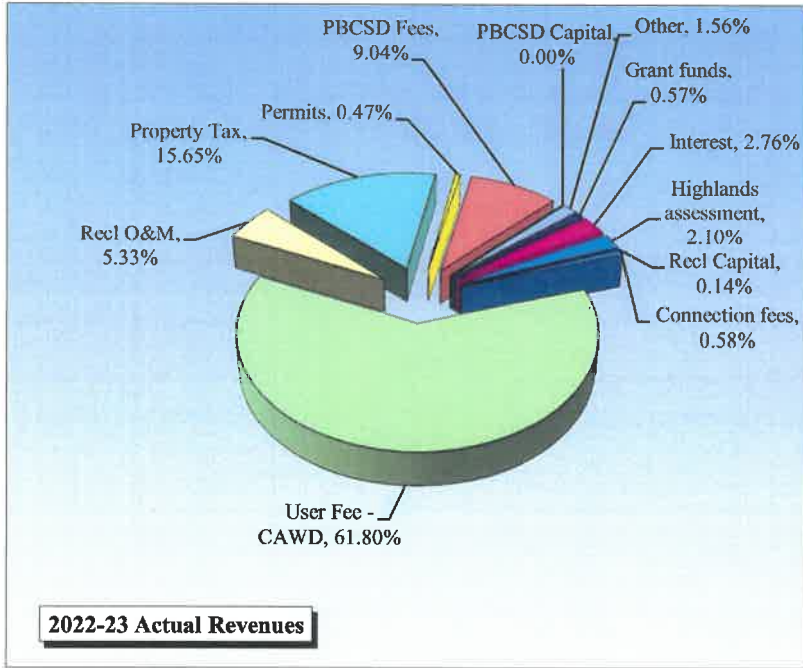
	<i>8 Months Ended February 28, 2023</i>	<i>8 Months Ended February 28, 2023 Budget</i>	<i>Variance Fav/<Unf></i>	<i>% Var</i>
Income				
Brine Disposal	34,288.42	53,333.36	(19,044.94)	-35.7 %
TOTAL Income	<u>34,288.42</u>	<u>53,333.36</u>	<u>(19,044.94)</u>	-35.7 %
*****	<u>34,288.42</u>	<u>53,333.36</u>	<u>(19,044.94)</u>	-35.7 %
***** OPERATING INCOME	<u>34,288.42</u>	<u>53,333.36</u>	<u>(19,044.94)</u>	-35.7 %
Operating Expenses				
Salaries and Payroll Taxes				
Salaries	136.00	1,000.00	864.00	86.4 %
Overtime	0.00	200.00	200.00	100.0 %
Payroll taxes	10.53	92.00	81.47	88.6 %
TOTAL Salaries and Payroll Taxes	<u>146.53</u>	<u>1,292.00</u>	<u>1,145.47</u>	88.7 %
Office Expense				
Paper and printing	0.00	16.64	16.64	100.0 %
TOTAL Office Expense	<u>0.00</u>	<u>16.64</u>	<u>16.64</u>	100.0 %
Operating Supplies				
Electrical	0.00	466.64	466.64	100.0 %
General supplies	0.00	200.00	200.00	100.0 %
TOTAL Operating Supplies	<u>0.00</u>	<u>666.64</u>	<u>666.64</u>	100.0 %
Repairs and Maintenance				
General repairs	0.00	1,333.36	1,333.36	100.0 %
Plant pumps	0.00	333.36	333.36	100.0 %
TOTAL Repairs and Maintenance	<u>0.00</u>	<u>1,666.72</u>	<u>1,666.72</u>	100.0 %
TOTAL Operating Expenses	<u>146.53</u>	<u>3,642.00</u>	<u>3,495.47</u>	96.0 %
***** OPERATING INCOME (LOSS)	<u>34,141.89</u>	<u>49,691.36</u>	<u>(15,549.47)</u>	-31.3 %
***** NET INCOME (LOSS)	<u>34,141.89</u>	<u>49,691.36</u>	<u>(15,549.47)</u>	-31.3 %
***** NET INCOME (LOSS)	<u>34,141.89</u>	<u>49,691.36</u>	<u>(15,549.47)</u>	-31.3 %

Assets - February 28, 2023

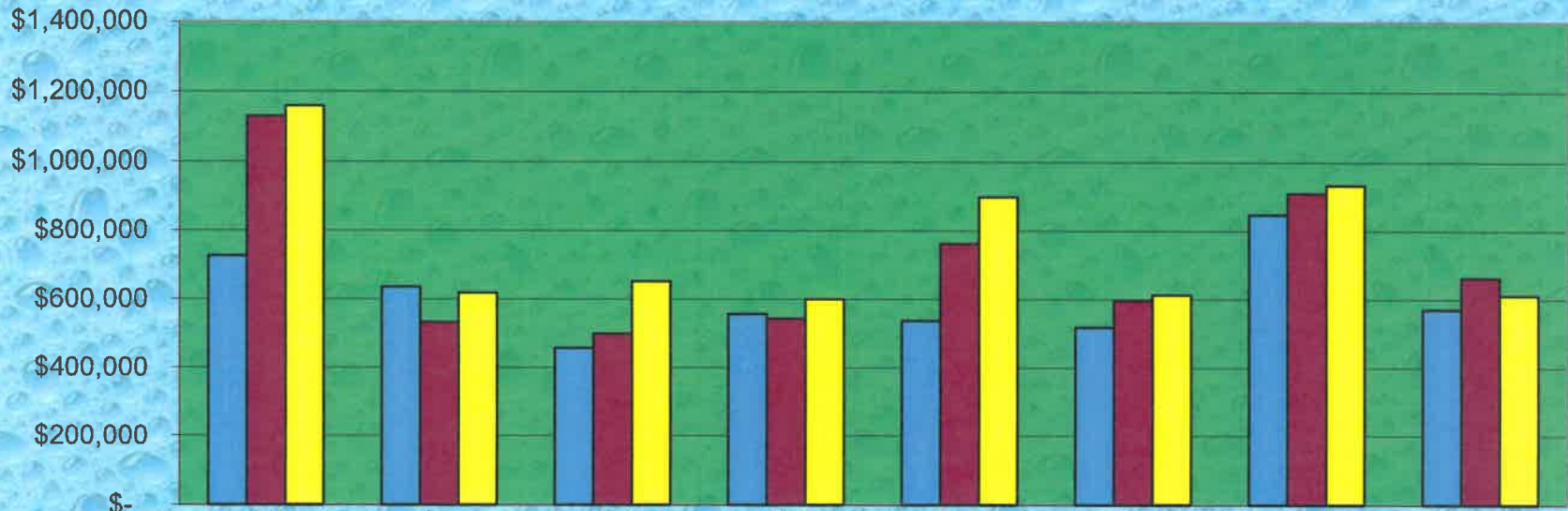


Liabilities - February 28, 2023





Operating Expenses



■ FY 21-22	\$726,464	\$636,022	\$457,090	\$557,534	\$527,313	\$518,130	\$848,165	\$571,858
■ FY 22-23	\$1,129,338	\$532,107	\$498,951	\$543,933	\$761,735	\$595,405	\$910,312	\$663,465
■ CY Budget	\$1,159,356	\$618,626	\$652,827	\$600,535	\$898,527	\$613,186	\$933,595	\$611,405

**Carmel Area Wastewater District
Capital Expenditures
2022-23**

	BEG BAL	FEB	CURRENT YTD	CUMULATIVE TOTAL	ANNUAL BUDGET	BUDGET SPENT
<u>CAPITAL PURCHASES</u>						
<u>Admin</u>						
		0	0	0	0	NA
		0	0	0	0	NA
<u>Collections</u>						
Jetter water pump hydraulic system-unbudgeted		0	11,575	11,575	0	NA
Pescadero emergency repair-unbudgeted		0	11,380	11,380	0	NA
Flygt pump for MV and 16th pump station-unbudgeted		0	15,270	15,270	0	NA
Scenic Road emergency repair-unbudgeted		257,273	257,273	257,273	0	NA
<u>Treatment</u>						
Eaton SVX9000 refurbished VFD for Reclamation-unbudgeted		0	14,208	14,208	0	NA
Pavement and water line repair-unbudgeted		0	14,095	14,095	0	NA
RECL share	0	0	(14,208)	(14,208)	0	NA
PBCSD share (1/3 of cost)	0	0	(4,698)	(4,698)	0	NA
<i>Total Capital Purchases 22-23</i>		257,273	304,895	304,895	0	NA

**Carmel Area Wastewater District
Capital Expenditures
2022-23**

	BEG BAL	FEB	CURRENT YTD	CUMULATIVE TOTAL	ANNUAL BUDGET	BUDGET SPENT
<u>CIP PROJECTS</u>						
<u>Administration</u>						
<u>Collections</u>						
Construction of new Gravity Sewer Line-Carmel Meadows	474,359	3,657	40,495	514,855	2,000,000	2.02%
Carmel Valley Manor Sewer-unbudgeted	180	0	0	180	0	NA
Scenic Rd Pipe Burst-Ocn/Bay	231,786	0	16,434	248,220	3,500,000	0.47%
Bay/Scenic Pump Station Rehab	30,892	0	32,628	63,520	650,000	5.02%
Pescadero Creek Area Pipe Rehab	89,236	0	86,277	175,513	100,000	86.28%
Vactor Receiving Station	0	8,329	20,325	20,325	100,000	20.33%
Lorca Lane Sewer Repair-budget amendment	0	0	10,325	10,325	153,500	NA
<u>Treatment</u>						
RECL share	0	0	0	0	0	NA
PBCSD share (1/3 of cost)	0	0	0	0	0	NA
<i>Total CIP Projects 22-23</i>	826,453	11,985	206,485	1,032,937	6,503,500	3.17%

**Carmel Area Wastewater District
Capital Expenditures
2022-23**

	BEG BAL	FEB	CURRENT YTD	CUMULATIVE TOTAL	ANNUAL BUDGET	BUDGET SPENT
<u>LONG TERM CIP PROJECTS</u>						
<u>Treatment</u>						
Perimeter Fence	0	1,485	32,505	32,505	275,000	11.82%
Elec/Mech Rehab & Sludge Holding Tank Project (RECL 2.7%)	4,321,103	13,865	1,903,024	6,224,128	4,820,750	39.48%
Aeration Basin Improvements-unbudgeted	17,332	0	0	17,332	0	NA
Potable Water & Gas Main Replacement	0	0	43,444	43,444	100,000	43.44%
RECL share	(116,670)	(374)	(51,381)	(168,051)	(130,160)	39.48%
PBCSD share (1/3 of cost)	(1,407,255)	(4,992)	(642,531)	(2,049,786)	(1,688,530)	38.05%
<i>Total Long Term CIP Projects 22-23</i>	2,814,510	9,984	1,285,062	4,099,572	3,377,060	38.05%
Total Capital (net of RECL and PBCSD)	3,640,963	279,243	1,796,441	5,437,404	9,880,560	18.18%

Carmel Area Wastewater District Variance Analysis

2022-23

**YTD Actual/
YTD Budget
Variance**

Collections

Employee Benefits	-6.80%	Workers compensation underbudgeted.
Permits and Fees	-12.20%	SWRCB and Monterey Bay Air Resources underbudgeted- small dollar amounts.

Treatment

Employee Benefits	-16.50%	Workers compensation underbudgeted.
General and Administrative	-5.80%	Insurance underbudgeted. Public outreach unbudgeted.
Utilities	-5.20%	Slightly underbudgeted.
Other Expense	No budget	Recruiting unbudgeted.

Administration

Employee Benefits	-12.60%	Workers compensation underbudgeted.
Office Expense	-11.40%	Temp service underbudgeted.
Contract Services	-15.20%	HR consulting underbudgeted.
Repairs and Maintenance	-999.40%	Building repairs underbudgeted.
Utilities	-17.30%	PG&E underbudgeted.
Other Expense	-27.40%	Legal notices and newsletter underbudgeted. Small dollar amounts.

District Obligations:

1) 2004 Highlands Project Bond Proceeds \$3,057,165 - Balance \$400,000

Carmel Area Wastewater District 2022-23 Resolutions Amending the Budget

Resolution #	Description	Budgeted	Amendment	Spent To Date
2023-02	A Resolution authorizing the General Manager to execute a contract with Monterey Peninsula Engineering in an amount not to exceed \$153,500 for an emergency sewer relocation at Lorca Lane and Del Monte Street, Project #22-07.	\$ -	\$ 153,500	\$ 10,325
2023-06	A Resolution authorizing the General Manager to execute a contract with Coastal Paving & Excavating for the emergency sewer relocation at Scenic Road on a time and materials basis.	\$ -	Time & Mat.	\$ 257,273
Total To Date		<u>\$ -</u>	<u>\$ 153,500</u>	<u>\$ 267,598</u>

STAFF REPORT



TO: Board of Directors
 FROM: Daryl Lauer, Collection Superintendent
 DATE: March 30, 2023
 SUBJECT: Monthly Report – February

RECOMMENDATION

Receive Report- Informational only; no action required.

Permits Issued

Sewer Lateral Permits issued in February	19
Total Fees	\$4,030.00

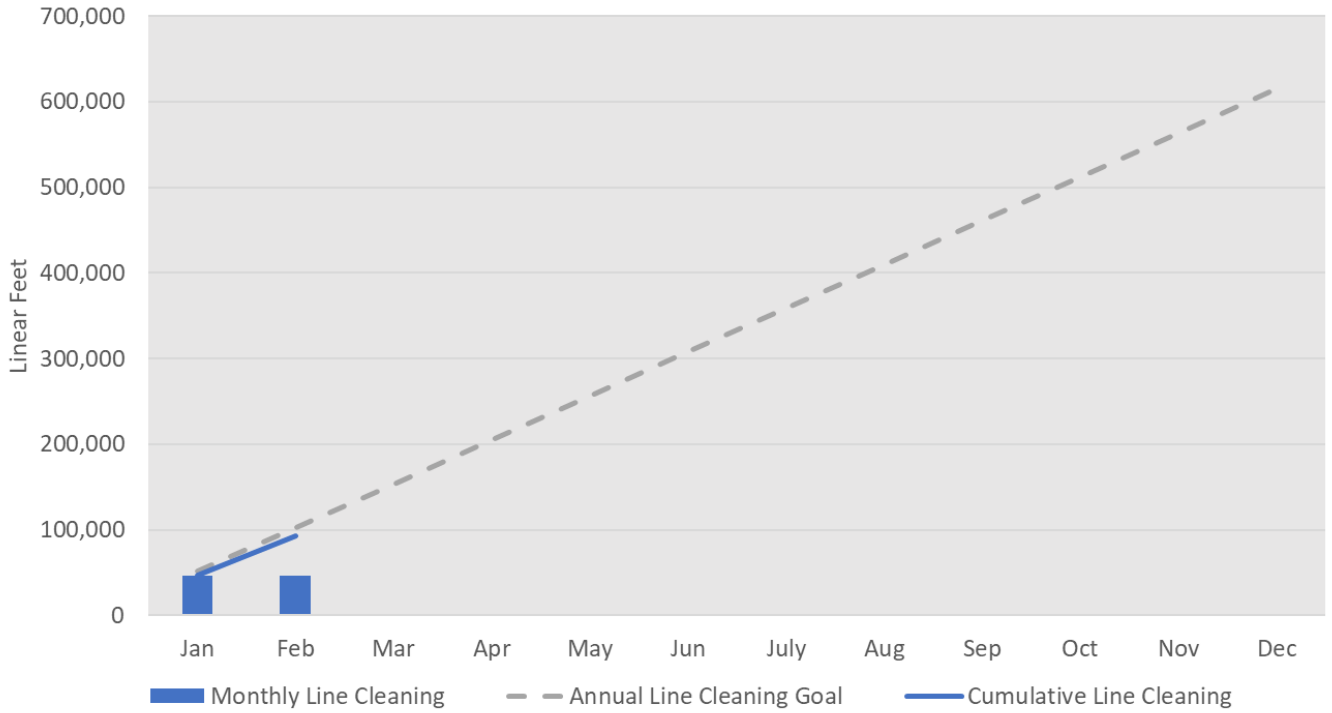
Maintenance

Attached is a map of the areas cleaned and Closed-Circuit Television (CCTV) inspected in past three months. There were 46,148 feet of sewer lines cleaned, there were no CCTV inspections during the month of February.

Recent Line Cleaning Summary

Cleaning period	Footage Cleaned	Percentage Cleaned	Size of Pipe Cleaned
February	46,148 ft.	11.22%	6 – 10 inches
January	46,421 ft.	11.29%	6 - 10 inches
December	47,393 ft.	11.38%	6 – 12 inches

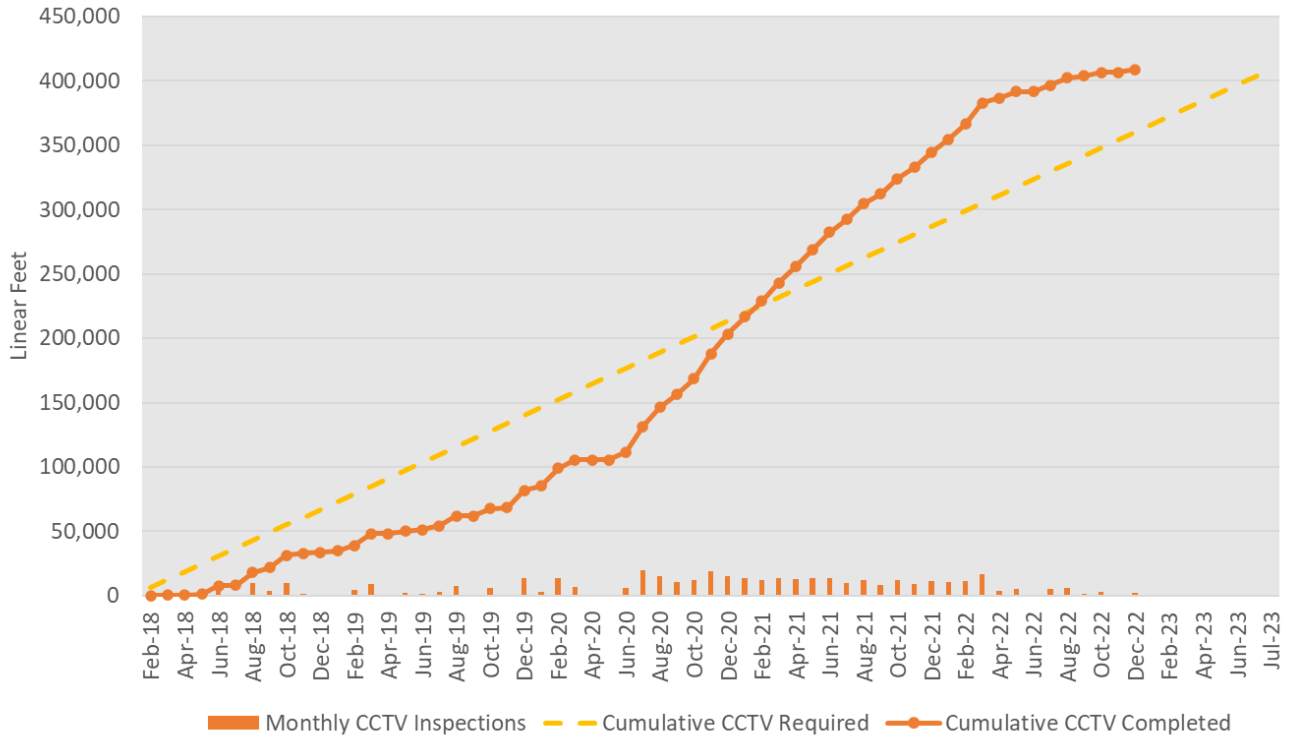
Annual Line Cleaning Graph



Line Cleaning Table

Total Target Amount (Linear Feet)	Cumulative Complete (Linear Feet)	Remaining (Linear Feet)
615,000	92,569	522,431

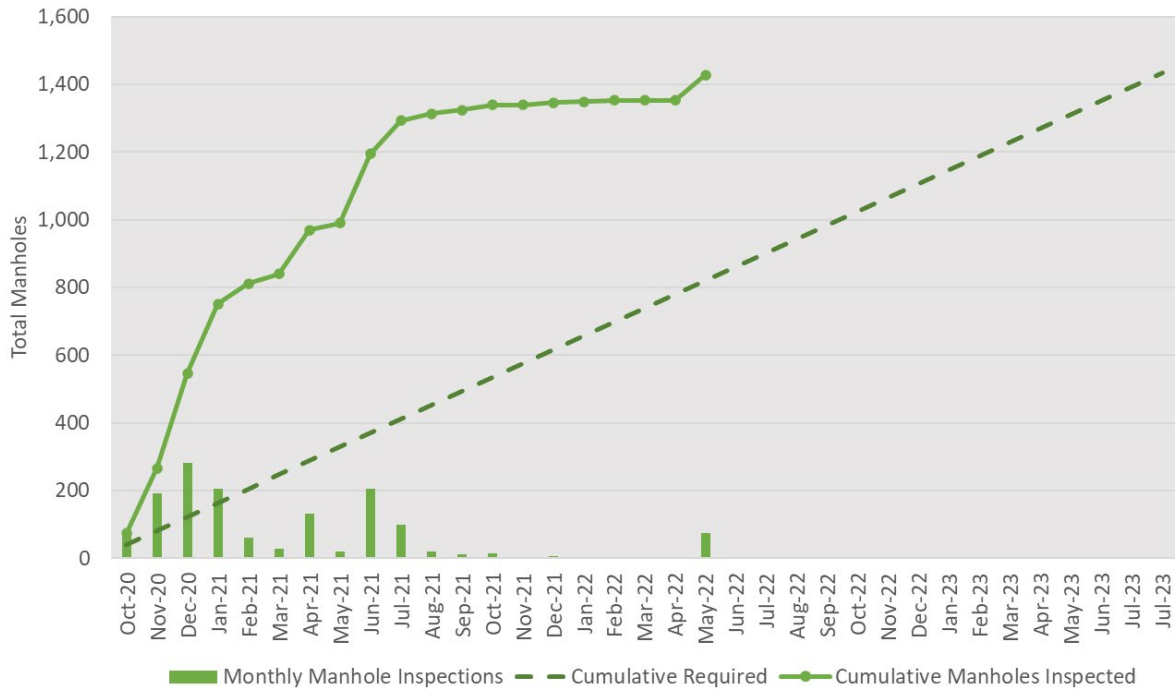
CCTV Progress Graph (River Watch Settlement Agreement Target)



CCTV Table

Total Required amount (Linear Feet)	Cumulative Complete (Linear Feet)	Remaining (Linear Feet)
408,672	408,672	0

Manhole Inspection Progress Graph (Riverwatch Settlement Agreement Target)



Manhole Inspection Table

Total Required Amount (Manholes)	Actual Complete (Manholes)	Remaining (Manholes)
1428	1428	0

Riverwatch Update

- Staff has completed the manhole inspection part of the settlement. The Principal Engineer will use this data to schedule rehabilitation or replacement of damaged or deteriorated manholes.
- Staff has completed the CCTV inspections and Pumps Station evaluations are being reviewed by the Principal Engineer, all of this information will be used for the final Collection System Asset Management Plan.

Construction Activities

- N/A

Staff Development

- Staff completed several in-person tail gate trainings.

General comments

- I would like to thank the staff for all their effort and long hours worked during the storms and lengthy power outages.

Service calls responded to by crew

Date	Time	Callout	Resolution
2/2/2023	3:42 PM	Water leak	Called by Main Office for a possible sewage leak of a business near Rio Rd. Staff found a water service line to be the cause of the leak. Informed the business to call the water company.
2/16/2023	3:54 PM	Sanitary Sewer Overflow	Notified by manhole flow meter of a no flow alarm on the Carmel Meadows easement. Staff arrived on scene and found manhole T603 overflowing. Staff used pressure cleaner to open the blockage. Estimated 506 gallons spilled. Staff cleaned the area and restored flow. Staff determined that debris and flowing roots were the cause of the blockage. See attached map for location.

USA Location Requests – 168

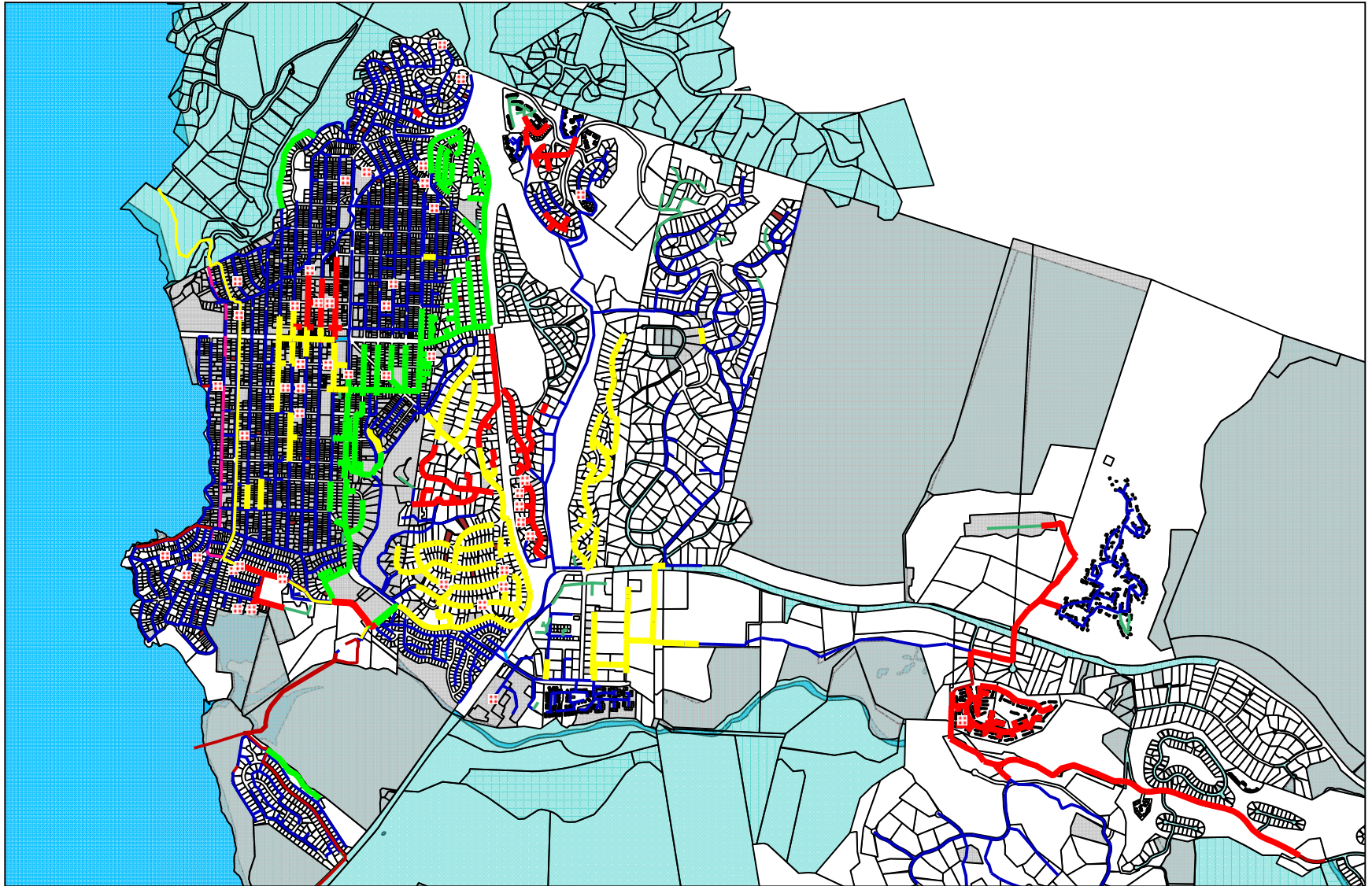
Plumbing permit inspections – 17

Private Sewer Lateral Compliance Certificates Issued – 13

FUNDING - N/A

February (Red) 46,148 feet
January (Yellow) 46,421 feet
December (Green) 47,393 feet

Cleaning Map



RedZone
ROBOTICS

3/14/2023

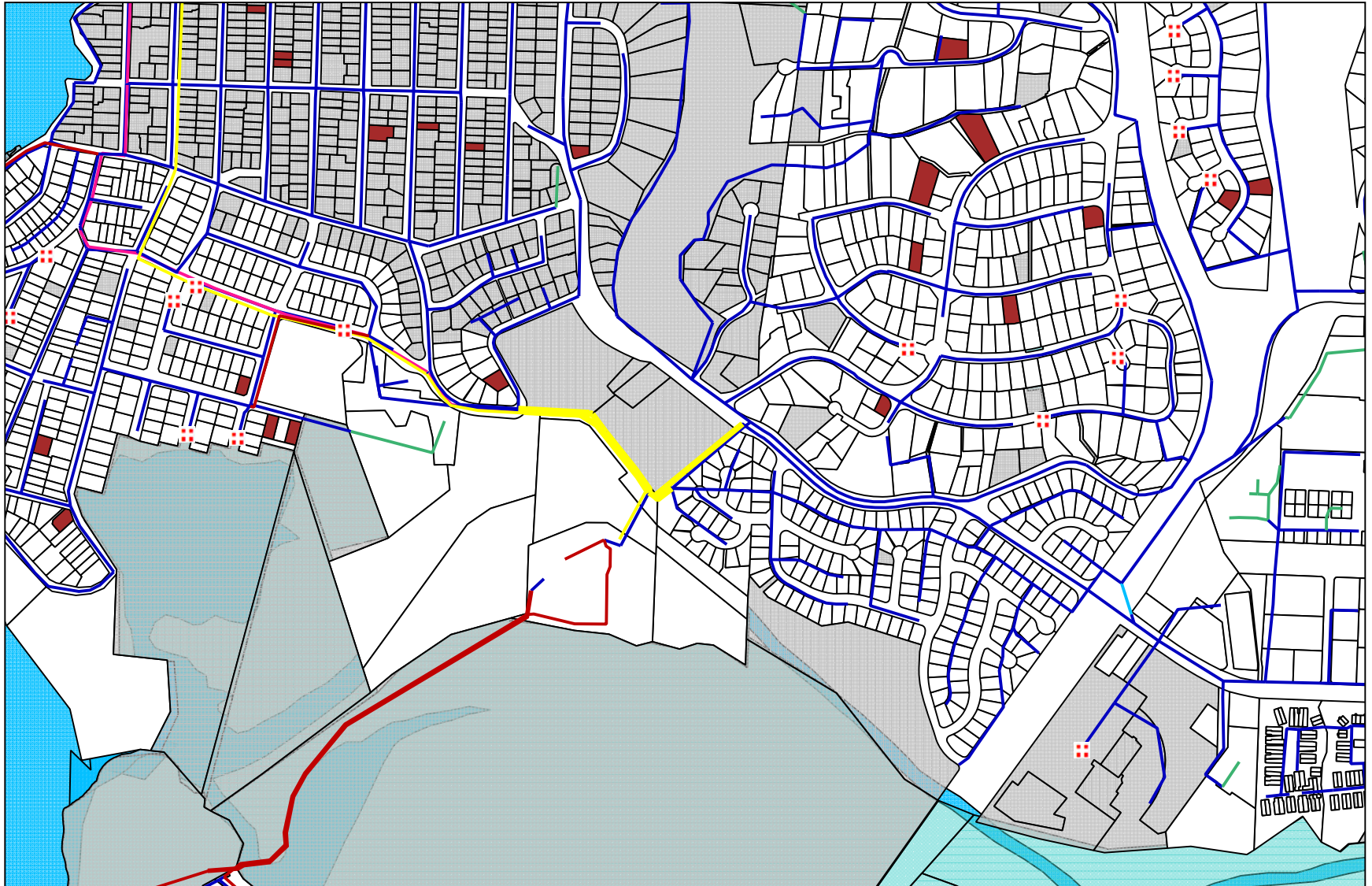


February-none

January - none

December 2022 -(Yellow) 1,913 feet

Monthly CCTV Map



RedZone[®]
ROBOTICS

2/9/2023



CAWD GIS Maps



3/14/2023, 10:19:37 AM

CAWD Service Area

Active Assets

Forced Main - Flushing Inlet (FMFI)

Flushing Inlet (FI)

CAWD (MH) Forced Mains

Mains

CAWD

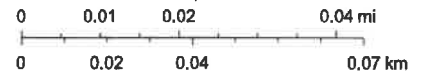
FORCED MAINS

FORCED MAIN

Streets

APNs

1:1,000



TIGEO

Camel Area Wastewater District
TIGEO |

STAFF REPORT

To: Board of Directors

From: Mark Dias, Safety and
Regulatory Compliance Administrator
(S/C Admin Dias)

Date: March 30, 2023

Subject: Monthly Safety Report (for February 2023)



RECOMMENDATION

Receive Report- Informational only; no action required

DISCUSSION

Safety & Training

- **Feb 1- Tailgate Training; Emergency Response.** S/C Admin Dias reviewed the final version of the emergency response poster that will be printed, laminated and placed at several locations around the plant for immediate access if an incident was to occur. See Ongoing Safety Improvements for further details.
- **Feb 8- Tailgate Training; Bleeding control kit contents.** Trevor Weidner-Holland, Lab Analyst, gave a presentation of the contents of bleeding control kits. These kits are located in the four larger first aid boxes and in the rescue/response trailer at the plant. Knowing that these kits are available and what types of bleeding can be controlled will help with providing more immediate aid to an injured worker. Additional kits were ordered for the Collections trucks which operate separately in the field.
- **Feb 15- Tailgate Training; Confined Space Entry Review Results.** S/C Admin Dias presented the results following the review of two years of confined space entry permits. Permits (essentially detailed checklists) are required before entering dozens of confined spaces on the plant and manholes in the streets. The permits were systematically reviewed for 22 criteria. Overall, the permits are being completed as required. It was noted that there were some inconsistencies when completing the Rescue Plan portion of the permit.

This section would be used if the entrant(s) needed rescuing. S/C Admin Dias noted that the layout and wording of the Rescue Plan was cumbersome and confusing. He presented an updated, streamlined version, and gave examples of how to use it.

- **Feb 22- Tailgate Training; Hand Protection and Personal Protection Equipment.** Greg Ange, Maintenance Worker III, gave a presentation on hand protection. Hand injuries are second most common injury in the water treatment industry (back injuries are first). Seven different types of gloves are provided by the District. Therefore, proper selection of glove type was reviewed. It was highlighted that when working with moving machinery, it is against state regulations to wear gloves if they increase the chance of the hands becoming entangled in moving parts.

Ongoing Safety Improvements

Maintenance Superintendent Chris Foley and S/C Admin Dias continued to implement safety improvements and seek input from the operations crew and the Safety Committee. Activities in February included:

- **Emergency Response protocols.** There are a wide range of potential emergencies at the plant such as earthquake, tsunami, wildland fire, chemical spill, active shooter, etc.). While the specific response will vary for each type, the initial steps for all scenarios require knowledge of basic Incident Command System (ICS) protocols. This is especially true if an incident was to occur after hours or on weekends when managers and the safety administrator are offsite. All plant employees need to understand that until they are relieved by a manager, fire department or police, they have to think like an ICS commander. This is especially true when taking steps to protect people (evacuation, shelter-in-place, 911, etc.). To facilitate this concept a 2' x 3' poster has been developed, which includes a flow chart and step-by-step instructions. The poster has been presented and refined over the last 3 years during the safety trainings. This final version will be placed in several locations around the plant.
- **Hand-railing retrofits.** Directors White and Rachel had previously noted that the hand-railings on the staircases of some older buildings seemed low. The directors inquired if they met state requirements. Because they had been installed before 1997, they could technically be considered compliant under a grandfather clause. However, both directors wanted them brought up to the modern code. Plant engineer Treanor followed up and added a change order to the ongoing Phase II contract. The railings were retrofitted in February and now meet modern standards.

Tours and Outreach

- **Tours.** On-site tours remain on temporary hold while several areas of the plant are being impacted by Phase II construction activities. Further progress was made on developing virtual tours. A simplified virtual tour was beta-tested with the Santa Catalina school in January. Troubleshooting of a technical transmission issue occurred in February and additional wireless transmitters were installed. Two additional tours were planned for early April.

Injuries; First Aid Incidents; Workers Compensation Claims

There were no first aid injuries or workers comp cases in February. The current matrix for 2023 is below.

	Work Related Injuries and Illnesses for 2023 Calendar Year				
TYPE	New Incidents (Month)	Total Incidents (Year)	Total Days Away from Work (Year)	Total Days of Job Restriction (Year)	Cumulative days lost (Year)
OSHA Injuries	0	0	0	0	0
OSHA Illnesses	0	0	0	0	0
Other WC Claims	0	0	0	0	0
First Aid (non-OSHA)	0	0	0	0	0

FUNDING

N/A- Informational item only

Wastewater Treatment Facility Operations Report

Report for: February 2023	HYDRAULIC LOADINGS					2023 YEAR-TO-DATE	
	Total Monthly, MG	Avg. Daily, MGD	Min Daily, MGD	Max Daily, MGD	% of Total	MG	acre-feet
CAWD Flow	26.652	0.952	0.794	1.538	61.703	72.48	222.32
PBCSD Flow	16.542	0.591	0.443	1.058	38.297	51.93	159.30
Total Plant Flow	43.194	1.543	1.237	2.596	100.00	124.41	381.63
Tertiary Flow (2)	2.262	0.206	0.147	0.235	5.237	25.42	77.97
Ocean Discharge	42.221	1.508	1.144	2.810	97.747	102.41	314.15
Potable Water	0.000	0.000	0.000	0.000	0.000	0.000	0.000

TERTIARY PROCESS HISTORY

Total Annual Reclamation Production (2023)	25.42MG (77.97acre-ft.)
Total Lifetime Reclamation Production (94-23)	9.27 BG (28.45 K acre-ft.)
12 Month Rolling Total Reclamation Production	326.52 MG (1002.08 acre-ft.)

ELECTRICAL COSTS

Monthly Totals	Feb'23 kWh	Price per kWh	Feb'23	Jan'23	Dec'22	Nov'22
Secondary	102,408.00	\$ 0.169	\$ 17,321.01	\$ 21,036.13	\$ 22,608.37	\$ 20,217.64
Blowers	53,755.36	\$ 0.165	\$ 8,891.34	\$ 9,037.96	\$ 10,196.01	\$ 10,482.05
CAWD Total	156,163.36		\$ 26,212.35	\$ 30,074.09	\$ 32,804.38	\$ 30,699.69
Tertiary	26,771.68	\$ 0.313	\$ 8,380.23	\$ 16,711.11	\$ 19,953.86	\$ 16,183.46
MF/RO	13,097.00	\$ 0.377	\$ 4,934.76	\$ 14,804.84	\$ 24,003.19	\$ 24,511.97
Reclaim Total	39,868.68		\$ 13,314.99	\$ 31,515.95	\$ 43,957.05	\$ 40,695.43
Adjusted Monthly Totals (1)	CAWD Total		\$ 16,511.94	Reclamation Total		\$ 23,015.40

kW-h Per Acre Foot

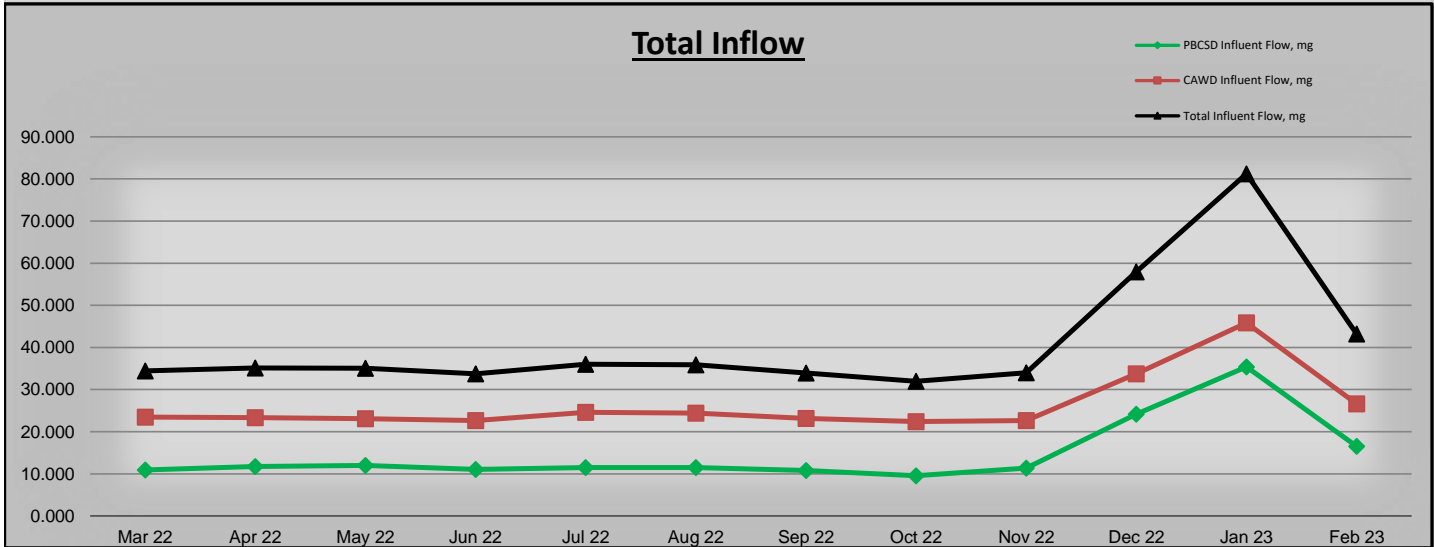
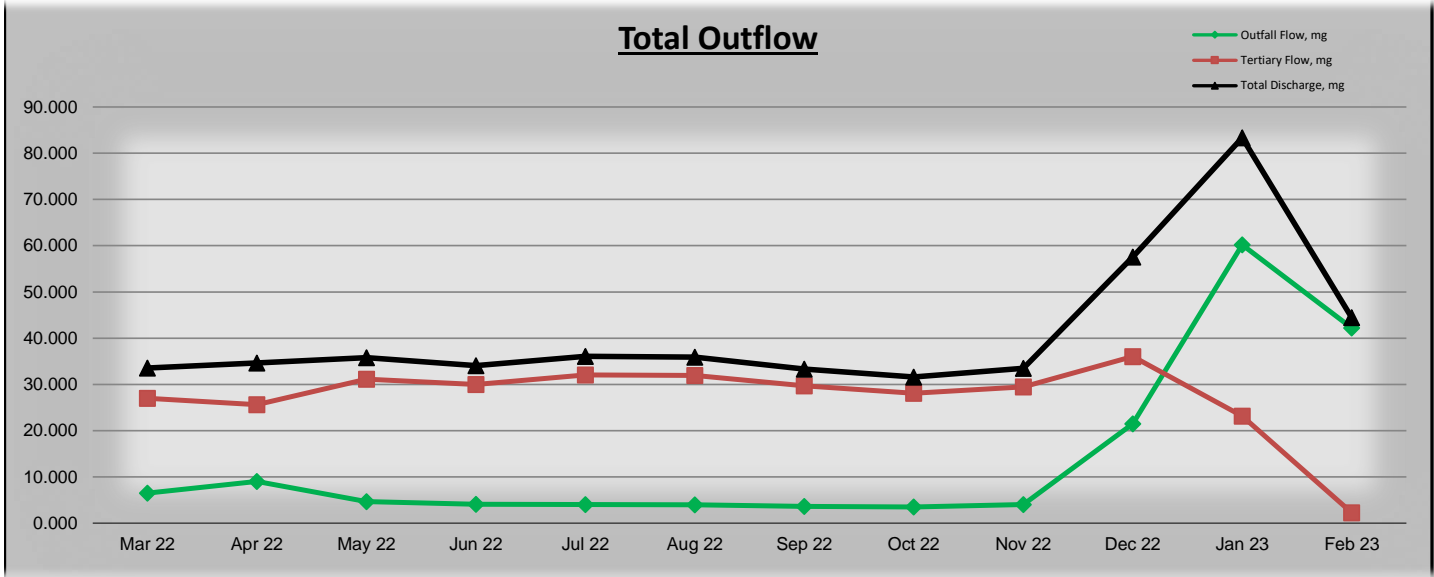
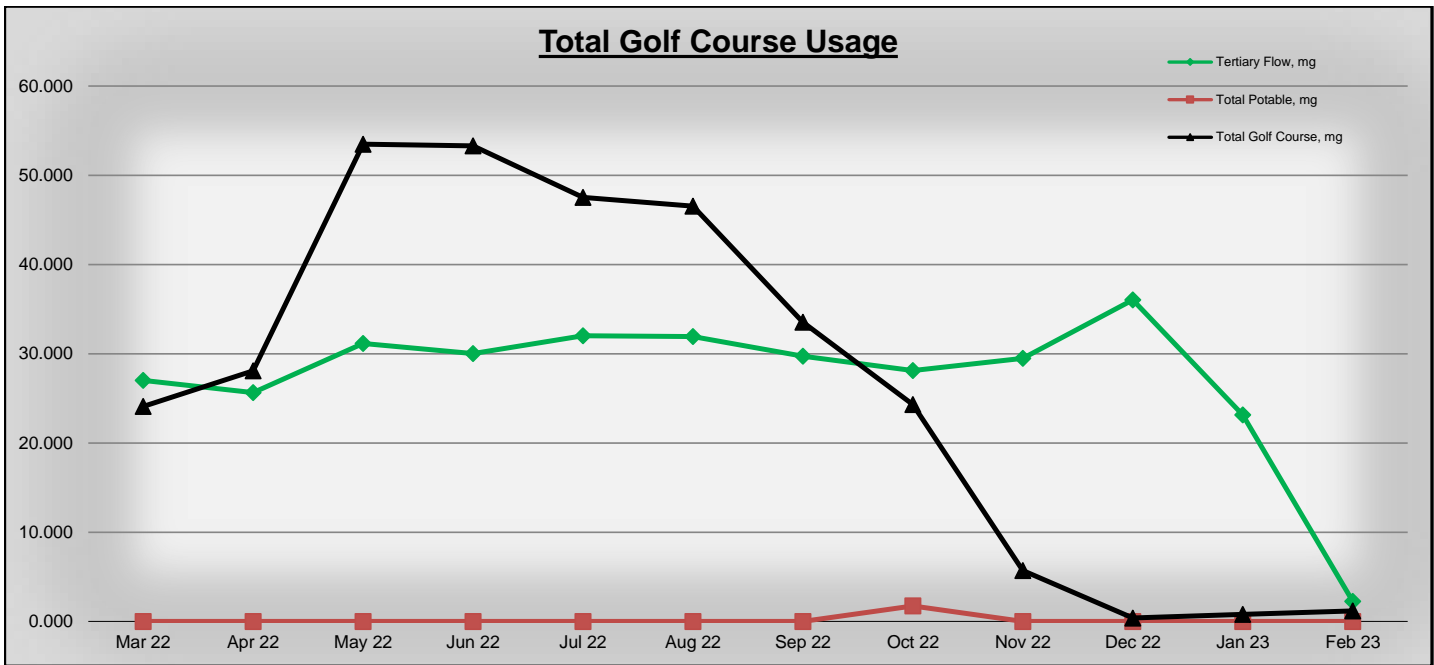
	2022				2023			
	1 QTR	2 QTR	3 QTR	4 QTR	1 QTR	2 QTR	3 QTR	4 QTR
CAWD	1409.48	1577.57	1448.51	1206.68	N/A	N/A	N/A	N/A
Reclamation	2190.20	1984.97	1885.30	1907.67	N/A	N/A	N/A	N/A

MICROTURBINE SUMMARY

Month	Feb '23 kW-h	Jan'23	Dec'22	Nov'22	Accumulated Totals
Production, kW-h	11,438	11,943	5,817	10,147	1,316,492.00

(1) Cost adjustment for Reclamation percentage for Secondary power costs and CAWD's percentage for Tertiary's power costs due to the Lab's power usage.

(2) Reclamation facility was in operation intermittently to keep the Poppy Hills storage tank full



Wastewater Treatment Facility Operations Report

Report for: January 2023	HYDRAULIC LOADINGS					2023 YEAR-TO-DATE	
	Total Monthly, MG	Avg. Daily, MGD	Min Daily, MGD	Max Daily, MGD	% of Total	MG	acre-feet
CAWD Flow	45.825	1.478	0.877	2.531	56.424	45.83	140.57
PBCSD Flow	35.391	1.142	0.604	1.981	43.576	35.39	108.56
Total Plant Flow	81.216	2.620	1.481	4.512	100.00	81.22	249.13
Tertiary Flow (2)	23.155	1.007	0.170	1.615	28.510	23.16	71.03
Ocean Discharge	60.192	1.942	0.994	4.568	74.113	60.19	184.64
Potable Water	0.000	0.000	0.000	0.000	0.000	0.000	0.000

TERTIARY PROCESS HISTORY

Total Annual Reclamation Production (2023)	23.16MG (71.03acre-ft.)
Total Lifetime Reclamation Production (94-23)	9.27 BG (28.44 K acre-ft.)
12 Month Rolling Total Reclamation Production	346.72 MG (1064.08 acre-ft.)

ELECTRICAL COSTS

Monthly Totals	Jan'23 kWh	Price per kWh	Jan'23	Dec'22	Nov'22	Oct'22
Secondary	115,142.00	\$ 0.183	\$ 21,036.13	\$ 22,608.37	\$ 20,217.64	\$ 19,148.64
Blowers	53,954.32	\$ 0.168	\$ 9,037.96	\$ 10,196.01	\$ 10,482.05	\$ 9,363.99
CAWD Total	169,096.32		\$ 30,074.09	\$ 32,804.38	\$ 30,699.69	\$ 28,512.63
Tertiary	93,401.56	\$ 0.179	\$ 16,711.11	\$ 19,953.86	\$ 16,183.46	\$ 16,189.86
MF/RO	66,996.00	\$ 0.221	\$ 14,804.84	\$ 24,003.19	\$ 24,511.97	\$ 19,032.17
Reclaim Total	160,397.56		\$ 31,515.95	\$ 43,957.05	\$ 40,695.43	\$ 35,222.03
Adjusted Monthly Totals (1)	CAWD Total		\$ 18,511.37	Reclamation Total		\$ 43,078.67

kW-h Per Acre Foot

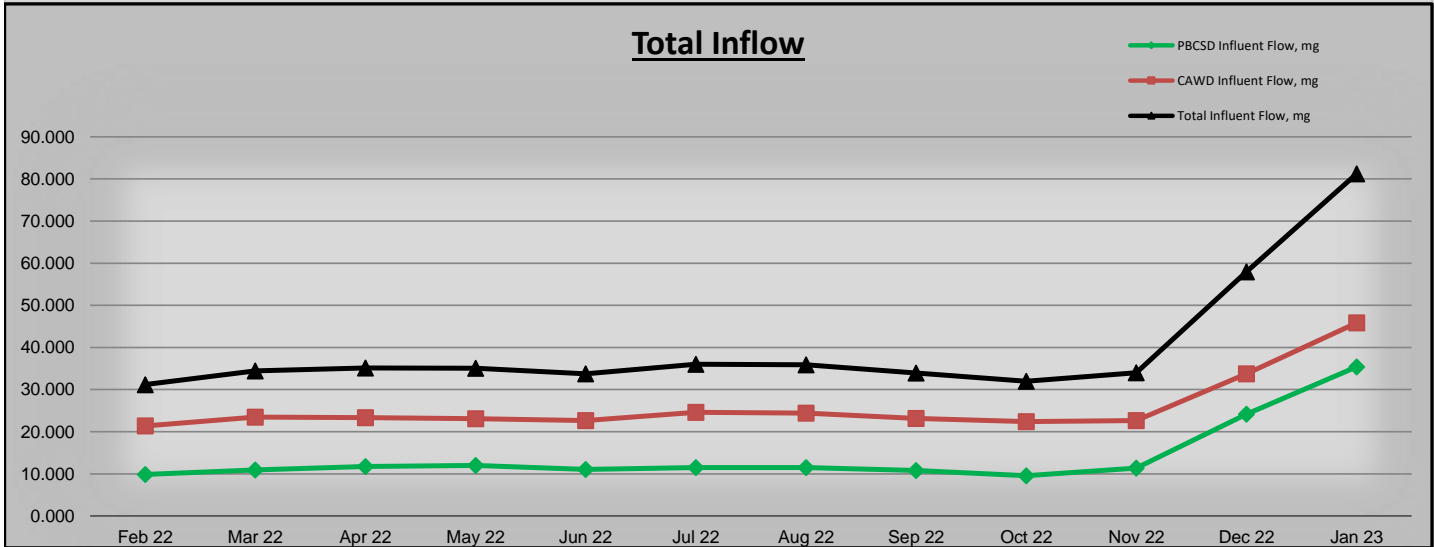
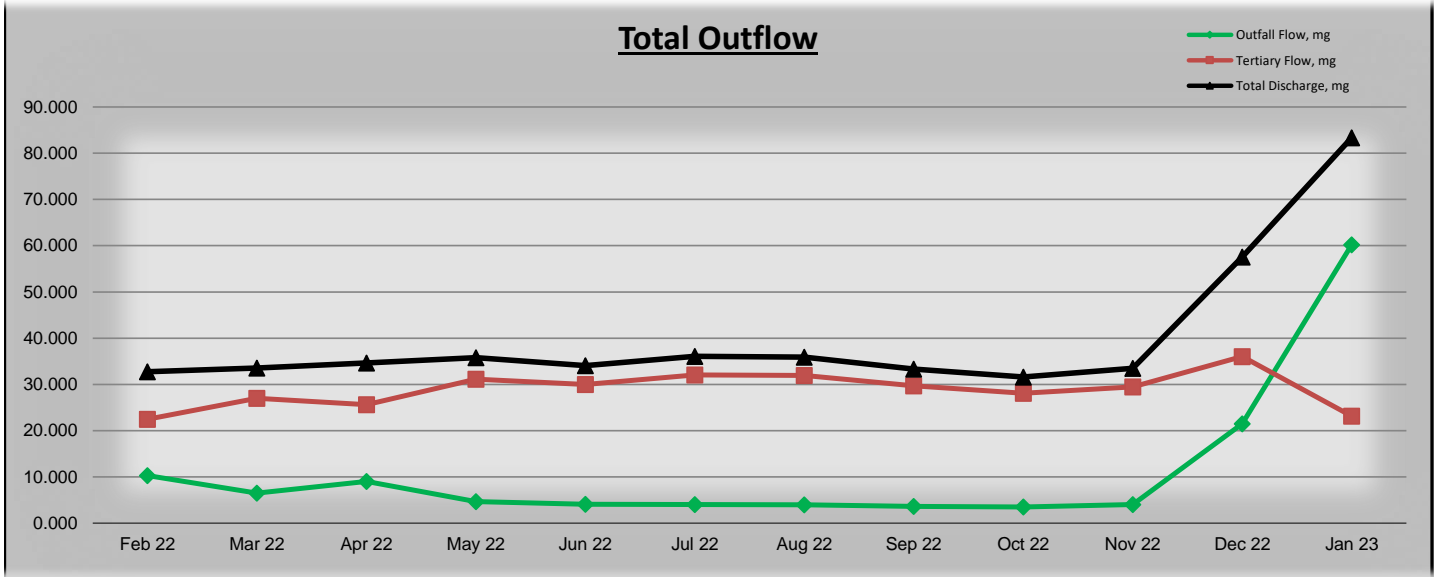
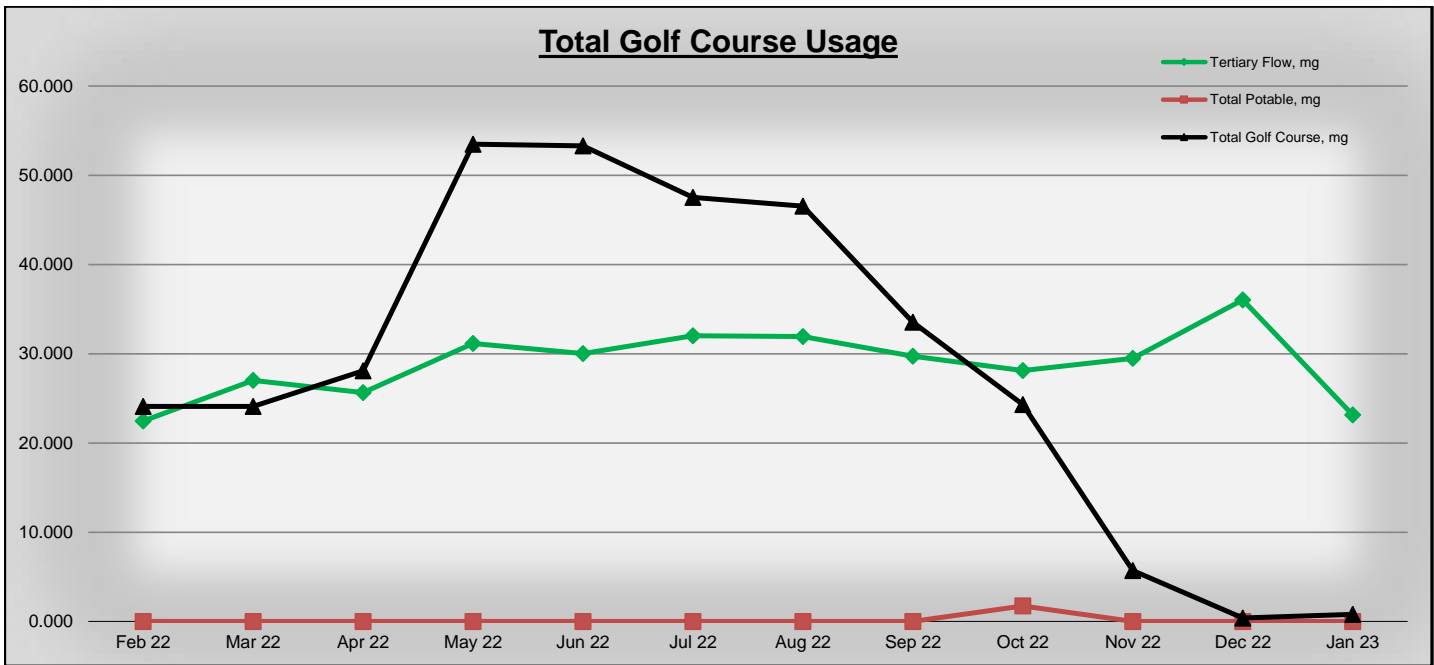
	2022				2023			
	1 QTR	2 QTR	3 QTR	4 QTR	1 QTR	2 QTR	3 QTR	4 QTR
CAWD	1409.48	1577.57	1448.51	1206.68	N/A	N/A	N/A	N/A
Reclamation	2190.20	1984.97	1885.30	1907.67	N/A	N/A	N/A	N/A

MICROTURBINE SUMMARY

Month	Jan '23 kW-h	Dec'22	Nov'22	Oct'22	Accumulated Totals
Production, kW-h	11,943	5,817	10,147	20,420	1,305,054.00

(1) Cost adjustment for Reclamation percentage for Secondary power costs and CAWD's percentage for Tertiary's power costs due to the Lab's power usage.

(2) Reclamation facility taken off-line on 1/23/2023 due to full reservoir and storage tank



Wastewater Treatment Facility Operations Report

	HYDRAULIC LOADINGS					2022 YEAR-TO-DATE	
Report for: December 2022	Total Monthly, MG	Avg. Daily, MGD	Min Daily, MGD	Max Daily, MGD	% of Total	MG	acre-feet
CAWD Flow	33.771	1.090	0.747	2.293	58.263	291.44	893.98
PBCSD Flow	24.192	0.780	0.391	1.809	41.737	148.69	456.10
Total Plant Flow	57.963	1.870	1.138	4.102	100.00	440.13	1350.09
Tertiary Flow	36.035	1.162	0.795	1.313	62.169	349.06	1070.74
Ocean Discharge	21.500	0.691	0.096	3.184	37.093	90.43	277.39
Potable Water	0.000	0.000	0.000	0.000	0.000	1.732	5.313

TERTIARY PROCESS HISTORY

Total Annual Reclamation Production (2022)	349.06MG (1070.74acre-ft.)
Total Lifetime Reclamation Production (94-22)	9.24 BG (28.37 K acre-ft.)
12 Month Rolling Total Reclamation Production	349.06 MG (1071.27 acre-ft.)

ELECTRICAL COSTS

Monthly Totals	Dec'22 kWh	Price per kWh	Dec'22	Nov'22	Oct'22	Sep'22
Secondary	109,445.00	\$ 0.207	\$ 22,608.37	\$ 20,217.64	\$ 19,148.64	\$ 21,517.93
Blowers	53,738.00	\$ 0.190	\$ 10,196.01	\$ 10,482.05	\$ 9,363.99	\$ 11,415.30
CAWD Total	163,183.00		\$ 32,804.38	\$ 30,699.69	\$ 28,512.63	\$ 32,933.23
Tertiary	91,198.24	\$ 0.219	\$ 19,953.86	\$ 16,183.46	\$ 16,189.86	\$ 20,917.38
MF/RO	109,777.00	\$ 0.219	\$ 24,003.19	\$ 24,511.97	\$ 19,032.17	\$ 20,763.27
Reclaim Total	200,975.24		\$ 43,957.05	\$ 40,695.43	\$ 35,222.03	\$ 41,680.65
Adjusted Monthly Totals (1)	CAWD Total		\$ 20,227.10	Reclamation Total		\$ 56,534.33

kW-h Per Acre Foot

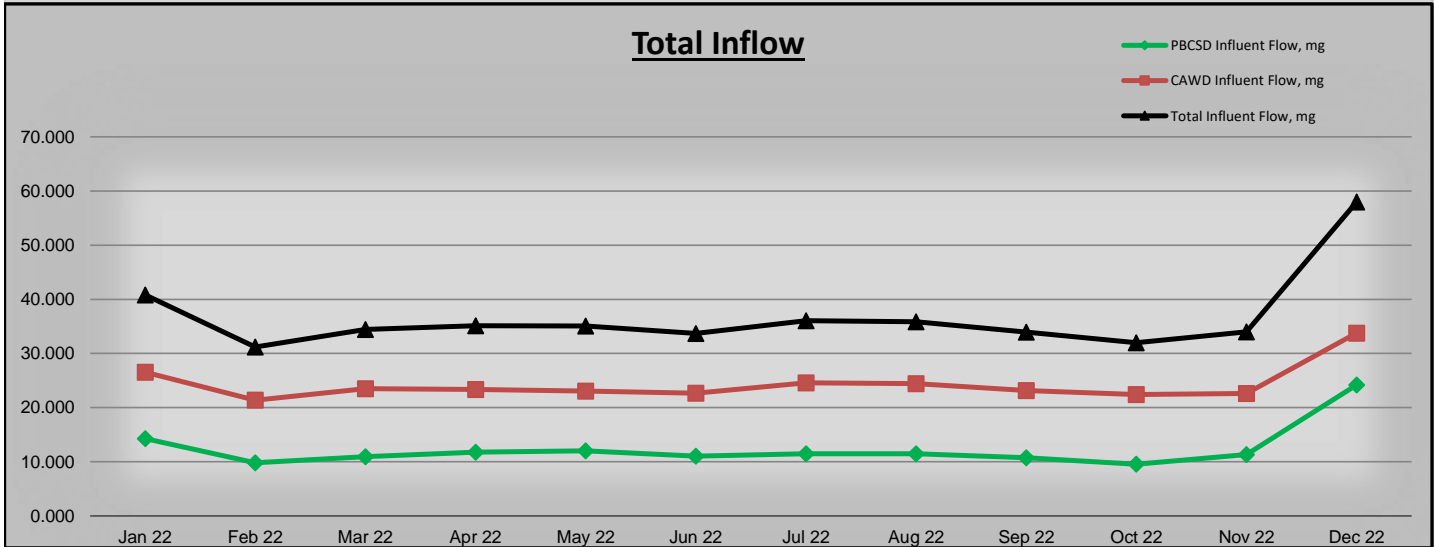
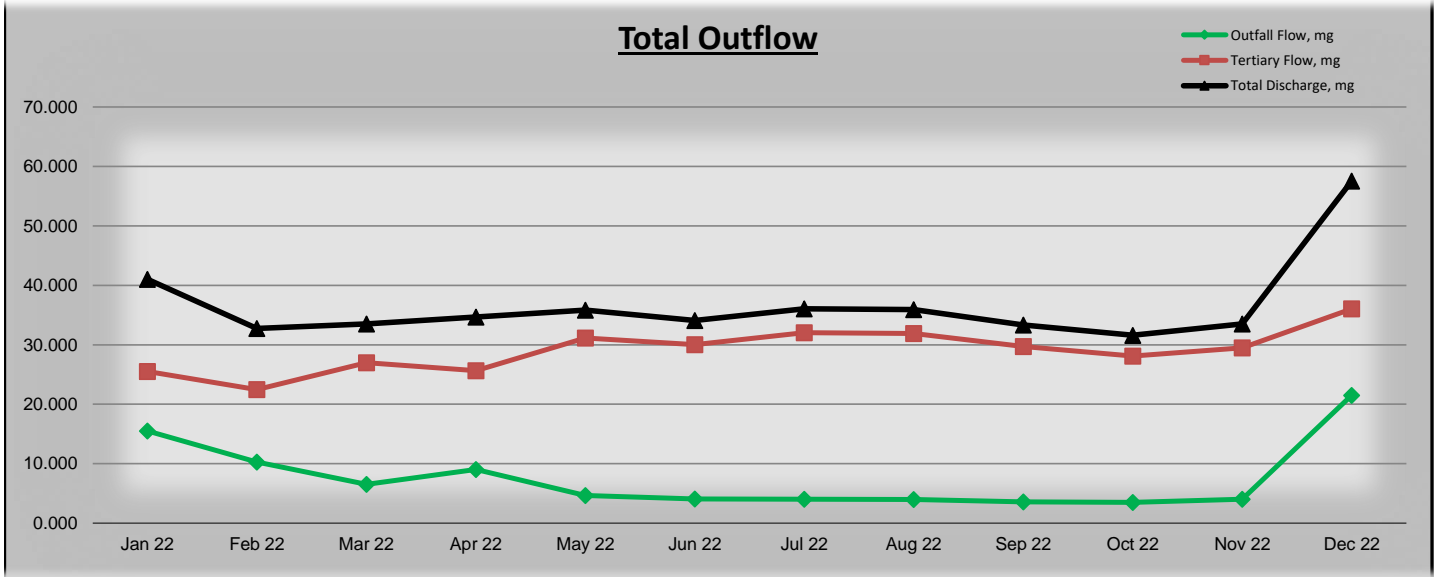
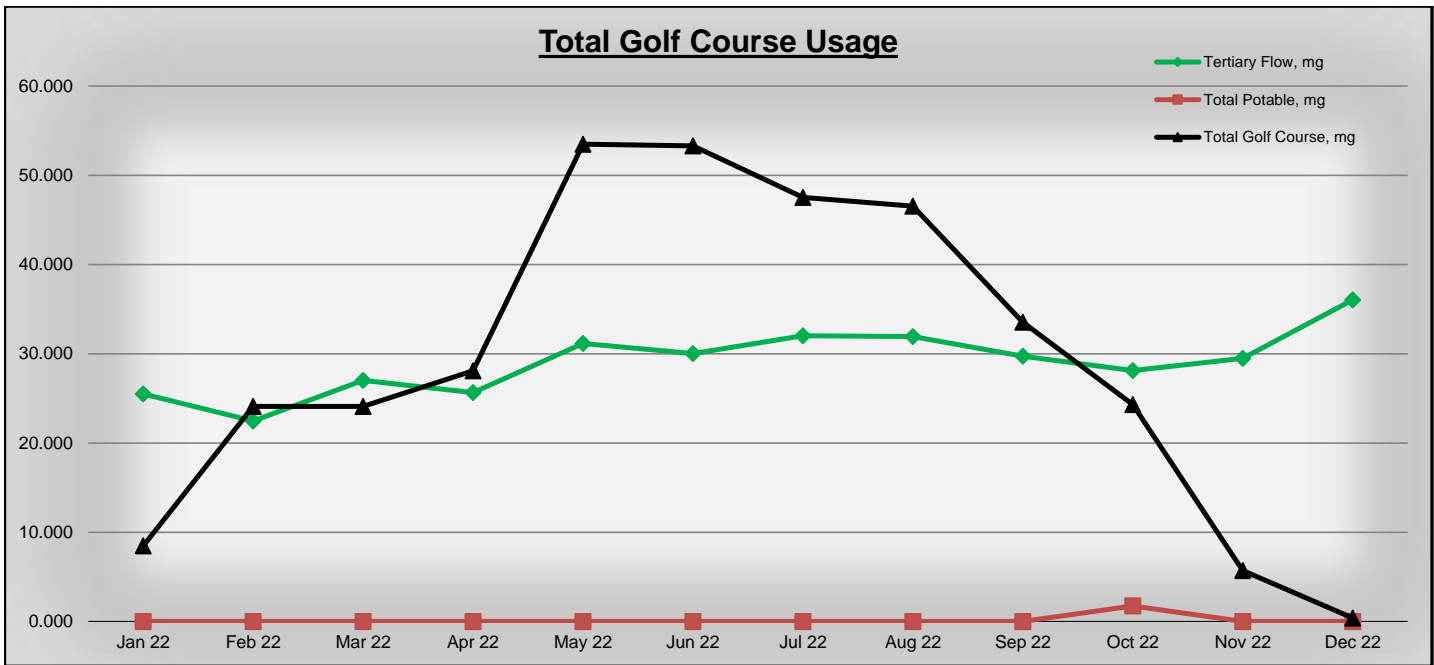
	2021				2022			
	1 QTR	2 QTR	3 QTR	4 QTR	1 QTR	2 QTR	3 QTR	4 QTR
CAWD	1453.87	1327.64	1298.73	1681.53	1409.48	1577.57	1448.51	1206.68
Reclamation	1984.84	1939.79	1682.65	1887.92	2190.20	1984.97	1885.30	1907.67

MICROTURBINE SUMMARY

Month	Dec '22 kW-h (2)	Nov'22	Oct'22	Sep'22	Accumulated Totals
Production, kW-h	5,817	10,147	20,420	18,825	1,293,111.00

(1) Cost adjustment for Reclamation percentage for Secondary power costs and CAWD's percentage for Tertiary's power costs due to the Lab's power usage.

(2) Micro Turbine back on-line 12/16/2022 after repair by vendor



STAFF REPORT



To: Board of Directors

From: Ray De Ocampo - Laboratory/Environmental Compliance Supervisor

Date: March 30, 2023

Subject: Monthly Report – February 2023

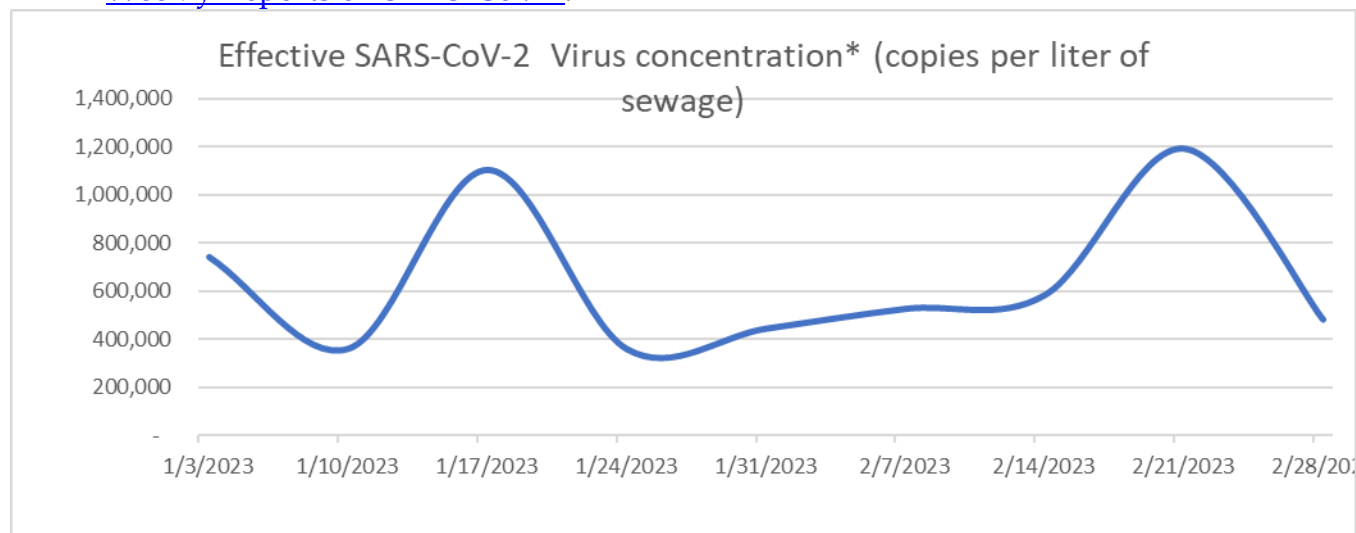
RECOMMENDATION

Receive Report - Informational only; No action required.

DISCUSSION

LABORATORY REPORT

- Biobot Analytics continues to provide COVID-19 analysis for Carmel Area Wastewater District (CAWD) composite samples of the Influent Pump Station. Biobot samples are available upon request and can also be viewed on the CAWD website: [Biobot Analytics Weekly Reports on SARS-CoV-2](#).



* Effective virus concentration value is derived by adjusting the raw virus concentration to account for dilution & other factors (copies per liter of sewage)

- Laboratory staff researched and requested quotes for analysis of COVID and other conditions such as influenza, monkey pox, and polio, which will be reviewed by the budget committee.

- On February 3, 2023, Laboratory Analyst II/ Environmental Compliance Inspector II, Fanny Mui submitted her resignation, her last day was February 17, 2023.
- On February 5, 2023, laboratory staff will be collecting State required stormwater samples for the period of January 1, 2023, to June 30, 2023.
- On February 7, 2023, Wine Country Balance performed the annual balance calibration and service.
- On February 13, 2023, The Central Coast Long Term Environmental Assessment (CCLEAN) wet season sampling on the Final Effluent has started and will continue for 30 days or until the total volume is collected.

ENVIRONMENTAL COMPLIANCE REPORT

- On February 14, 2023, Source Control staff distributed new Discharge Permits for business renewals for the months of December 2022 and January 2023.
- Mr. De Ocampo continues to work with both the Bagel Bakery and Café Carmel business owners to complete their grease trap installations.

Restaurant Inspections

Restaurant	Compliant	Reason for Non-Compliance	Comments
Anton and Michel	Yes		
The Catch	Yes		
Portabella	Yes		

Grocery Store/Delicatessen Inspections

Grocery Store/Delicatessen	Compliant	Reason for Non-Compliance	Comments
NA			

Compliance Register

% Compliance	Maintenance	Mechanical
December 2022	100	100
January 2022	NA	NA
February 2023	100	100

Project Number	GL	Task Name	Manager	Start	Finish	Status	21	2022			2023		2024			20
							H2	H1	H2	H1	H2	H1	H2	H1		
		Projects Implementation Plan Schedule														
		<u>Treatment Plant Capital Projects</u>														
18-01	1620.000	Elec/Mech Rehab and Sludge Holding Tank Replacement Project	Treanor	4/30/18	9/29/23	In Construction	Tank Replacement Project									
18-28	1626.000	Perimeter Tree Plan and Implementation	Treanor	7/1/19	6/30/26	Planning Stakeholder Meeting	Perimeter Tree Plan and Implementation									
19-21	1993.000	Carmel River FREE Mitigation	Treanor	6/1/20	12/30/25	Pending Funding	Carmel River FREE Mitigation									
19-19	1634.000	Aeration Basin Improvements	Waggoner	7/1/20	10/13/23	On Hold Until Spring 2023	Aeration Basin Improvements									
19-18	1593.000	Perimeter Fencing	Treanor	7/1/22	10/15/24	Design/CEQA	Perimeter Fencing									
22-03	1639.000	WWTP Gas and Water Main Replacement	Treanor	5/2/22	10/15/24	In Design	WWTP Gas and Water Main Replacement									
22-04	5500.006	CAWD Bridge and Trail Project	Treanor	3/1/21	2/29/28	Funding Strategy	CAWD Bridge and Trail Project									
22-06	1640.000	Vactor Receiving Station	Treanor	7/1/22	8/29/24	Design Phase	Vactor Receiving Station									
		<u>Reclamation Capital Projects</u>														
18-26	14777	Sulfuric Acid and Citric Acid Storage and Feed Systems	Treanor	1/1/19	4/28/23	In Construction	Storage and Feed Systems									
22-05	14794	Reclamation 15-Year CIP Master Plan	Treanor	8/2/22	12/29/23	In Progress	Reclamation 15-Year CIP Master Plan									
		<u>Collections Capital Projects</u>														
19-03	1586.000	Carmel Meadows Sewer Replacement	Lather	8/1/19	1/17/25	Permitting	Carmel Meadows Sewer Replacement									
20-07	1636.000	Bay/Scenic Pump Station Rehabilitation	Lather	12/31/20	6/30/24	In Design	Bay/Scenic Pump Station Rehabilitation									
20-08	1635.000	Scenic Rd Pipe Bursting - Ocean to Bay	Lather	2/5/21	6/28/24	In Design / CEQA	Scenic Rd Pipe Bursting - Ocean to Bay									
21-05	1637.000	Pescadero Sewer Relocation	Lather	7/1/21	6/30/25	In Design / CEQA	Pescadero Sewer Relocation									
22-07	1641.000	Emergency Lorca Lane Sewer Relocation	Lather	8/30/22	5/31/23	In Progress	Emergency Lorca Lane Sewer Relocation									
23-03		Scenic & Carmelo Emergency Project	Lather	1/31/23	3/31/23	Completed	Scenic & Carmelo Emergency Project									
23-01		Santa Rita & Guadalupe Pipeline Rehab	Lather	1/1/23	6/30/23	In Design	Santa Rita & Guadalupe Pipeline Rehab									
20-06		Collections 15-Year CIP	Lather	7/1/20	7/1/40	Work In Progress	Collections 15-Year CIP									
		<u>Collections Non-Capital Projects</u>														
20-05		River Watch Agreement	Lather	2/21/20	2/21/24	Work In Progress	River Watch Agreement									
23-02		22-23 Pipeline Spot Repair	Lather	1/2/23	6/30/23	Bidding	22-23 Pipeline Spot Repair									
		<u>Assessment Districts/Annexations</u>														
18-21	1631.000/2505.000	Corona Road Assessment District	Lather	8/2/18	3/15/24	In Design / CEQA	Assessment District									
19-08	1632.000	Carmel Valley Manor Pipeline and Pump Station	Lather	7/3/18	2/15/24	In Construction	Pipeline and Pump Station									
18-29	9095.000	September Ranch Subdivision	Lather	9/1/22	8/30/24	Sewer Agreement	September Ranch Subdivision									
		Rancho Cañada Village Subdivision	Lather	3/1/23	2/27/25	In Design by Property Owner	Rancho Cañada Village Subdivision									

Project Number	GL	Task Name	Manager	Start	Finish	Status	21	2022			2023		2024		20
							H2	H1	H2	H1	H2	H1	H2	H1	
		<u>Other Non-Capital Projects</u>													
		Workforce Now	Foley			Implementation									
		Real Property Investigation	Buikema			Ongoing									
		Cyber Security	Foley			Ongoing									
		Source Control Six Sigma	Buikema			Board Presentation									
22-01	5500.006	Long Term SLR Planning	Buikema / Treanor	5/3/21	2/29/40	In Progress									
							Long Term SLR Planning								

Treatment Plant Capital Project Summaries



Photo: New Sludge Tank Under Construction

Project Number:	18-01	
Project Name:	Wastewater Treatment Plant (WWTP) – Elec/Mech Rehab & Sludge Holding Tank Replacement Project	
Project Location:	Wastewater Treatment Plant	
Project Manager:	Trenor	
Status:	In Construction	
Project Description:	This project is a multi-area project at the WWTP aimed at mitigating risk of failure in the Influent Pump Station, Headworks, 3W/Chlorine Analyzer Building, Effluent Building and Sludge Storage Tank. Most of the work involves replacing aged electrical and mechanical equipment in existing buildings.	
Department:	Treatment	
Financial:	Cumulative Budget:	Cumulative Spent:
	\$9,137,431	\$6,224,128
Financial:	FY Budget:	FY Spent:
	\$4,820,750	\$1,1,903,024
Reclamation Share:	Estimated at 2.7% of project cost.	
Other Entities:	Pebble Beach Community Services District, CAWD/PBCSD Reclamation Project	
Permits Required:	Coastal Commission Notification	
Challenges:	Electrical Equipment Supply Chains	
Schedule:	<ul style="list-style-type: none"> Construction anticipated for FY21/22 into FY22/23 	
Consultants:	Design: Kennedy/Jenks Consultants Construction Management: Currie Engineers	
Contractor:	Clark Bros. Inc.	



Photo: Eucalyptus trees on South Side of Treatment Plant

Project Number:	18-28	
Project Name:	Perimeter Tree Plan and Implementation	
Project Location:	Wastewater Treatment Plant	
Project Manager:	Trenor	
Status:	Planning Stakeholder Meeting	
Project Description:	Planning and landscaping around the treatment plant. This will include looking into possibly replacing the non-native eucalyptus trees around the perimeter of the treatment plant with native tree species. The project will start with a study and a plan to determine costs, sequencing schedule, and visual impacts. The Eucalyptus trees around the plant have ongoing maintenance costs, which may be offset in the long term with a different type of tree screening. The purpose is to improve security around plant perimeter.	
Department:	Treatment	
Financial:	Cumulative Budget:	Cumulative Spent:
	\$130,020	\$5,020
Financial:	FY Budget:	FY Spent:
	\$75,000	\$0
Reclamation:	N/A	
Other Entities:	N/A	
Permits Required:	Currently unknown (In Study Phase)	
Challenges:	Time it will take for new trees to grow up that will fully screen treatment plant from view	
Schedule:	<ul style="list-style-type: none"> Study moved to 2023; anticipate completion 06-30-26 	
Consultants:	Scott Hall Landscape Design	
Contractor:	TBD	

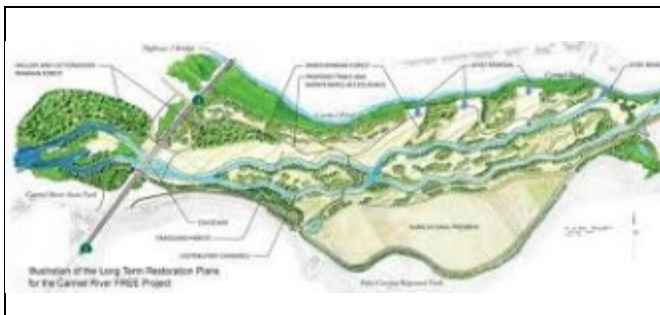


Photo: Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE)

Project Number:	19-21	
Project Name:	Carmel River Floodplain Restoration & Environmental Enhancement (CRFREE) Mitigation	
Project Location:	Carmel River Lagoon	
Project Manager:	Treanor	
Status:	Pending Funding	
Project Description:	The CRFREE Project intends to create a new river channel in the Carmel River lagoon floodplain, which will significantly impact existing wastewater pipelines that cross the lagoon. To fully mitigate impacts from CRFREE the pipelines, which are currently crossing over a portion of the lagoon, are proposed to be installed underground using Horizontal Directional Drilling construction methods.	
Department:	Engineering	
Financial:	Coastal Conservancy Grant Budget: \$750,000	Cumulative Spent: \$618,569
		FY Spent: \$0
** Project is being funded by CRFREE initiated grants		
Reclamation Share:	N/A	
Other Entities:	Monterey County	
Permits Required:	Coastal Commission, CA Fish and Wildlife, Army Corp of Engineers, Regional Water Quality Control Board (RWQCB)	
Challenges:	Construction near environmentally sensitive habitat and obtaining new easement from State Parks	
Schedule:	<ul style="list-style-type: none"> Construction anticipated in 2025 	

Consultants:	Design: Kennedy Jenks and Staheli Trenchless CEQA: Johnson Marigot
Contractor:	TBD



Photo: Existing air diffuser system

Project Number:			19-19
Project Name:			WWTP – Aeration Basin Improvements
Project Location:			Wastewater Treatment Plant
Project Manager:			Waggoner
Status:			On Hold Until Spring 2023
Project Description:			The Aeration Basins 4A & 4B need to have additional diffusers installed to ensure the proper air (oxygen) transfer into the wastewater to support the aerobic microorganisms in the basins.
Department:			Treatment
Financial:			Cumulative Budget: \$17,332
			Cumulative Spent: \$17,332
			FY Budget: \$0
			FY Spent: \$0
Reclamation Share:			N/A
Other Entities:			N/A
Permits Required:			N/A
Challenges:			Weather conditions and Scheduling
Schedule:			<ul style="list-style-type: none"> Design is complete Materials ordered and received Construction anticipated for Spring 2023
Consultants:			N/A
Contractor:			N/A



Photo: Existing Dilapidated Fence

Project Number:			19-18
Project Name:			Perimeter Fencing
Project Location:			Wastewater Treatment Plant (WWTP)
Project Manager:			Treanor
Status:			Design/CEQA
Project Description:			Install a new fence around the perimeter of the WWTP.
Department:			Treatment
Financial:			Cumulative Budget: \$275,000
			Cumulative Spent: \$32,505
			FY Budget: \$275,000
			FY Spent: \$32,505
Reclamation Share:			N/A
Other Entities:			N/A
Permits Required:			California Environmental Quality Act (CEQA) Mitigated Negative Declaration (MND), Coastal Developmental Permit (CDP) Notification
Challenges:			Environmental Mitigations
Schedule:			<ul style="list-style-type: none"> Design in FY22-23 Construction in FY23-24
Consultants:			Kennedy Jenks
Contractor:			TBD



Photo: Gas Meter on North Side of River

Project Number:	22-03	
Project Name:	WWTP Gas and Water Main Replacement	
Project Location:	Wastewater Treatment Plant	
Project Manager:	Treasor	
Status:	In Design	
Project Description:	The WWTP natural gas and water utility service exists on the opposite side of the Carmel River from the WWTP. CAWD owns the piping under the river for these utilities. The water line and gas line are PVC and identified as having a high risk of failure. The gas line is needed for plant operations to provide supplementary heating to the digesters for thermophilic digestion.	
Department:	Treatment	
Financial:	Cumulative Budget:	Cumulative Spent:
	\$300,000	\$43,444
Reclamation Share:	FY Budget:	FY Spent:
	\$100,000	\$43,444
Other Entities:	N/A	
Permits Required:	Cost Share w/ Collections @ 5.5%	
Challenges:	TBD	
Schedule:	Underground work in riparian area	
Consultants:	<ul style="list-style-type: none"> • Currently undergoing alternatives analysis study • Design in FY22-23 • Construction in FY23-24 	
Contractor:	Kennedy Jenks	
Contractor:	N/A	



Photo: Conceptual Rendering of Public Use and Bridge

Project Number:	22-04	
Project Name:	CAWD Bridge and Trail Project	
Project Location:	Wastewater Treatment Plant	
Project Manager:	Trenor	
Status:	Funding Strategy	
Project Description:	Construct a new bridge at the location of the existing CAWD bridge over the Carmel River. Bridge would be open for public use and would allow for new walking trails to connect the City of Carmel-by-the-Sea (Mission Trail) to the Regional Parks (Palo Corona).	
Department:	Treatment	
Financial:	Cumulative Budget: \$550	Cumulative Spent: \$550
	FY Budget: \$0	FY Spent: \$0
**No budget. Funding potential via Carmel River settlement grants.		
Reclamation Share:	N/A	
Other Entities:	State Parks, Diocese of Monterey, City of Carmel-by-the-Sea, Regional Parks District	
Permits Required:	TBD	
Challenges:	Obtaining Funding and Community Support	
Schedule:	Currently working on video and marketing outreach effort	
Consultants:	TBD	
Contractor:	TBD	



Photo: CAWD Vactor Truck

Project Number:	22-06	
Project Name:	Vactor Receiving Station	
Project Location:	Wastewater Treatment Plant	
Project Manager:	Trenor	
Status:	Design Phase	
Project Description:	Construct a new Vactor Receiving Station for the Collections Department and the disposal of waste collected in the vactor truck.	
Department:	Treatment	
Financial:	Cumulative Budget: \$354,950	Cumulative Spent: \$20,325
	FY Budget: \$104,950	FY Spent: \$20,325
Reclamation Share:	N/A	
Other Entities:	N/A	
Permits Required:	Coastal Developmental Permit (CDP) Notification	
Challenges:	Design for ultimate user satisfaction.	
Schedule:	Construction in FY23/24	
Consultants:	Kennedy Jenks	
Contractor:	TBD	

Reclamation Capital Project Summaries



Photo: Existing totes used for Sulfuric Acid storage and Feed

Project Number:	18-26	
Project Name:	Sulfuric Acid & Citric Acid Storage & Feed Systems Project	
Project Location:	Reclamation – Microfiltration (MF)/Reverse Osmosis (RO)	
Project Manager:	Treanor	
Status:	In Construction	
Project Description:	Code compliance upgrades for existing acid chemical storage and feed system used by Reclamation for enhancing RO recovery. Project includes code compliant secondary containment and separation of dissimilar chemicals.	
Department:	Treatment	
Financial:	Cumulative Budget: \$455,923	Cumulative Spent: \$380,691
	FY Budget: \$334,000	FY Spent: \$255,223
Reclamation Share:	100%	
Other Entities:	Reclamation Project	
Permits Required:	Coastal Commission Notification	
Challenges:	Hazardous Chemical Safety	
Schedule:	Anticipated Completion mid 2023	
Consultants:	Trussell Technologies, Inc	
Contractor:	Monterey Peninsula Engineering	

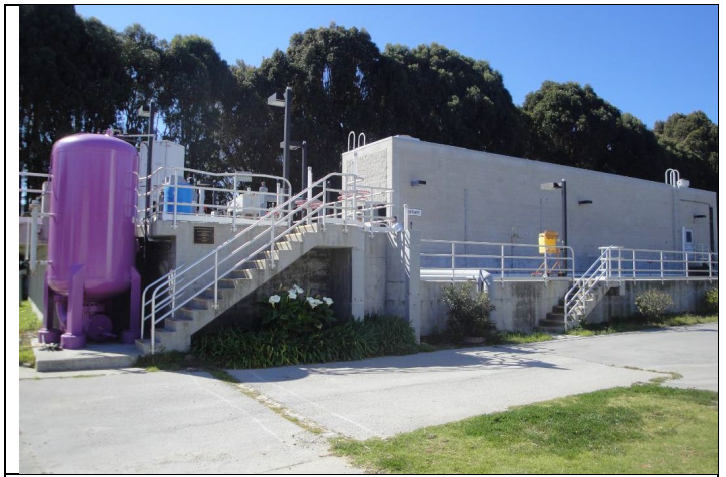


Photo: Exterior of Tertiary Building

Project Number:	22-05	
Project Name:	Reclamation MF/RO and Tertiary System 15-Year Capital Improvement Program (CIP) Master Plan	
Project Location:	Reclamation – Microfiltration (MF)/Reverse Osmosis (RO) and Tertiary Building	
Project Manager:	Treanor	
Status:	In Progress	
Project Description:	Asset management condition and risk evaluations, development of projections of capital expenditures, and preliminary engineering planning	
Department:	Treatment	
Financial:	Cumulative Budget: \$300,000	Cumulative Spent: \$0
	FY Budget: \$300,000	FY Spent: \$0
Reclamation Share:	100%	
Other Entities:	Reclamation Project	
Permits Required:	None	
Challenges:	Complexity	
Schedule:	Planning Process will extend into FY 23/24	
Consultants:	Kennedy Jenks Trussell Technologies, Inc	
Contractor:	N/A	

Collections Capital Project Summaries



Photo: View gravity pipe in Carmel easement

Project Number: 19-03		
Project Name: Carmel Meadows Sewer Replacement		
Project Location: Collection System		
Project Manager: Lather		
Status: Permitting		
Project Description: The project will replace 1,300 feet of Ductile Iron Pipe (DIP) on an aerial span and eight manholes by constructing a small pump station at the end of Mariposa Drive. This project is located on an easement parallel to Ribera Road and was originally installed in the early 1960's.		
Department: Collections		
Financial:	Cumulative Budget:	Cumulative Spent:
	\$2,471,949	\$514,855
Financial:	FY Budget:	FY Spent:
	\$2,000,000	\$40,495
Permits Required: Coastal Permit and Environmental Review		
Challenges: Redirecting the sewer to the pump station without requiring booster pumps for individual houses.		
Schedule: Design and Environmental Review completed 6/28/22. Construction to begin FY22/23.		
Consultants: SRT Consultants, WRA Environmental		
Contractor: TBD		



Photo: Looking at Pump Station Exterior

Project Number: 20-07		
Project Name: Bay/Scenic Pump Station Rehabilitation		
Project Location: Collection System		
Project Manager: Lather		
Status: In Design		
Project Description: Remodel the interior of the pump station and update the SCADA panel to minimize areas prone to flooding.		
Department: Collections		
Financial:	Cumulative Budget:	Cumulative Spent:
	\$680,892	\$63,520
Financial:	FY Budget:	FY Spent:
	\$650,000	\$32,628
Reclamation Share:		0%
Other Entities:		Carmel-by-the-Sea, Coastal Commission
Permits Required:		Exemptions from CEQA & Coastal Commission
Challenges:		Traffic Control
Schedule:		Design 2021, Construct 2022, completed by 06-2023
Consultants:		SRT Consultant
Contractor:		Pending



Photo: Pipe Bursting Limits on Scenic

Project Number:			20-08		
Project Name:			Scenic Rd Pipe Bursting - Ocean to Bay		
Project Location:			Collection System		
Project Manager:			Lather		
Status:			In Design / CEQA		
Project Description:			Replace approximately 9,525 linear feet of existing 6-inch clay pipe with a new 8-inch High-Density Polyethylene (HDPE) and includes manhole rehabilitation.		
Department:			Collections		
Financial:	Cumulative Budget:		Cumulative Spent:		
	\$3,731,786		\$248,220		
Financial:	FY Budget:		FY Spent:		
	\$3,500,000		\$16,434		
Reclamation Share:			0%		
Other Entities:			Carmel-by-the-Sea, Coastal Commission		
Permits Required:			CEQA & Coastal Commission permit required.		
Challenges:			Traffic control & poorly mapped underground utilities. Cultural Resources at southern end of project.		
Schedule:			Design 2021-2022, Construct 2023, Completed 06-2023		
Consultants:			MNS, Rincon		
Contractor:			Pending		

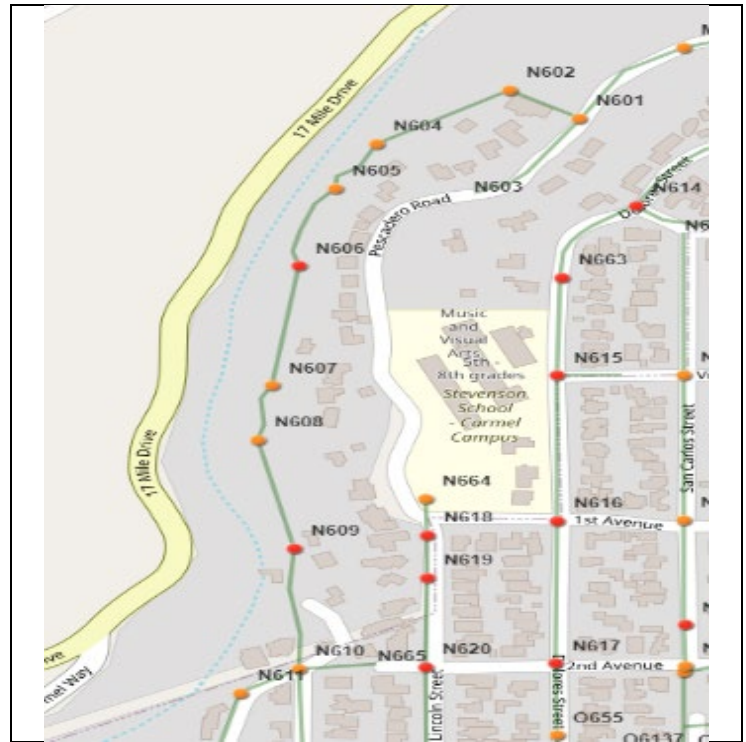


Photo: Sewer Line at Pescadero Creek

Project Number:			21-05		
Project Name:			Pescadero Sewer Relocation		
Project Location:			Collection System		
Project Manager:			Lather		
Status:			In Design / CEQA		
Project Description:			Relocate damaged pipe from creek slope to roadway		
Department:			Collections		
Financial:	Cumulative Budget:		Cumulative Spent:		
	\$1,689,236		\$175,513		
Financial:	FY Budget:		FY Spent:		
	\$100,000		\$86,277		
Reclamation Share:			0%		
Other Entities:			N/A		
Permits Required:			Environmental Review		
Challenges:			Narrow road, depth of manhole, houses to be placed on individual pumps		
Schedule:			Start design, public outreach, & Environmental in Winter 2022/2023.		
Consultants:			MNS, Denise Duffy, TBC Communication & Media		
Contractor:			TBD		

Project #	Project Name	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
1	Carmel (Shelton) Pipeline (CIP) Phase 1	\$1,000,000																											
2	Water System Pipeline (CIP) Phase 2	\$1,000,000																											
3	Water System Pipeline (CIP) Phase 3	\$1,000,000																											
4	Water System Pipeline (CIP) Phase 4	\$1,000,000																											
5	Water System Pipeline (CIP) Phase 5	\$1,000,000																											
6	Water System Pipeline (CIP) Phase 6	\$1,000,000																											
7	Water System Pipeline (CIP) Phase 7	\$1,000,000																											
8	Water System Pipeline (CIP) Phase 8	\$1,000,000																											
9	Water System Pipeline (CIP) Phase 9	\$1,000,000																											
10	Water System Pipeline (CIP) Phase 10	\$1,000,000																											
11	Water System Pipeline (CIP) Phase 11	\$1,000,000																											
12	Water System Pipeline (CIP) Phase 12	\$1,000,000																											
13	Water System Pipeline (CIP) Phase 13	\$1,000,000																											
14	Water System Pipeline (CIP) Phase 14	\$1,000,000																											
15	Water System Pipeline (CIP) Phase 15	\$1,000,000																											
16	Water System Pipeline (CIP) Phase 16	\$1,000,000																											
17	Water System Pipeline (CIP) Phase 17	\$1,000,000																											
18	Water System Pipeline (CIP) Phase 18	\$1,000,000																											
19	Water System Pipeline (CIP) Phase 19	\$1,000,000																											
20	Water System Pipeline (CIP) Phase 20	\$1,000,000																											
21	Water System Pipeline (CIP) Phase 21	\$1,000,000																											
22	Water System Pipeline (CIP) Phase 22	\$1,000,000																											
23	Water System Pipeline (CIP) Phase 23	\$1,000,000																											
24	Water System Pipeline (CIP) Phase 24	\$1,000,000																											
25	Water System Pipeline (CIP) Phase 25	\$1,000,000																											
26	Water System Pipeline (CIP) Phase 26	\$1,000,000																											
27	Water System Pipeline (CIP) Phase 27	\$1,000,000																											
28	Water System Pipeline (CIP) Phase 28	\$1,000,000																											
29	Water System Pipeline (CIP) Phase 29	\$1,000,000																											
30	Water System Pipeline (CIP) Phase 30	\$1,000,000																											
31	Water System Pipeline (CIP) Phase 31	\$1,000,000																											
32	Water System Pipeline (CIP) Phase 32	\$1,000,000																											
33	Water System Pipeline (CIP) Phase 33	\$1,000,000																											
34	Water System Pipeline (CIP) Phase 34	\$1,000,000																											
35	Water System Pipeline (CIP) Phase 35	\$1,000,000																											
36	Water System Pipeline (CIP) Phase 36	\$1,000,000																											
37	Water System Pipeline (CIP) Phase 37	\$1,000,000																											
38	Water System Pipeline (CIP) Phase 38	\$1,000,000																											
39	Water System Pipeline (CIP) Phase 39	\$1,000,000																											
40	Water System Pipeline (CIP) Phase 40	\$1,000,000																											
41	Water System Pipeline (CIP) Phase 41	\$1,000,000																											
42	Water System Pipeline (CIP) Phase 42	\$1,000,000																											
43	Water System Pipeline (CIP) Phase 43	\$1,000,000																											
44	Water System Pipeline (CIP) Phase 44	\$1,000,000																											
45	Water System Pipeline (CIP) Phase 45	\$1,000,000																											
46	Water System Pipeline (CIP) Phase 46	\$1,000,000																											
47	Water System Pipeline (CIP) Phase 47	\$1,000,000																											
48	Water System Pipeline (CIP) Phase 48	\$1,000,000																											
49	Water System Pipeline (CIP) Phase 49	\$1,000,000																											
50	Water System Pipeline (CIP) Phase 50	\$1,000,000																											

Photo: LT Capital Schedule

Project Number:	20-06	
Project Name:	Collections 15 -Year CIP	
Project Location:	Collection System	
Project Manager:	Lather	
Status:	Work in Progress	
Project Description:	Utilize updated sewer line inspection information and flow modeling to develop a 20-year Construction Improvement Plan	
Department:	Collections	
Projection of Total Capital Costs-15-Yr \$63M	Construction Costs: \$63M	Administration Costs: \$10M (20% engineering, legal, admin.)
Financial:	Cumulative 15YR Budget: EST \$63M	Cumulative Spent: N/A
	FY Budget: N/A	FY Spent: N/A
Reclamation Share:	0%	
Other Entities:	River Watch Agreement-see project #20-05	
Permits Required:	none	
Challenges:	Need all pipeline Closed Caption Television (CCTV) results to be completed to develop plan.	
Schedule:	2020 - 2040	
Consultants:	West Yost	
Contractor:	N/A	

Lorca Lane Sewer Replacement

Project Number:	22-07	
Project Name:	Lorca Lane Sewer Replacement	
Project Location:	Collection System	
Project Manager:	Lather	
Status:	Work in Progress	
Project Description:	Relocate 300' of 6" line and install manhole at Lorca Lane and Del Monte Street.	
Department:	Collections	
Financial:	Cumulative Budget: \$153,500	Cumulative Spent: \$10,325
	FY Budget: \$153,500	FY Spent: \$10,325
Reclamation Share:	0%	
Other Entities:	Carmel-by-the-Sea, Coastal Commission	
Permits Required:	None	
Challenges:	Weather	
Schedule:	Construct 2023	
Consultants:	Monterey Bay Engineering	
Contractor:	Monterey Peninsula Engineering	

Collections Non-Capital Project Summaries



Photo: River Watch logo

Project Number:	20-05	
Project Name:	River Watch Agreement	
Project Location:	Collection System	
Project Manager:	Lather	
Status:	Work in Progress	
Project Description:	Work with Collections to provide data that is needed to satisfy the milestones in the agreement with River Watch. As of May 2022, staff completed all of the 1,478 District manholes for the Fiscal Year (FY).	
Department:	Collections	
Financial:	Cumulative Budget: N/A	Cumulative Spent: N/A
	FY Budget: N/A	FY Spent: N/A
Reclamation Share:	0%	
Other Entities:	River Watch	
Permits Required:	none	
Challenges:	Closed caption television (CCTV) scheduling deadlines. The Board agreed to increase staffing by one full time equivalent (FTE) to assist in meeting the required schedule. Received 1 yr. extension from River Watch due to COVID-19.	
Schedule:	Due date June 2023	
Consultants:		
Contractor:	N/A	

Assessment Districts/Annexations

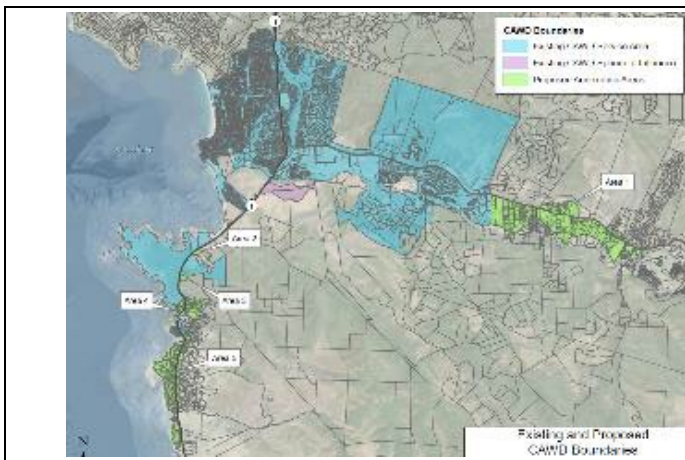


Photo: Areas of Potential Annexation

Project Number:	18-21	
Project Name:	Corona Road Sewer Assessment District	
Project Location:		
Project Manager:	Lather	
Status:	In design phase by Assessment Engineer. The application has been made for the Septic to Sewer grant. Also organizing efforts for Special Assessment District.	
Project Description:	The project will provide sewer facilities to the Corona Road neighborhood and parcels on the west side of Highway 1, across from Corona Road. #18-21 Corona Road (Deferred Revenue**)	
Department:	Collections	
Financial:	Cumulative Budget:	Cumulative Spent:
	\$0	\$0
Financial:	FY Budget:	FY Spent:
	\$0	\$0
** No Budget included for project because the initial costs were funded by Corona Road residents. District has agreed to fund a portion of environmental work \$56,200 (Res #22-62). State Revolving Fund confirmed funding if April 1 st deadline is met.		
Permits Required:	Coastal Permit, CalTrans Encroachment permit, Environmental Review	
Challenges:	Assessment District process/approval and obtaining easements for pump station. Funds from homeowners in the amount of \$67K have been received by CAWD.	
Schedule:	Complete studies July/August 2022, Assessment District proceeding along with Septic to Sewer Grant Funding	
Consultant:	Denise Duffy & Associates and Monterey Bay Engineers	



Photo: Entrance to Carmel Valley Manor

Project Number:	19-08	
Project Name:	Carmel Valley Manor Pipeline and Pump Station	
Project Location:	Collection System	
Project Manager:	Lather	
Status:	In Construction	
Project Description:	Sewer extension project to be completed by the owners of Carmel Valley Manor to connect to CAWD's sewer system. Riley Ranch, #19-08 Carmel Valley Manor (Deferred Revenue)	
Department:	Collections	
Financial: this is an unbudgeted item-under repayment agreement (no funds received)-	Cumulative Budget:	Cumulative Spent:
	\$0	\$180
Financial:	FY Budget:	FY Spent:
	\$0	\$180
Other Entities:	The prospect of a pipeline has given rise to a plethora of potential additional connections	
Permits Required:	County Encroachment Permit, Environmental Review completed.	
Challenges:	Funding, Repayment Agreement, easement agreements LAFCO annexation	
Schedule:	Approved without protest at 3/22/21 LAFCO hearing.	
Consultants:	MNS and Rincon are working for Carmel Valley Manor to permit and design the project.	
Contractor:	N/A	

Other Non-Capital Project Summaries



ADP Workforce Now

Photo: ADP Clip Art

Project Number:	N/A	
Project Name:	Workforce Now	
Project Location:	All Supervisor Locations	
Project Manager:	Foley	
Status:	Implementation	
Project Description:	Implementation of a comprehensive Human Resource (HR) software database for all supervisors and employees to utilize. Modules provide employee development tracking, benefits administration, custom performance review templates, and employee goal management.	
Department:	Administration	
Financial:	Cumulative Budget: \$0	Cumulative Spent: \$2,520 (annual fee)
	FY Budget: \$0	FY Spent: \$2,520 (annual fee)
Challenges:	Technical issues need to be resolved & employee training. Implementation of advanced features for employee development and learning management.	
Schedule:	Anticipate implementation in Apr 2023. HCM Unlocked Consultant hired for specialized implementation services	
Consultants:	ADP	



Photo: Real Estate Clip Art

Project Number:	N/A	
Project Name:	Real Property Investigation	
Project Location:	Carmel Valley	
Project Manager:	Barbara Buikema	
Status:	Evaluation in Progress	
Project Description:	An investigation of a possible new treatment facility site in the mouth of the Carmel Valley, which is in response to the Coastal Commission requirement to move facilities within 30 years.	
Department:	Administration	
Financial:	Cumulative Budget: \$75,000	Cumulative Spent: \$0
	FY Budget: \$75,000	FY Spent: \$0
Permits Required:	None – at this time	
Challenges:	Limited land possibilities, regulatory hurdles, and zoning	
Schedule:	open ended	
Consultants:	Mahoney & Associates	



Photo: Cyber Security Clip Art

Project Number:	N/A	
Project Name:	Cyber Security	
Project Location:	District-wide	
Project Manager:	Chris Foley	
Status:	Ongoing	
Project Description:	Internal Cyber Security Incident Response Team (CSIRT) formed, and they are working on a response plan & training. The upgrades to email filtering system have been completed. Stricter geofencing policies have been put in place, and a cold backup system that is sandboxed from the network were installed March 2022.	
Department:	All	
Financial:	Cumulative Budget:	Cumulative Spent:
	\$17,000	\$0
Financial:	FY Budget:	FY Spent:
	\$17,000	\$0
Challenges:	Ongoing training & the need for continual upgrades as skills of hackers grow.	
Schedule:	Continually updating	
Consultant:	Exceedio	



Photo: Six Sigma Clip Art

Project Number:	N/A	
Project Name:	Source Control Six Sigma	
Project Location:	Management staff	
Project Manager:	Barbara Buikema	
Status:	Board Presentation	
Project Description:	A Six Sigma project to improve source control activities by focusing majority of inspection and compliance efforts on restaurants determined to be likely causes of grease in District lines.	
Department:	Administration	
Financial:	Cumulative Budget:	Cumulative Spent:
	\$0	\$2,000
Financial:	FY Budget:	FY Spent:
	\$0	\$0
Permits Required:	None	
Challenges:	Implementation phase	
Schedule:	Ongoing	
Consultants:	Self-study online	



Photo: California coastline

Project Number:	22-01	
Project Name:	Long-Term Sea Level Rise Planning	
Project Location:	Treatment Plant	
Project Manager:	Barbara Buikema/Patrick Treanor	
Status:	In Progress	
Project Description:	As conditions of Coastal Permit #3-82-199-A8 - the District submitted its Long-Term Coastal Hazards Plan on 03-03-22. Board approved a Wastewater Treatment Plant Alternatives Planning Assistance on Sea Level Rise consultant services contract in May 2022.	
Department:	Administration	
Financial:	Cumulative Budget: \$1,400,00	Cumulative Spent: \$100,261.55
	FY Budget: \$260,000	FY Spent: \$100,261.55
Permits Required:	In response to California Coastal Commission	
Challenges:	Establishing focus on long term objectives and committing to follow through items.	
Schedule:	WWTP Relocation Planning Alternatives on Sea Level Rise presented in May 2022	
Consultants:	Greeley & Hansen	

STAFF REPORT

To: Board of Directors

From: Ed Waggoner, Operations Superintendent

Date: March 30, 2023

Subject: Monthly Operations Reports – February 2023



RECOMMENDATION

Receive Report- Informational only; no action required.

DISCUSSION

Plant Operation

Treatment Plant:

- The treatment plant operations staff has continued finishing projects and concentrating on Preventative Maintenance Work Orders during the month of February. This included the implementation of the Operations Flood Preparation Standard Operating Procedures from the Plant Engineer.
- Northstar Chemical site visit on February 8 for discussions on current and projected pricing on Citric and Sulfuric Acid and other supplied chemicals. Their pricing was very competitive, so an account has been established. It is also possible this vendor may be used as a back-up supplier for sodium hypochlorite and sodium bisulfite.
- Tesco instrumentation on site February 22 to perform semi-annual flow meter testing and calibration on influent and reclaimed flow meters.

Reclamation:

- The Reclamation Facility shut down on January 23 due to Forest Lake Reservoir at capacity of 115 million gallons.
- Staff continued preventative maintenance work on pumps, motors, and any equipment that needs maintenance for the Microfiltration (MF) and Reverse Osmosis Systems (ROS).
- Staff completed Clean-in-Place (CIP) cleans on Microfiltration (MF) Cells 1, 2, and 3. These cells were cleaned successfully with Trans Membrane Pressures (TMPs) pressures ranging between 1.8 to 5.5 pounds per square inch (psi).
- Clean-in-Place protocol on Reverse Osmosis Trains A and C were completed in February.
- (Project #21-09) Programmable Logic Controller/Supervisory Control and Data Acquisition (PLC/SCADA). Operations staff continues working with Maintenance and Frisch Engineering on the upgrades and programming of the PLC/SCADA System.

- Scinor Micro Filtration Modules were ordered and delivery is expected in early May.

Training:

- Staff continued to complete online training at the treatment facility from Target Solutions as Carmel Area Wastewater District (CAWD) implements new safety policies.
- Staff participated in scheduled tailgate safety meetings in the digester building conference room.
- February 1, the Operations Superintendent attended an online class on “Pumps and Motors Troubleshooting Plans”.

Capital Improvement:

- Staff continues working with Plant Engineer, Patrick Treanor, on Project #18-01, the Electrical/Mechanical Rehabilitation and Sludge Holding Tank Replacement Project for the following areas: Influent Pump Station, Headworks, Blower Building, Chlorination/Dechlorination Building, Effluent Building, Digester No. 1, Digester No. 1 Control Building and Dewatering Building.

Meetings Attended

- February 3, Teams meeting with Frisch Engineering on the upgrades and programming of the PLC/SCADA System. For the Digester Mixer system, Influent pumps and level settings, and Headworks equipment.
- February 9, in person meeting with CAWD District Engineer to clarify questions on the American Legal Ordinance update.
- February 9, Operations Superintendent attended a Zoom meeting with the Water Awareness Committee of Monterey County.
- Operations and Laboratory Staff attended the California Water Environmental Association Annual Awards Banquet for the Monterey Bay Section at Bayonet and Black Horse Club House on February 17.
- (Project #18-01) Weekly Teams Meeting on the construction progress of the Electrical/Mechanical Rehabilitation and Sludge Holding Tank Replacement Project for the following areas: Influent Pump Station, Headworks, Blower Building, Chlorination/Dechlorination Building, Effluent Building, Digester No. 1, Digester No. 1 Control Building and Dewatering Building.

Discharge Permit Violations

- There were no violations of Reclamation Permit 93-72 for the month of January 2023.
- There were no violations of the National Pollutant Discharge Elimination System (NPDES) Number CA0047996, Order No. R3-2014-0012 within the month of January 2023.

FUNDING-N/A-Informational item only

STAFF REPORT



To: Board of Directors

From: Chris Foley, Maintenance Superintendent

Date: March 30, 2023

Subject: Monthly Maintenance Report – February 2023

RECOMMENDATION

Receive Report- Informational only; no action required.

DISCUSSION

Maintenance Projects in Progress/Completed

- (Update 1)-Staff is working on reclamation preventative maintenance and equipment upgrades.
 - A. Spare reverse osmosis (RO) feed pump motor has been reconditioned and will be installed on train C. Train C motor has a noisy bearing.
 - B. High pressure isolation valves for the RO trains have been replaced. The valves were leaking causing high pressure to enter the low-pressure piping.
 - C. The spare microfiltration valve components have been received and placed in stock. There is a spare component for each valve type. This will ensure that if any failures occur in the irrigation system the repair can be made in less than 1 day.
 - D. Staff is verifying alignment on the RO motors with the digital alignment tool. This will extend the life of the pump and motor bearings and reduce the possibility of a failure.
- The dewatering sludge feed pump coupling was worn out and was replaced by maintenance.
- Staff has been responding to power outages and network outages during the storm events. The treatment plant 750 kilowatt generator had 78 hours of runtime during the storms. Staff ordered diesel fuel and added 2,343 gallons to treatment plant standby generator tank.

- Maintenance staff responded to a power issue after Pacific Gas & Electric (PG&E) restored power to Hacienda pump station. The electrical rotation was backwards causing the pumps to spin backwards. The station was placed back on the generator and staff worked with PG&E to correct rotation that was affecting the whole area.
- The fiber optic internet at the treatment plant had a failure. The backup Starlink system was installed and configured. This is the second time this year AT&T has had a failure. By having the backup system, the pump station Supervisory Control and Data Acquisition stays active and plant is able to access the internet and email.
- The Dissolved Air Flotation Thickener (DAFT) solids pump was completely rebuilt by staff due to the age of components. Normal wear items are annually replaced, and the pump is inspected. The flow of the pump had dropped off, which necessitated a complete rebuild.
- Both influent wet well level transducers were replaced. One of the transducers was not reading correctly and since it is such a critical process the decision was made to replace both at the same time. Expected useful life of these instruments is 10 years.
- The dewatering conveyer belt alignment sensors were replaced. The sensors were old and not working so as part of the belt replacement staff ordered new units and were installed by Bryan Mailey Electric. This will shut down the conveyer if the belt drifts preventing damage to the belt.

Upcoming Maintenance Projects

- Staff received parts to install pipe risers for emergency bypass pumping at Hacienda and Highlands pump stations. This will allow staff to connect a portable bypass pump without requiring a confined space entry. This would only be used if the pumps failed at the station and will reduce setup time while improving safety.
- (Update 1: Waiting on Proposal)- Staff is working with DKF Solutions on Risk Survey improvements. This includes equipment specific lock out tag out procedures, emergency response planning, and qualified electrical worker policy documentation.
- Another potable water leak has occurred in the treatment plant. Staff is working to identify the leak location, but it is difficult with all the standing water from the rain. Once the leak is identified that area of piping will be replaced.

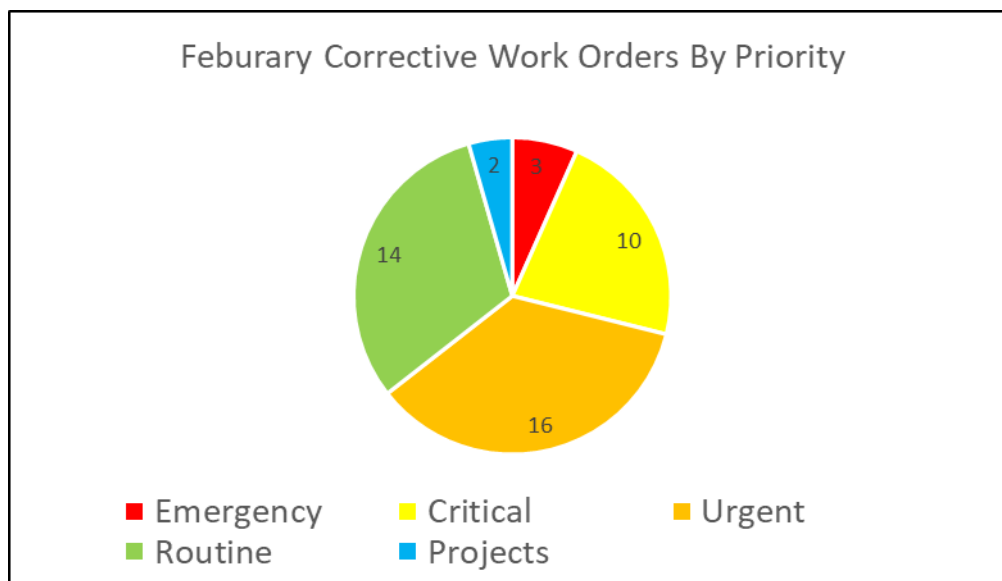
- All the parts have arrived for the lunchroom electrical upgrade. The obsolete motor control center will be removed now that the power has been re-routed to the new digester control building by the contractor as part of the electrical/mechanical rehabilitation and sludge holding tank replacement project.
- Parts have arrived for the administration building portable generator connection. Power has been lost multiple times at this site and this will allow the connection of a portable generator. Extension cords had to be run throughout the administration building to power up the admin servers and internet in the interim. The portable generator will power the entire building.

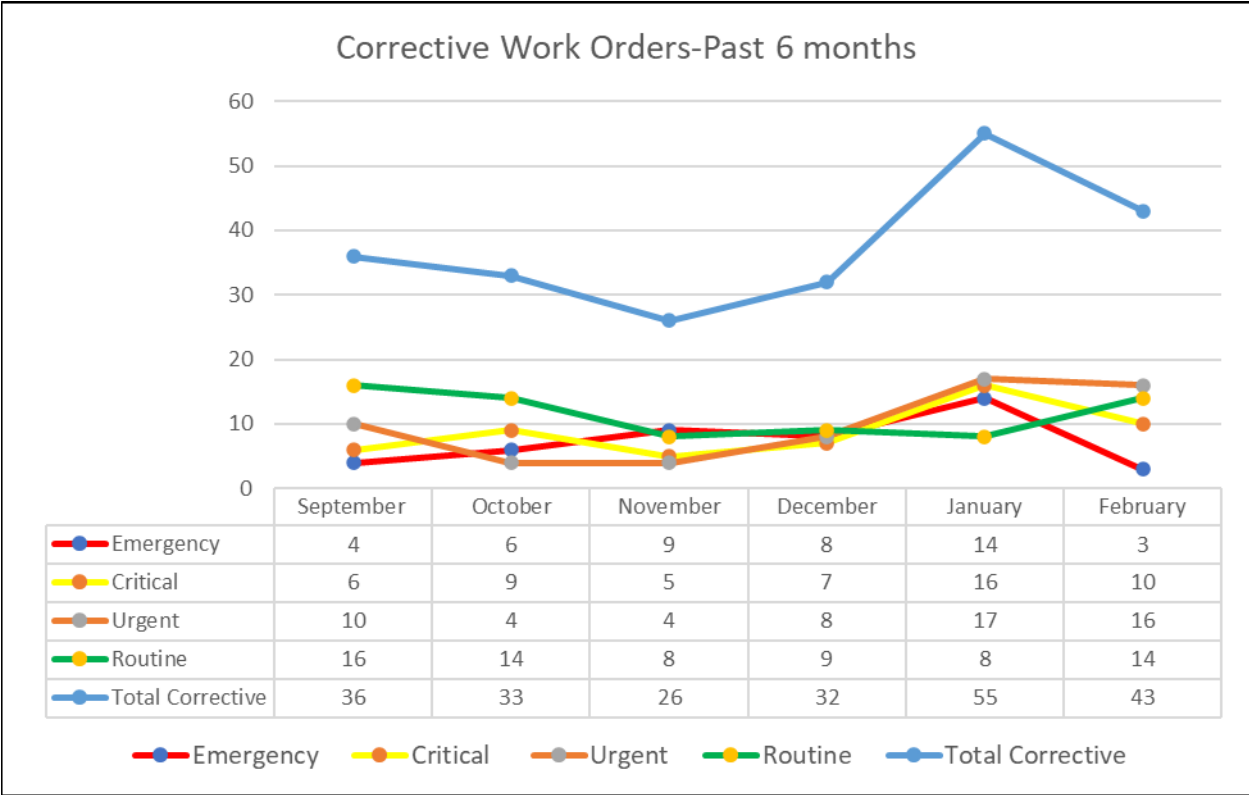
Work Order Metrics

Preventive Maintenance (February)

Total Work Orders Generated	391
Total Work Orders Closed/Done	359
Total Work Orders Still Open	32
Percentage of Work Orders Completed	91.82%

Corrective Maintenance (February)





FUNDING-N/A- Informational item only

STAFF REPORT

To: Board of Directors
From: Rachél Lather, Principal Engineer
Date: March 30, 2023
Subject: General Engineering



RECOMMENDATION

Receive Report- Informational only; no action required.

DISCUSSION

This report is provided to update the Board of the Carmel Area Wastewater District (District) on current engineering activities during the month of March.

General Engineering

The Principal Engineer continues to work on projects related to the 2021 Annexation, including Yankee Point, Carmel Valley Manor and Corona Road.

The Corona Road project environmental is an item before your Board today. Staff will be finalizing the grant and loan application submittals after this meeting in order to meet the April 1, 2023 application deadline. In order for the parcels that are benefitting from the State Revolving Fund loan to pay off the loan over 30 years, the District will have to set up an Assessment District that will be established through a Proposition 218 process. This will be the next step needed to be able to move forward with construction of the project.

Carmel Valley Manor (CVM) have commenced construction but have experienced delays due to the rainy weather.

FUNDING

N/A- Informational item only

Resolutions

STAFF REPORT



To: Board of Directors

From: Rachél Lather, Principal Engineer

Subject: Contract Award Recommendation –
2022-2023 Pipeline Spot Repair Project 23-02

Date: March 30, 2023

RECOMMENDATION

After review of the bid proposals, staff recommends that the Board of Directors adopt Resolution 2023-23 ratifying the contract to be signed by the General Manager with the lowest qualified responsible bidder, Rooter King of Monterey County, Inc. in the amount of \$118,700.

DISCUSSION

The Board approved Resolution No. 2023-01 on January 26, 2023, authorizing solicitation of bids for construction of the 2022-2023 Pipeline Spot Repairs Project. Four bids were opened on March 7, 2023, at the Carmel Area Wastewater District office. The Engineer's Estimate was \$150,000. The bid tabulation is provided below.

TABLE 1 – 2021 PIPELINE SPOT REPAIRS PROJECT BID SUMMARY

Bidder	Bid Amount
MPE	\$ 198,000
Coastal Paving & Excavating	\$ 159,500
JD Underground	\$ 204,500
Rooter King of Monterey County	\$ 118,700

TABLE 2 – ROOTER KING BID

LS= Lump Sum

Item No.	Description	Quantity	Unit	Unit Cost	Cost
1	Spot repair, location #1 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$8,000	\$8,000
2	Spot repair, location #2 total cost, Including traffic control, sewer flow bypassing, labor, and materials	LS	1	\$5,500	\$5,500
3	Spot repair, location #3 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$4,500	\$4,500
4	Spot repair, location #4 total cost, Including traffic control, sewer flow bypassing labor, and materials.	LS	1	\$7,500	\$7,500
5	Spot repair, location #5 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$5,000	\$5,000
6	Spot repair, location #6 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$7,000	\$7,000
7	Spot repair, location #7 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$7,000	\$7,000
8	Spot repair, location #8 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$6,500	\$6,500
9	Spot repair, location #9 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$7,000	\$7,000
10	Spot repair, location #10 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$7,000	\$7,000
11	Spot repair, location #11 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$6,800	\$6,800
12	Spot repair (MH), location #12 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$6,900	\$6,900
13	Spot repair, location #13 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$6,000	\$6,000
14	Spot repair (MH), location #14 total cost, Including traffic control, sewer flow bypassing, labor, and materials.	LS	1	\$7,000	\$7,000
15	Spot repair, location #15 total cost, Including traffic control, sewer flow bypassing, labor, and materials	LS	1	\$8,500	\$8,500
16	Spot repair, location #16 total cost, Including traffic control, sewer flow bypassing, labor, and materials	LS	1	\$8,500	\$8,500
17	Extra Work	LS	1	10,000	10,000
	TOTAL BID AMOUNT				\$118,700

After reviewing the bid documents and checking the experience requirements of the contractor, the lowest qualified responsible bidder was determined to be Rooter King of Monterey County in the total amount of \$118,700.

FUNDING

The 2022-2023 budget for this project is \$150, 000.

RESOLUTION NO. 2023-23

RESOLUTION ACCEPTING THE LOWEST RESPONSIBLE BID FOR THE 2022-2023
PIPELINE SPOT REPAIRS PROJECT #23-02 AND AWARDING CONTRACT IN AN
AMOUNT NOT TO EXCEED \$118,700

-oOo-

WHEREAS, the Board of Directors authorized solicitation for bids for the 2022-23 Pipeline Spot Repairs project on January 26, 2023; and

WHEREAS, there were four bids received at the bid opening on March 7, 2023 and the lowest responsible bid was determined to be Rooter King of Monterey County, Inc.;

WHEREAS, the Engineer's Estimate for the project was \$150,000 and all bids were competitive between bidders; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Carmel Area Wastewater District, as follows:

1. That the Board accepts the bid of the lowest responsible bidder, Rooter King of Monterey County, Inc. and awards the contract for the above-mentioned project to said bidder at the price specified in the bid of \$118,700,
2. That the Board authorizes the General Manager to approve project change orders not to exceed 10% of bid amount (\$11,870).
3. That the Board authorizes and directs the General Manager to execute a written contract with the successful bidder Rooter King of Monterey County, Inc. for an amount not to exceed \$118,700.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Carmel Area Wastewater District duly held on March 30, 2023 by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

Ken White, President of the Board

ATTEST:

Domine Barringer, Secretary to the Board

STAFF REPORT



To: Board of Directors

From: Rachél Lather, Principal Engineer

Subject: Contract Change Order Amendment No. 1
Monterey Peninsula Engineering
Emergency Pipe Relocation- Lorca Lane Project #22-07

Date: March 30, 2023

RECOMMENDATION

Staff recommends that the Board of Directors:

- Adopt a resolution approving the change order to the project in the amount of \$53,830.

DISCUSSION

On January 23, 2023 the Board of Directors approved an emergency contract with Monterey Peninsula Engineering (MPE) to relocate the sewer line on Lorca Lane in order to eliminate the potential for the existing pipe to be further damaged by debris due to flooding and potential sewage spillage into the drainageway. At that time it was clear that there were going to be significant atmospheric storms hitting the Carmel area this year and relocating the pipe could not be delayed.

In order to prevent an emergency, it was proposed to abandon the 6 inch diameter vitrified clay pipeline and relocate it with a 6 inch diameter Polyvinyl Chloride (PVC) pipe. It required installation of a manhole at the intersection of Lorca Lane and Del Monte Street, a cleanout on Lorca Lane and approximately 300 linear feet of pipeline.

Due to intense rainfall conditions, the contractor was not able to mobilize until February 23, 2023. When they started excavation at the existing manhole in Del Monte Street, they encountered high groundwater and loose sand conditions.

The soil underlying the road was flowing behind the trench shoring and it was determined by District staff that the best solution was to backfill the excavation and return in late spring when groundwater levels have gone down. A monitoring well was installed at the site and we will be checking it to verify when the project can proceed.

MPE has provided a summary of the time and materials costs they incurred due to the conditions encountered at the project site. District staff have reviewed the itemized costs and agree to the additional work performed in the amount of \$53,830. This will result in a total contract amount of \$207,330.

FUNDING

The FY 22/23 CAWD Collections Capital Budget includes \$150,000 for sewer line repair and maintenance.

Attachments:

MPE Change Order Request-Amendment No. 1
Resolution No. 2023-24

AMENDMENT NO. 1 TO EXISTING CONTRACT

CARMEL AREA WASTEWATER DISTRICT

P.O. BOX 221428, CARMEL, CA 93922

TEL: (831) 624-1248 FAX: (831) 624-0811

TO: Monterey Peninsula Engineering
P.O. Box 2317
Monterey, CA 93942

DATE: March 31, 2023
AMENDMENT No. 1
Project # 22-07
POC# 1318

RECITALS

1. District and Contractor entered into a contract on January 10, 2023 to provide an emergency pipeline relocation from beneath a drainage way and onto Lorca Lane at Del Monte Street. Work includes installation of approximately 305 feet of 6 inch Polyvinyl Chloride pipe, an approximately 10 foot deep manhole at the intersection, construction of a clean out on Lorca Lane and reconnection of up to 4 laterals as shown on the plans by Monterey Bay Engineering dated 12/21/22.
2. Whereas, due to atmospheric rain events saturating the sandy soil, the Contractor was not able to safely complete the work and the District agrees to pay for the time and materials costs of the work completed between January 20-27, 2023 in the amount of \$53,830.00.
3. The completion due date is extended to June 30, 2023 in order to account for the delay.

Total Contract Price: \$207,330

Completion due date: July 30, 2023

Instructions: Sign and return the original. Provide copies of insurance and performance bond. Upon acceptance by the District, a copy will be signed by its authorized representative and returned to you. Insert below, the names of your authorized representative(s).

Contractor Name/Address

Accepted for the District by:

Monterey Peninsula Engineering

P.O. Box 2317
Monterey, CA 93942

B. Buikema, General Manager

By: _____

Peter Taormina, Manager

Contractor's Authorized Representative(s)

District's Authorized Representative(s)

Peter Taormina, Manager

Name Rachél Lather, Principal Engineer

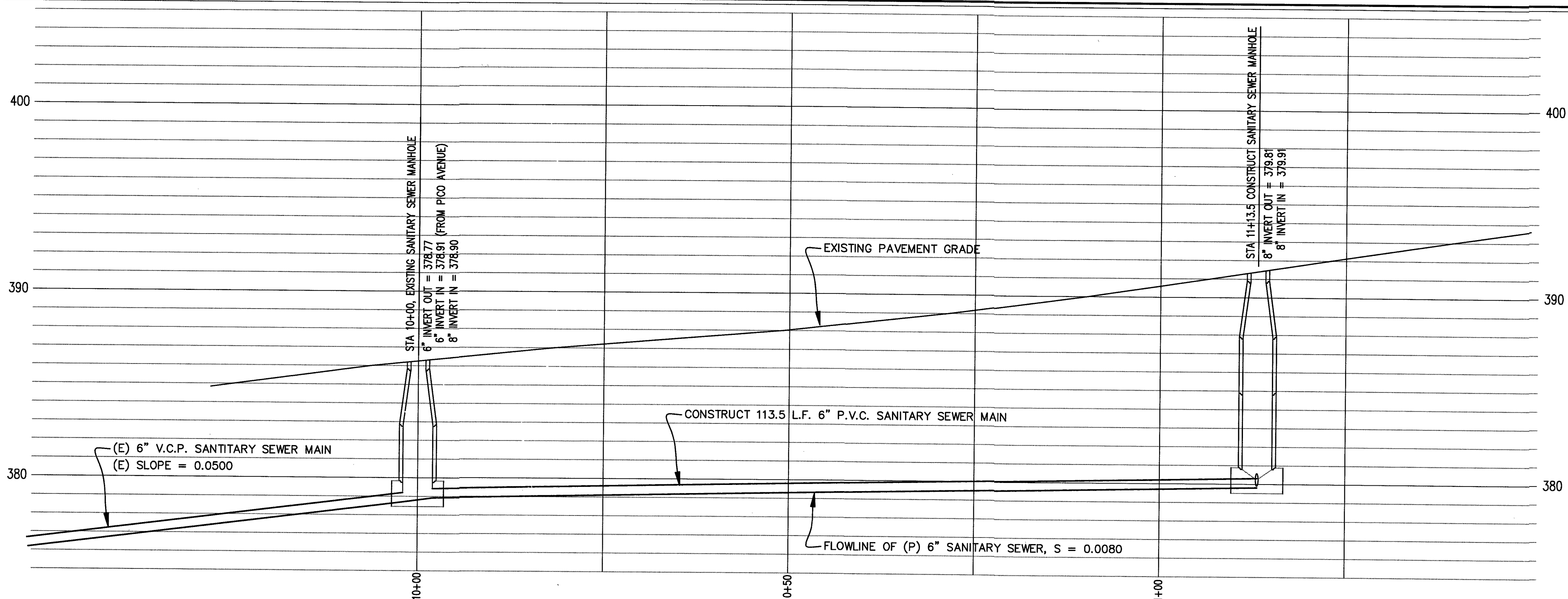
The above signed Contractor agrees that:

1. To the fullest extent permitted by law, the Contractor/Consultant (Hereinafter "Contractor") shall defend, indemnify and hold harmless the Carmel Area Wastewater District, its Directors, officers, employees, authorized volunteers and consultants from all claims and demands of all persons arising out of the performance of the work or the furnishing of materials; including but not limited to claims by the Contractor or the Contractor's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of the Carmel Wastewater District, its Directors, officers, employees, authorized volunteers or consultants.
2. By their signature hereunder, the Contractor certifies that they are aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers compensation or to undertake self-insurance in accordance with the provisions of said code, and they will comply with such provisions before commencing the performance of the work under this Contract. Contractor, and all subcontractors hired by the Contractor, shall keep workers compensation insurance for their employees in effect during all work covered by this Contract and shall file with the Carmel Area Wastewater District a certificate of coverage as required by Labor Code Section 3700.
3. Before commencing the work under this Contract, the Contractor shall file with the District certificates of insurance and policy endorsements satisfactory to the District evidencing coverage for general liability insurance, with limits of \$1,000,000 per occurrence, \$2,000,000 aggregate, for bodily injury, personal injury, and property damage; minimum automobile liability of \$1,000,000 for bodily injury and property damage each accident limit; workers= compensation (statutory limit) and employer's liability (\$1,000,000). The general liability coverage shall name Carmel Area Wastewater District, its Directors, officers, employees, authorized volunteers and consultants as additional insureds using the ISO CG2010 or ISO CG2033 or equivalent additional insured endorsement and contain provisions for notifying the District 30 days in advance of cancellation of coverage (10 days for non-payment of premium). Any insurance, self-insurance or other coverage maintained by the Carmel Area Wastewater District, its Directors, officers, employees, authorized volunteers or consultants shall not contribute to it. Coverage shall be placed with a carrier with an A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by the District.

In the event the Contractor employs subcontractors as part of the work covered by this Contract, it shall be the Contractor's responsibility to require and confirm that each subcontractor meets the minimum insurance requirements specified above.

4. The Contractor shall not accept direction or orders from any person other than the General Manager or the person(s) whose name(s) is (are) inserted on Page 1 as other authorized representatives.
5. Payment, unless otherwise specified, is to be within 30 calendar days after final acceptance of the work by the District.
6. The Contractor shall comply with all local, State and Federal rules, regulations and statutes including OSHA requirements.
7. Any change in the scope of work to be performed, method of performance, nature of materials or price thereof, to any matter materially affecting the performance of nature of the work will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by an authorized representative of the District. The Contractor's on-site representative shall have the authority to execute such written changes on behalf of the Contractor.

Attachment: Plans 12-21-2022



PROFILE
 SCALES: HORIZONTAL: 1" = 10'
 VERTICAL: 1" = 4'

LEGEND:

---	FENCE LINE
AC	ASPHALTIC CONCRETE
CMP	CORRUGATED METAL PIPE
DI	DROP INLET
DP	DRAIN PIPE
EP	EDGE OF PAVEMENT
(E)	EXISTING
FH	FIRE HYDRANT
INV.	INVERT ELEVATION
K.	OAK
(N)	NEW OR PROPOSED
P.	PINE
PVC	POLYVINYL CHLORIDE
R.	REDWOOD
RCP	REINFORCED CONCRETE PIPE
S.	STUMP
SSCO	SANITARY SEWER CLEAN OUT
SSMH.	SANITARY SEWER MANHOLE
UP	UTILITY POLE
WV	WATER VALVE

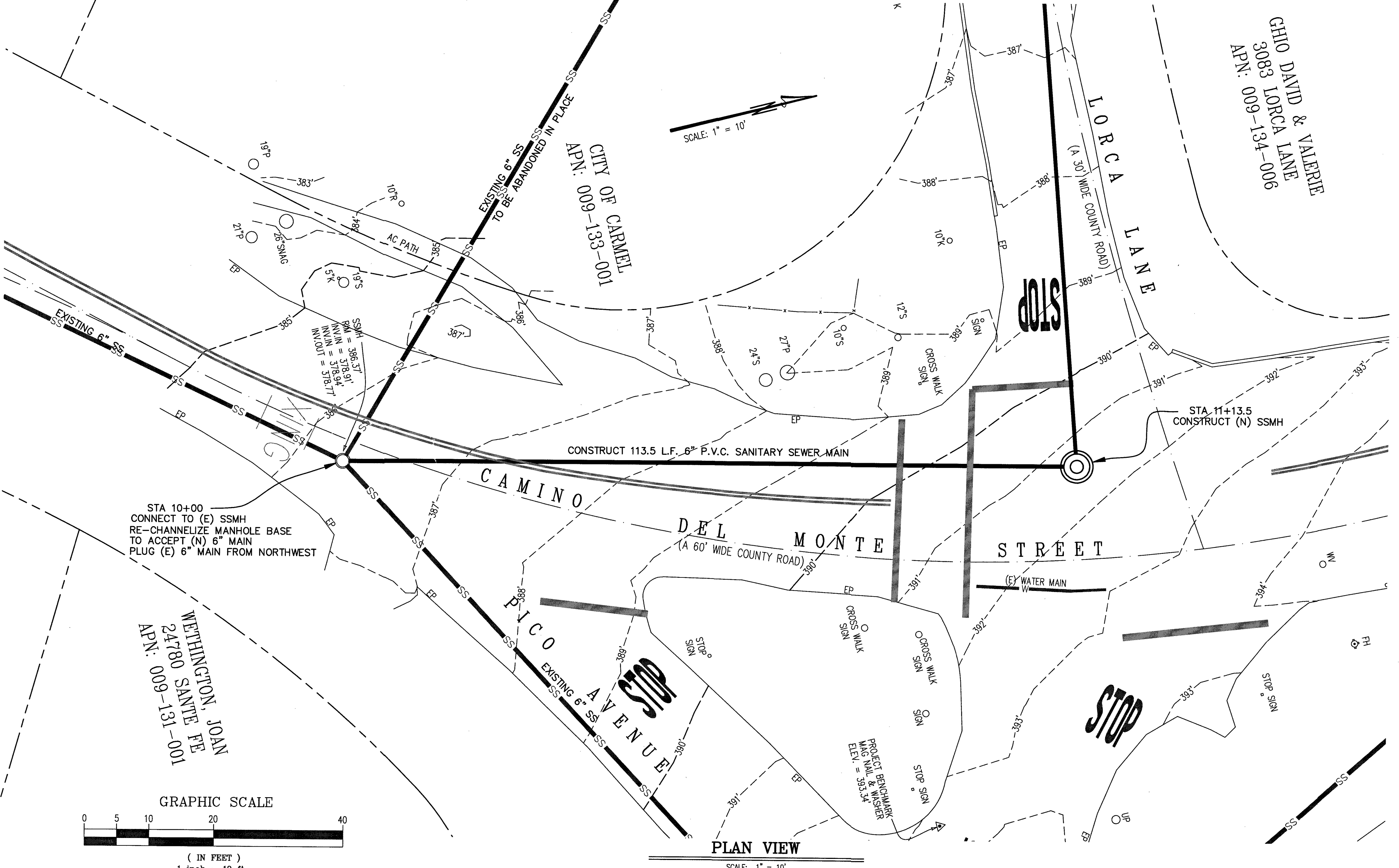
UNDERGROUND:

SS	SANITARY SEWER LINE
W	WATER LINE
SD	STORM DRAIN LINE

USA NOTE:
 REQUEST MADE ON 11/03/22
 TICKET: X230701365
 ALL UTILITY MARKINGS MADE AS OF 11/17/22
 ARE SHOWN ON THIS MAP.

- GENERAL NOTES**
- ALL SEWER WORK SHALL CONFORM TO THE CARMEL AREA WASTEWATER DISTRICT'S "STANDARD SPECIFICATIONS AND STANDARD PLANS."
 - THE DISTRICT OFFICE SHALL BE CALLED FOR INSPECTION TWO WORKING DAYS BEFORE START OF WORK AT (831) 624-1248.
 - A PRECONSTRUCTION CONFERENCE AT THE OFFICES OF THE CARMEL AREA WASTEWATER DISTRICT SHALL BE HELD BEFORE START OF WORK.
 - ALL SEWERS ARE TO BE STAKED WITH AGREED OFFSET POINTS BY MONTEREY BAY ENGINEERS, INC. BEFORE TRENCHING. 48 HOURS NOTICE (MINIMUM) SHALL BE PROVIDED PRIOR TO STAKING.
 - THE SEWER CONTRACTOR SHALL HAVE A COPY OF THE PLANS AND SPECIFICATIONS AT THE JOB SITE AT ALL TIMES DURING CONSTRUCTION.
 - THE CONTRACTOR SHALL OBTAIN ALL CITY OR COUNTY PERMITS FOR WORK DONE WITHIN PUBLIC RIGHT-OF-WAYS.
 - BEFORE FINAL ACCEPTANCE, THE PROJECT ENGINEER SHALL FURNISH THE DISTRICT WITH ONE (1) SET OF PRINTS AND ONE (1) SET OF REPRODUCIBLE MYLARS OF THE "AS BUILT" SEWER PLANS. THE CONTRACTOR IS RESPONSIBLE FOR PROVIDING AS-CONSTRUCTED MARK-UPS TO MONTEREY BAY ENGINEERS, INC.
 - LEAKAGE TESTS SHALL BE MADE IN THE PRESENCE OF THE DISTRICT INSPECTOR, ONLY AFTER BACKFILL HAS BEEN COMPLETED, COMPACTION TESTS ON BACKFILL HAVE BEEN MADE, AND THE BACKFILL HAS BEEN ACCEPTED BY THE DISTRICT INSPECTOR.
 - TRENCH BACKFILL SHALL BE COMPACTED TO 95% RELATIVE DENSITY AS DETERMINED BY THE FIVE-LAYER TEST METHOD (CALIFORNIA 216). TESTS WILL BE REQUIRED EVERY 300 FEET OF TRENCH OR AS DETERMINED BY THE DISTRICT ENGINEER. THE CONTRACTOR SHALL SUBMIT WRITTEN RESULTS OF COMPACTION TEST TO THE DISTRICT AND TO THE CITY AND/OR COUNTY BEFORE ACCEPTANCE. IF IN DESIGNATED STREET OR FUTURE STREET, COMPACTION WILL BE AS REQUIRED BY GOVERNMENTAL AGENCY HAVING JURISDICTION, BUT NO LESS THAN 95% RELATIVE COMPACTION.
 - SANITARY SEWER PIPE SHALL BE "J-M MANUFACTURING COMPANY, INC. GREEN-TITE P.V.C. GRAVITY SEWER PIPE, INSTALLED IN ACCORDANCE WITH THE MANUFACTURER'S INSTALLATION GUIDELINES AND CAWD STANDARDS.

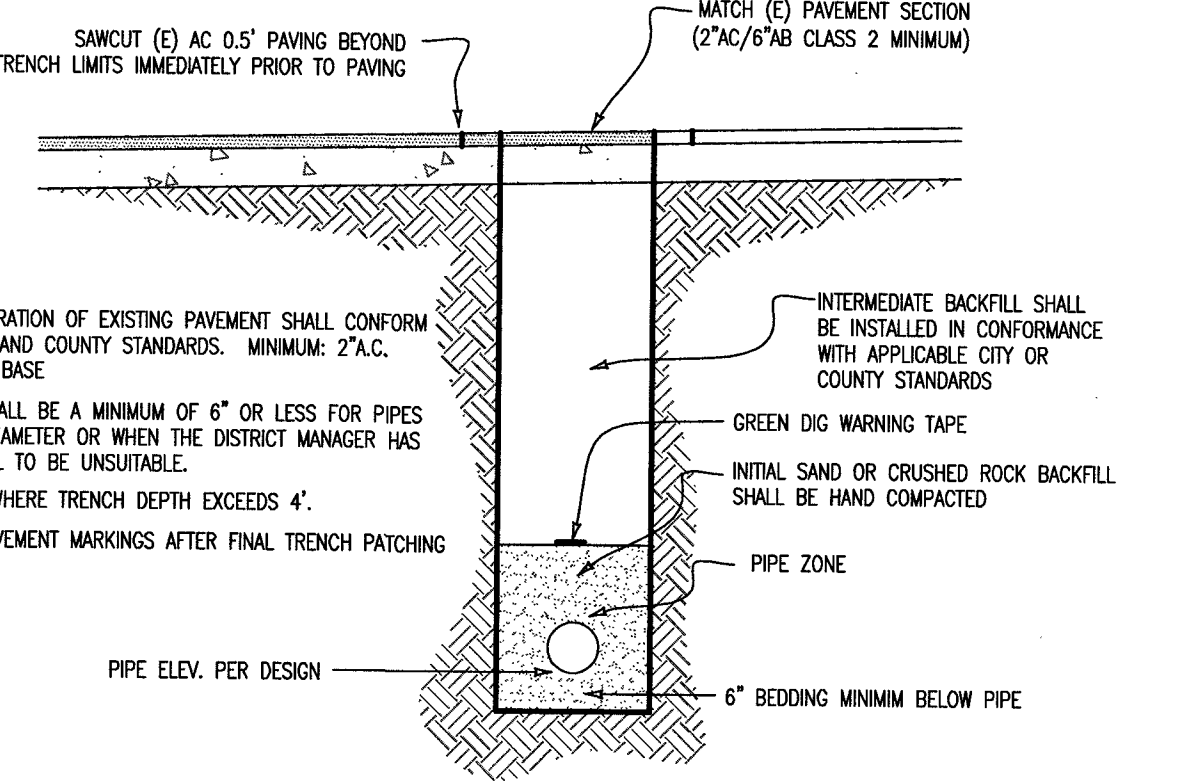
- SURVEY NOTES**
- BOUNDARY LOCATIONS SHOWN HEREON WERE DETERMINED WITH THE BENEFIT OF A FIELD SURVEY SUPPLEMENTED BY RECORD DATA. ALL BOUNDARY DATA SHOWN ARE FROM THE RECORDS.
 - DISTANCES SHOWN ARE IN FEET AND DECIMALS THEREOF.
 - CONTOUR INTERVAL = 1 FOOT.
 - PROPERTIES SHOWN MAY BE AFFECTED BY EASEMENTS THAT ARE NOT SHOWN ON THIS MAP.
 - ELEVATIONS SHOWN ARE BASED ON NGVD-88 DATUM. A GPS SURVEY WAS CONDUCTED TO ESTABLISH THE SITE BENCHMARK USING REFERENCE STATION "CAM" ON THE SMARTNET NORTH AMERICA NETWORK. THE PROJECT BENCHMARK IS A MAG NAIL WITH WASHER IN THE PAVEMENT, AS SHOWN ON THIS MAP. ELEVATION = 393.34'.
 - TREE TYPES ARE INDICATED WHEN KNOWN. DIAMETERS OF TREES ARE SHOWN IN INCHES.



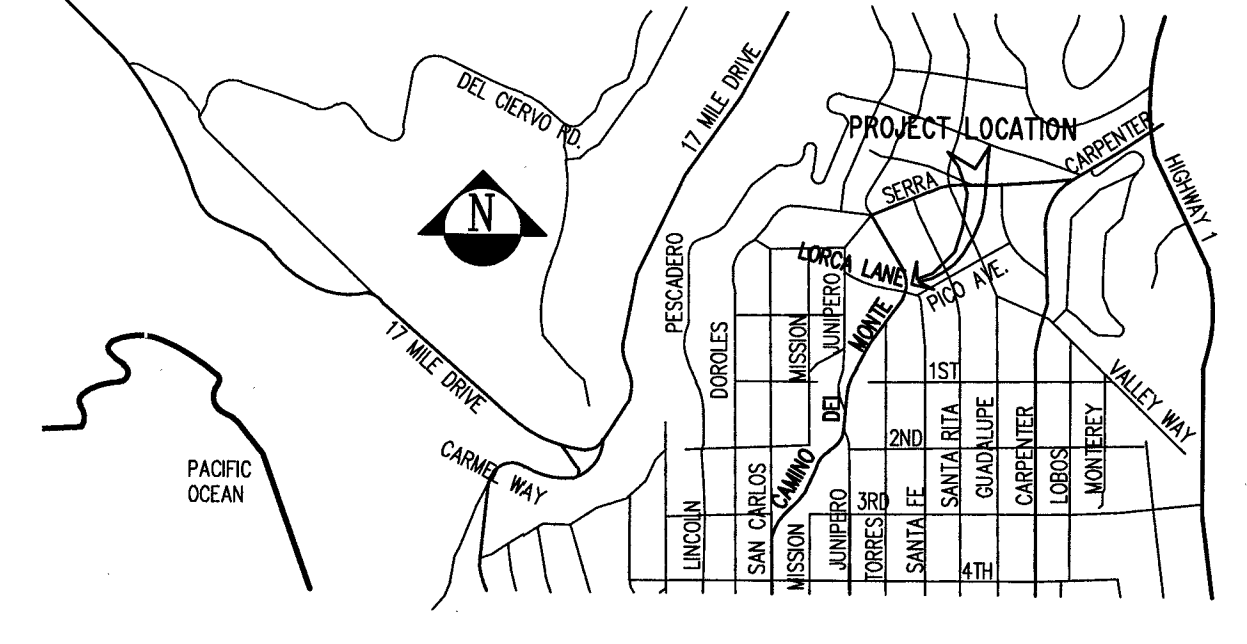
PLAN VIEW
 SCALE: 1" = 10'

NOTES:

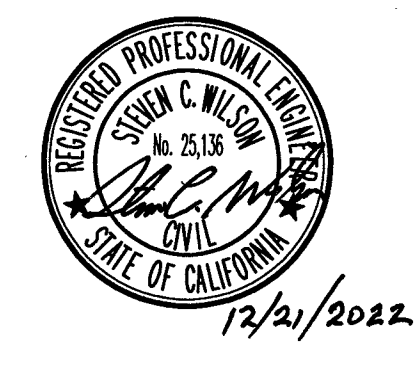
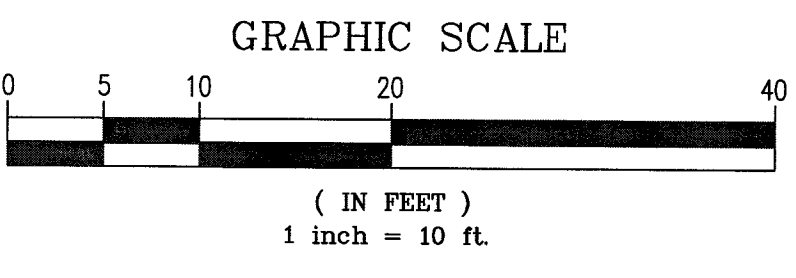
- REMOVAL AND RESTORATION OF EXISTING PAVEMENT SHALL CONFORM TO APPLICABLE CITY AND COUNTY STANDARDS. MINIMUM: 2" AC OVER 6" AGGREGATE BASE.
- PIPE FOUNDATION SHALL BE A MINIMUM OF 6" OR LESS FOR PIPES LESS THAN 10" IN DIAMETER OR WHEN THE DISTRICT MANAGER HAS DETERMINED THE SOIL TO BE UNSUITABLE.
- SHORING REQUIRED WHERE TRENCH DEPTH EXCEEDS 4'.
- RESTORE ALL (E) PAVEMENT MARKINGS AFTER FINAL TRENCH PATCHING.



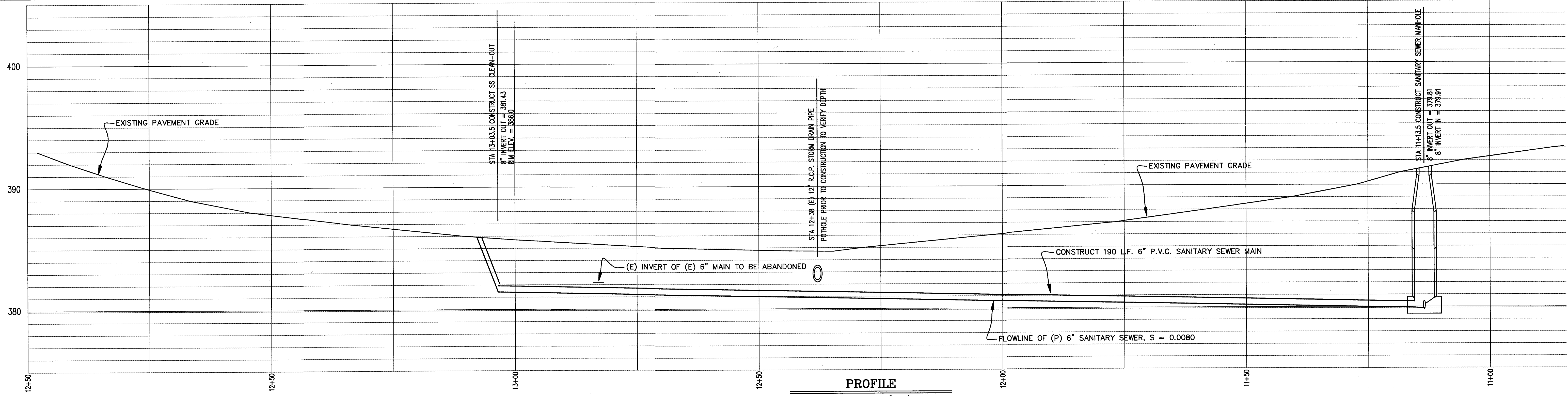
TYPICAL SANITARY SEWER TRENCH DETAIL
 NO SCALE



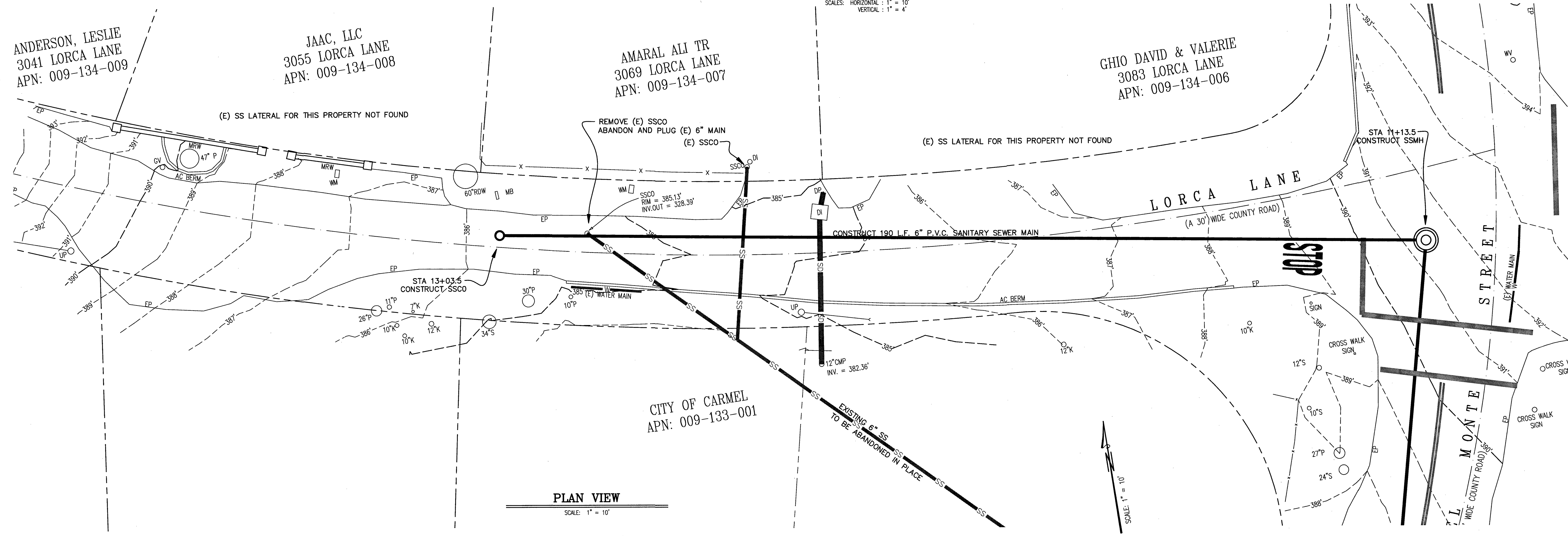
VICINITY MAP
 NO SCALE



REVISIONS		PLAN AND PROFILE	
DATE	BY	FOR CONSTRUCTION OF A REPLACEMENT SANITARY SEWER MAIN	
DEC 08, 2022	SCW	LORCA LANE AND CAMINO DEL MONTE	
DEC 21, 2022	SCW	PREPARED FOR THE	
		CARMEL AREA WASTEWATER DISTRICT	
		CARMEL COUNTY	STATE OF CALIFORNIA
		PREPARED BY	
		MONTEREY BAY ENGINEERS, INC.	
		CIVIL ENGINEERING • SUBDIVISIONS • LAND SURVEYING • CONSTRUCTION STAKING	
		607 CHARLES AVENUE SUITE B SEASIDE, CALIFORNIA 93955	PHONE (831) 899-7899
DATE:	SCALE:	DRAWN BY:	SHEET:
DECEMBER, 2022	1" = 10'	AL & SCW	1 OF 2
JOB No. 22-089			



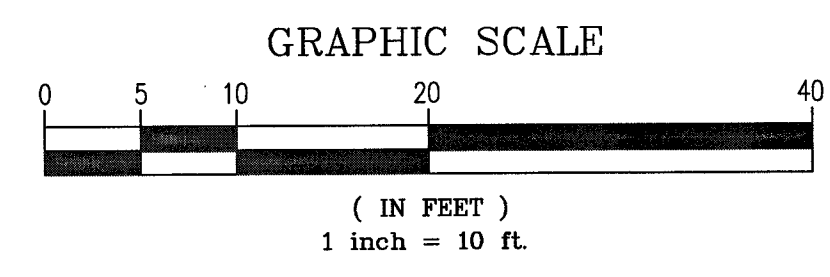
PROFILE
 SCALES: HORIZONTAL : 1" = 10'
 VERTICAL : 1" = 4'



PLAN VIEW
 SCALE: 1" = 10'

CONNECTION PROCEDURES FOR LORCA LANE LATERALS

- 3083 LORCA LANE: INTERCEPT (E) LATERAL THAT CROSSES LORCA LANE. CONSTRUCT WYE AT NEW MAIN. EXACT LOCATION OF THIS LATERAL IS NOT KNOWN.
- 3069 LORCA LANE: INTERCEPT (E) LATERAL THAT CROSSES LORCA LANE, AND CONSTRUCT WYE AT NEW MAIN.
- 3055 LORCA LANE: (E) LATERAL IS APPROXIMATELY IN LINE WITH THE (E) MAIN THAT WILL BE ABANDONED. CONSTRUCT WYE AT THE INTERSECTION WITH THE NEW MAIN.
- IF DIFFERENT CONDITIONS ARE ENCOUNTERED DURING EXCAVATION, CONTACT THE ENGINEER FOR A WRITTEN DETERMINATION OF ANY AUTHORIZED CHANGES PRIOR TO COMMENCING FURTHER WORK.



REVISIONS		PLAN AND PROFILE	
DATE	BY	FOR CONSTRUCTION OF A REPLACEMENT SANITARY SEWER MAIN	
DEC 08, 2022	SCW	LORCA LANE AND CAMINO DEL MONTE PREPARED FOR THE CARMEL AREA WASTEWATER DISTRICT MONTEREY COUNTY STATE OF CALIFORNIA	
DEC 21, 2022	SCW		
		PREPARED BY MONTEREY BAY ENGINEERS, INC. 607 CHARLES AVENUE SUITE B SEASIDE, CALIFORNIA 93955 PHONE (831) 899-7899	
DATE:	SCALE:	DRAWN BY:	SHEET:
DECEMBER, 2022	1" = 10'	AL & SCW	2 OF 2
JOB No. 22-089			

RESOLUTION NO. 2023-24

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO AMEND A
CONTRACT WITH MONTEREY PENINSULA ENGINEERING FOR \$53,830 TO PAY FOR
INITIAL WORK PERFORMED AT LORCA LANE
PROJECT-#22-07

-oOo-

WHEREAS, the District is committed to addressing serious collections system pipeline failures; and

WHEREAS, Lorca Lane had a sewer that was being exposed by a drainageway and due to atmospheric storm events in December 2022 and January 2023, the City of Carmel-by-the-Sea staff were concerned that damage of the sewer pipeline could result in serious environmental contamination of the waterway and therefore action must be taken as soon as feasible; and

WHEREAS, relocation of the pipeline is necessary for the protection of public health, welfare, and safety;

WHEREAS, Monterey Peninsula Engineering commenced construction on January 20, 2023 and found that the sandy soil was saturated, flowing behind the trench shoring and it was determined by District staff that the best solution was to backfill the excavation and return in late spring when groundwater levels have gone down.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Carmel Area Wastewater District, hereby authorizes the General Manager to amend a contract with Monterey Peninsula Engineering to be paid for time and material costs for the project in the amount of \$53,830 for a total not to exceed contract amount of \$207,330.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Carmel Area Wastewater District duly held on March 30, 2023, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

Ken White, President of the Board

ATTEST:

Domine Barringer, Secretary to the Board

STAFF REPORT



To: Board of Directors

From: Rachél Lather, Principal Engineer

Date: March 30, 2023

Subject: Project # 18-21 Corona Road Sewer Extension Project (proposed project)
Final Initial Study/Mitigated Negative Declaration (IS/MND) Adoption
pursuant to the California Environmental Quality Act (CEQA)

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review and consider the Corona Road Sewer Extension Project Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Plan (MMRP) for the Corona Road Sewer Extension Project;
2. Find that based on the IS/MND and the public review that there is no substantial evidence that the project, as mitigated, will have a significant effect on the environment and that the mitigated negative declaration reflects the District's independent judgment and analysis;
3. Adopt the IS/MND pursuant to the California Environmental Quality Act (CEQA) Guidelines;
4. Adopt the accompanying MMRP; and
5. Adopt the Resolution 2023-25 to Approve the project and adopt the IS/MND.

DISCUSSION

The proposed project is located in the Carmel Highlands in Monterey County. The project involves the formation of a new assessment district and installation of a new sanitary sewer transmission pipeline and an associated pump station. The proposed project would extend sewer services to allow the future connection of up to 56 homes in the vicinity of Corona Road to the District's wastewater treatment system. The project would include installation of a below grade sewage lift station and installation of a new 8 inch diameter polyvinyl chloride pipe (PVC) sewer.

The new sewer line would convey flow to the new sewage lift station that will pump the sewage into an existing force main located beneath Highway 1. The project would remove potential environmental risk to the estuary by providing future sewer service to homes presently reliant on individual septic systems.

Prior to this meeting, public notifications were published, and county and state filings were submitted as required by CEQA. Because of the urgency to complete environmental review in order to meet a grant funding deadline the formal public comment period was approved on March 3, 2023 by the Office of Planning and Research (OPR) to be reduced to 20 days. The formal public comment period of 20 days commenced on March 3, 2023 and was completed on March 22, 2023. One (1) comment letter was received from the California Department of Transportation (Caltrans) during the review period. As described in the Final IS/MND, no changes to the text of the Draft IS/MND are required as a result of these comments.

The Final IS/MND for Corona Road Sewer Extension Project is available for Board review to facilitate adopting a Mitigated Negative Declaration for the project in accordance with Section 15074 of CEQA Guidelines. A MMRP is included in the IS/MND and is also attached to this report. The MMRP summarizes the mitigation measures that must be adopted by the Board in accordance with Section 15074 of CEQA Guidelines.

FUNDING

The project costs will be funded through a grant and/or Assessment District loan proceeds.

Attachments: Resolution No. 2023-25

IS/MND: Attached and also available at the CAWD office for review or at
MMRP

<https://www.cawd.org/ceqa-notice>

FINAL SUPPLEMENTAL INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

for the

CORONA ROAD SEWER EXTENSION PROJECT

Prepared for:



Carmel Area Wastewater District

3945 Rio Road

Carmel, CA 93923

Prepared by:



Denise Duffy & Associates

947 Cass Street, Suite 5

Monterey, CA 93940

March 23, 2023

This Page Is Intentionally Blank

TABLE OF CONTENTS

Chapter 1. Introduction 1
Chapter 2. Comments and Responses 4
Chapter 3. Changes to the Draft IS/MND 6

ATTACHMENTS

Attachment A - Comment Letter Received on the Draft IS/MND

This Page Intentionally Left Blank

CHAPTER 1. INTRODUCTION

BACKGROUND

The Carmel Area Wastewater District (District) circulated a Draft Supplemental Initial Study/Mitigated Negative Declaration (IS/MND) for the Corona Road Sewer Extension Project (proposed project). The District has determined that the proposed project will not have a significant effect on the environment. The District will therefore consider adoption of a Mitigated Negative Declaration for the proposed project at the scheduled Board hearing on March 30, 2023.

PROJECT DESCRIPTION:

The proposed project involves formation of a new assessment district and construction of a wastewater service extension to the Corona Road area of Carmel Highlands. The new assessment district would consist of property owners located in the service area of the new pipeline proposed by the project. The assessment district would collect charges from customers in the project area solely to fund the capital costs associated with the proposed extension of wastewater service to the area. The proposed project is also seeking funds in the form of a construction loan from the State Water Resources Control Board (SWRCB) State Revolving Fund (SRF). The SRF loan would cover upfront costs associated with the implementation of the proposed project and would be repaid using charges collected by the assessment district.

The proposed project includes the installation of a new sanitary sewer transmission pipeline and an associated pump station. The proposed sanitary sewer collection system will consist of four (4) separate gravity mains made of Polyvinyl Chloride (PVC) pipe. The longest main will be approximately 3,500 feet in length, beginning at the east side of SR 1, north of the intersection of Corona Road and SR 1, and will extend south along the east side of SR 1, and then east and upward along Corona Road. Another branch of the gravity main in Corona Way will extend approximately 600 feet north and upward from Corona Road. The third branch of the gravity main will be approximately 300 feet in length and will be constructed along the east side of SR 1 northerly and upward. The installation of the three (3) separate gravity mains would result in the installation of 4,400 feet of new pipeline. The final gravity main would be installed beneath Highway 1 and would connect to a new pump station located on the west side of Highway 1, as described below. Pipeline will be installed in the disturbed right-of-way and roadway throughout the entirety of the alignment. No trees would be removed as a result of installation of the pipeline. All pipeline would be installed via trenching in paved areas. The proposed design includes 24 manholes and three (3) clean-outs.

Lateral connections from the proposed pipeline alignment to private parcels along the alignment would be installed under a future phase of the proposed project upon application by individual property owners for abandonment of their septic system and hook up to the extended CAWD sanitary sewer system. This future phase of the proposed project is not analyzed in this environmental document and would be subject to the appropriate level of environmental review under CEQA at the time these improvements are proposed.

Staging areas for the proposed project would be located at the District's existing wastewater treatment plant and the pump station site, with an additional equipment laydown area located on APN 241-052-001 (74 Corona Road).

The proposed project would extend potential future wastewater collection service to the following APNs.

- 241-011-002
- 241-012-018
- 241-031-005
- 241-031-007
- 241-031-008
- 241-031-010
- 241-031-012
- 241-031-013
- 241-031-018
- 241-031-020
- 241-031-021
- 241-031-022
- 241-031-023
- 241-031-024
- 241-051-002
- 241-051-003
- 241-051-005
- 241-051-006
- 241-051-007
- 241-051-009
- 241-051-010
- 241-051-011
- 241-051-012
- 241-051-013
- 241-051-014
- 241-051-015
- 241-051-016
- 241-051-017
- 241-051-018
- 241-051-019
- 241-051-020
- 241-051-021
- 241-051-022
- 241-051-024
- 241-051-025
- 241-051-027
- 241-051-028
- 241-052-001
- 241-052-002
- 241-052-003
- 241-052-004
- 241-052-005
- 241-052-006
- 241-052-007
- 241-061-001
- 241-061-002
- 241-061-004
- 241-061-005
- 241-061-011
- 241-061-014
- 241-061-015
- 241-071-004
- 241-071-005
- 241-071-006
- 241-072-002
- 241-072-003

A pump station is proposed within the northeastern portion of the “Rodgers' property” located at 29152 Highway 1 (APN 241-061-015) on the west side of SR 1 and has been sited so as to avoid tree removal and other impacts to existing trees. The pump station would be located on a 468 square foot easement and will be housed beneath two concrete slabs measuring approximately 100 square feet in total. The pump station will be constructed with pre-cast concrete sections and placed entirely underground, with the concrete slab laid on top, except for the Pacific Gas & Electric Company's (PG&E's) electrical service facilities, a vent pipe, and the pump station control panel. Electrical power will be furnished via a new service from PG&E. The pump station would have the capacity to pump up to 0.01 million-gallons-per-day (MGD) of wastewater and a projected flow of 0.006 MGD. The pump station will receive raw sewage from the gravity collection mains as described above and will have a wet well with a capacity of 3,000 gallons to temporarily store the raw sewage from the collection system in the times between pump operations and during power outages. The pump station would include a connection for a backup generator; however no backup generators would be installed permanently at the site. The pump station will discharge into the existing 4-inch sanitary sewer force main in SR 1 at a discharge rate of approximately 50 gallons per minute. The existing 4-inch force main in SR 1 was evaluated by the project engineers and determined to be capable of transmitting the sewage introduced as a result of the proposed project.

A 600 square foot construction staging area for the pump station would be located off-site at CAWD's treatment plant. A 360 square foot construction easement/staging area for the pump station would be located immediately west of the pump station site. A new 10-foot wide access easement is also proposed at the mouth of the private road on the west side of Corona Road to ensure safe access to the pump station and to residents. In addition, a construction laydown area for pipeline installation and small construction equipment parking would also be established at 74 Corona Road (APN 241-052-001).

PUBLIC REVIEW PERIOD:

The 20-day public review period for the Draft Supplemental Initial Study/Mitigated Negative Declaration commenced on March 3, 2023 and ended on March 22, 2023.

COMMENTS RECEIVED:

The following lists the comment letter received on the Draft Supplemental IS/MND to date. The comments are summarized, and responses are provided in the **Comments and Responses** section of this Final Supplemental IS/MND:

1. *California Department of Transportation*

A reproduction of the letter referenced above are included as **Attachment A** to this Final IS.

CHAPTER 2. COMMENTS AND RESPONSES

LETTER 1: CHRIS BJORNSTAD, ASSOCIATE TRANSPORTATION PLANNER, CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) DISTRICT 5

Comment 1-1: Please be aware that if any future work is completed in the State's right-of-way it will require an encroachment permit from Caltrans and must be done to our engineering and environmental standards, and at no cost to the State. The conditions of approval and the requirements for the encroachment permit are issued at the sole discretion of the Permits Office, and nothing in this letter shall be implied as limiting those future conditioned and requirements. For more information regarding the encroachment permit process, please visit our Encroachment Permit Website at: <https://dot.ca.gov/caltrans-near-me/district-5/district-5-programs/d5-encroachment-permits>.

Response 1-1: Comment is noted. The need for an Encroachment Permit for work within the State's right-of-way was noted on page 16 of the Draft IS/MND. The District will coordinate with Caltrans to acquire an Encroachment Permit for work within the State's right-of-way. No text changes to the Draft IS/MND are required as a result of this comment.

Comment 1-2: All future work in, on, under, over, or affecting State highway right-of-way is subject to a Caltrans encroachment permit. Depending on the complexity of the project improvements requiring an encroachment permit, Caltrans oversight may be the more appropriate avenue for project review and approval by Caltrans. The District Permit Engineer has been granted authority by Caltrans to make this decision. Please consult with the District Permit Engineer to determine the most appropriate Caltrans project permitting system.

Response 1-2: Comment noted. The need for an Encroachment Permit for work within the State's right-of-way was noted on page 16 of the Draft IS/MND. The District will coordinate with Caltrans's District Permit Engineer to acquire an Encroachment Permit for work within the State's right-of-way. No text changes to the Draft IS/MND are required as a result of this comment.

Comment 1-3: All future work will need to conform to the Caltrans Encroachment Permits Manual, Chapter 600. Additional utility installation requirements, which may apply, are found in Chapter 17 of the Project Development Procedures Manual. Deviations to Caltrans Encroachment Permit Policies may require an exception. This requirement and process will be outlined by the District Permit Engineer in the pre-submittal conference.

Response 1-3: Comment noted. The District will coordinate with Caltrans to ensure that all work associated with the proposed project within the State's right-of-way will be conducted in conformance with the Caltrans Encroachment Permits Manual, as specified in the comment above. No text changes to the Draft IS/MND are required as a result of this comment.

Comment 1-4: All non-operational or vacated pipes shall be removed. The District Permit Engineer may grant waivers to this requirement based on an engineering evaluation. Plans shall conform to the Caltrans Plans Preparation Manual and Encroachment Permit Construction Plan Set outline.

Response 1-4: Comment noted. No non-operational or vacated pipes are known to exist within the footprint of the project. In the event non-operational or vacated pipes are discovered during

sub-surface activities, they will be removed in conformance with the Caltrans Plans Preparation Manual and Encroachment Permit Construction Plan Set outline, as specified in the comment above. No text changes to the Draft IS/MND are required as a result of this comment.

Comment 1-5: The applicant will need to show all existing facilities and utilities in plan and profile where the scope of work is located. For signal facility plans and details please coordinate through Ken Vomaske at kenneth.vomaske@dot.ca.gov.

Response 1-5: Comment noted. The district will coordinate and provide Caltrans with plans showing all existing facilities and utilities within the footprint of the project. No text changes to the Draft IS/MND are required as a result of this comment.

Comment 1-6: General Basis of Horizontal and Vertical Control - Caltrans datums shall be used and observed for the construction of the proposed improvements. All plans shall be in US feet and follow the datums as follows: • Vertical Basis: NAVD 88 • Horizontal: NAD83Zone 3 Santa Cruz County, Zone 4 Monterey and San Benito County, and Zone 5 San Luis Obispo and Santa Barbara County. At least two recorded, Caltrans Monuments must be referenced in the surveying basis.

Response 1-6: Comment noted. Final construction plans will be prepared according to the specifications identified in the comment above. The District will coordinate with Caltrans to perform any necessary revisions to the plans prior to granting of an encroachment permit. No text changes to the Draft IS/MND are required as a result of this comment.

CHAPTER 3. CHANGES TO THE DRAFT IS/MND

As described above in Chapter 2, no changes to the Draft IS/MND are required as a result of public comments received during the CEQA review period.

Attachment A

Comment Letters Received on Draft Supplemental IS/MND

This Page Intentionally Left Blank

CALTRANS DISTRICT 5
50 HIGUERA STREET | SAN LUIS OBISPO, CA 93401-5415
(805) 549-3101 | FAX (805) 549-3329 TTY 711
www.dot.ca.gov

March 22, 2023

MON/1/69.74
SCH#2023030136

Rachél Lather
District Engineer
Carmel Area Wastewater District
3945 Rio Road
Carmel, CA 93923

COMMENTS FOR THE CORONA ROAD SEWER EXTENSION PROJECT MITIGATED NEGATIVE DECLARATION (MND) – MONTEREY COUNTY, CA

Dear Ms. Lather:

The California Department of Transportation (Caltrans) appreciates the opportunity to review the MND for the Corona Road Sewer Extension Project which proposes installing pipeline under and along the east side of State Route 1. Caltrans offers the following comments in response to the MND:

1. Please be aware that if any future work is completed in the State's right-of-way it will require an encroachment permit from Caltrans and must be done to our engineering and environmental standards, and at no cost to the State. The conditions of approval and the requirements for the encroachment permit are issued at the sole discretion of the Permits Office, and nothing in this letter shall be implied as limiting those future conditioned and requirements. For more information regarding the encroachment permit process, please visit our Encroachment Permit Website at: <https://dot.ca.gov/caltrans-near-me/district-5/district-5-programs/d5-encroachment-permits>.

A-1

2. All future work in, on, under, over, or affecting State highway right-of-way is subject to a Caltrans encroachment permit. Depending on the complexity of the project improvements requiring an encroachment permit, Caltrans oversight may be the more appropriate avenue for project review and approval by Caltrans. The District Permit Engineer has been granted authority by Caltrans to make this decision. Please consult with the District Permit Engineer to determine the most appropriate Caltrans project permitting system.

A-2

- | | |
|---|-----|
| <p>3. All future work will need to conform to the Caltrans Encroachment Permits Manual, Chapter 600. Additional utility installation requirements, which may apply, are found in Chapter 17 of the Project Development Procedures Manual. Deviations to Caltrans Encroachment Permit Policies may require an exception. This requirement and process will be outlined by the District Permit Engineer in the pre-submittal conference.</p> | A-3 |
| <p>4. All non-operational or vacated pipes shall be removed. The District Permit Engineer may grant waivers to this requirement based on an engineering evaluation. Plans shall conform to the Caltrans Plans Preparation Manual and Encroachment Permit Construction Plan Set outline.</p> | A-4 |
| <p>5. The applicant will need to show all existing facilities and utilities in plan and profile where the scope of work is located. For signal facility plans and details please coordinate through Ken Vomaska at kenneth.vomaske@dot.ca.gov.</p> | A-5 |
| <p>6. General Basis of Horizontal and Vertical Control - Caltrans datums shall be used and observed for the construction of the proposed improvements. All plans shall be in US feet and follow the datums as follows: • Vertical Basis: NAVD 88 • Horizontal: NAD83 Zone 3 Santa Cruz County, Zone 4 Monterey and San Benito County, and Zone 5 San Luis Obispo and Santa Barbara County. At least two recorded, Caltrans Monuments must be referenced in the surveying basis.</p> | A-6 |

Thank you for the opportunity to review and comment on the proposed project. If you have any questions, or need further clarification on items discussed above, please contact me at (805) 835-6543 or email christopher.bjornstad@dot.ca.gov.

Sincerely,

Christopher Bjornstad

Chris Bjornstad
 Associate Transportation Planner
 District 5 Land Development Review

Mitigation Monitoring and Reporting Program

The California Environmental Quality Act (CEQA) and CEQA Guidelines require Lead Agencies to adopt a program for monitoring the mitigation measures required to avoid the significant environmental impacts of a project. The Mitigation Monitoring and Reporting Program (MMRP) ensures that mitigation measures imposed by the District are completed at the appropriate time, specific to the future connection process.

The mitigation measures identified in the Supplemental Initial Study/Mitigated Negative Declaration (IS/MND) for the Corona Road Sewer Extension Project are listed in the MMRP along with the party responsible for monitoring implementation of the mitigation measure, the milestones for implementation and monitoring, and confirmation the mitigation measure has been implemented.

The Supplemental IS/MND tiers from the 2020 CAWD Annexation and Sphere of Influence Amendment project. As a result, several mitigation measures from the 2020 CAWD Annexation and Sphere of Influence Amendment project have been included as part of the proposed project. Other mitigation measures identified in the 2020 CAWD Annexation and Sphere of Influence Amendment project’s IS/MND are not applicable to the project, have been implemented during preparation of the Supplemental IS/MND, or have been superseded by project-specific mitigation measures.

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
The following mitigation measures are specific to the Corona Road Sewer Extension project.				
Biological Resources				
Impact BIO-A: Impacts to Trees: The proposed project would involve construction activities that have the potential to impact trees adjacent to the	Mitigation Measure BIO-A: Tree Protection. The following protection measures would apply to the proposed project: <ul style="list-style-type: none"> • An Arborist Report for the Corona Road Sewer Extension Project (DD&A, 2023, Appendix C) was prepared to identify potential trees that may be impacted during construction of the project, recommend measures to avoid or minimize potential project-related impacts to trees, and identify regulatory requirements for tree removal and protection within the site. All recommendations and mitigation measures provided in the Arborist Report (Appendix C, 	CAWD, Construction Contractor	During construction, CAWD will ensure that contractor implements all recommendations of the arborist report. Following construction, CAWD would oversee restoration of all temporarily disturbed areas.	CAWD, Construction Contractor, Qualified Biologist

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
proposed project.	<p>pages 24-26) shall be implemented throughout the duration of construction to avoid and minimize impacts to Monterey pine forest and other trees within the survey area (see MM BIO-E).</p> <ul style="list-style-type: none"> Following construction, all temporarily disturbed areas within Monterey pine forest habitat shall be restored to pre-project contours to the maximum extent possible and revegetated using locally occurring native species, per the recommendations of a qualified biologist. 			
<p>Impact BIO-B – Impacts to Special-Status Plant Species: The proposed project would involve construction activities that have the potential to Yadon’s piperia and Pacific Grove clover within the vicinity of the proposed project.</p>	<p>Mitigation Measure BIO-B: Focused Botanical Surveys. Focused botanical surveys shall be conducted within the survey area during the appropriate blooming period to determine the presence or absence of special-status plant species, prior to the initiation of construction.</p> <ul style="list-style-type: none"> If no special-status plants are found on the site, no additional mitigation is required. If special-status plants are found on the site, these species should be avoided to the greatest extent feasible. If avoidance is not feasible, a restoration plan shall be prepared by a qualified biologist prior to development. The plan shall include, but is not limited to, a detailed description of restoration areas, plant source material, planting specifications, and a monitoring program that describes annual monitoring efforts which incorporate success criteria and contingency plans if success criteria are not met. 	CAWD, Qualified Biologist	CAWD shall retain qualified biologist to perform focused botanical surveys (and potentially a restoration plan) prior to construction.	CAWD, Qualified Biologist

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
<p>Impact BIO-C – Impacts to Nesting Avian Species: The proposed project would involve construction activities that have the potential to impact nesting raptors and other nesting avian species adjacent to the proposed project.</p>	<p>Mitigation Measure BIO-C: Pre-Construction Nesting Avian Surveys. The following survey requirements would apply to the proposed project:</p> <ul style="list-style-type: none"> To avoid and reduce impacts to nesting raptors and other nesting avian species, construction activities can be timed to avoid the nesting season period. Specifically, construction activities can be scheduled after September 1 and before January 31 to avoid impacts to these species. Alternatively, if avoidance of the nesting period is not feasible, a qualified biologist shall be retained to conduct pre-construction surveys for nesting raptors and other protected avian species within 250 feet of proposed construction activities if construction occurs between February 1 and August 31. Pre-construction surveys will be conducted no more than 14 days prior to the start of construction activities during the early part of the breeding season (February through April) and no more than 30 days prior to the initiation of these activities during the late part of the breeding season (May through August). Because some bird species nest early in spring and others nest later in summer, some breed multiple times in a season, surveys for nesting birds may be required to continue during construction to address new arrivals. The necessity and timing of these continued surveys will be determined by the qualified biologist based on review of the final construction plans. If raptors or other protected avian species nests are identified during the pre-construction 	<p>CAWD, Qualified Biologist</p>	<p>Pre-construction surveys to occur no more than 14 days prior to the start of construction.</p>	<p>CAWD, Qualified Biologist</p>

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<p>surveys, the qualified biologist will notify CAWD/project contractor and an appropriate no-disturbance buffer will be imposed within which no construction activities or disturbance should take place as determined by the qualified biologist to ensure avoidance of impacts to the individuals. The buffer will remain in place until the young of the year have fledged and are no longer reliant upon the nest or parental care for survival, as determined by a qualified biologist.</p>			
<p>Impact BIO-D – Impacts to Wetland: The proposed project would involve construction activities that have the potential to impact potential wetlands adjacent to the proposed project.</p>	<p>Mitigation Measure BIO-D: Wetland Protection. The following protection measures would apply to the proposed project:</p> <ul style="list-style-type: none"> • Prior to construction activities, the project proponent shall retain a qualified biologist to conduct an Employee Education Program for the construction crew. The biologist shall meet with the construction crew at the project site at the onset of construction to educate the construction crew on the following: a) a review of the project boundaries; b) all sensitive habitats that may be present and all special-status species that may be present, their habitat, and proper identification; c) the specific mitigation measures that will be incorporated into the construction effort; d) the general provisions and protections afforded by the regulatory agencies; and e) the proper procedures if a special-status animal is encountered within the project site. • Prior to construction, exclusionary fencing shall be placed around all potential wetlands and the riparian area to preclude construction vehicles 	<p>CAWD, Qualified Biologist, Construction Contractor</p>	<p>Compliance items will occur or be implemented prior to, during, and following project construction as outlined in the mitigation measure.</p>	<p>CAWD, Construction Contractor, Qualified Biologist</p>

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<p>and personnel from impacting potential wetlands and other waters of the U.S. and/or state. A qualified biologist or biological monitor shall supervise the installation of exclusionary fencing and monitor at least once per week until construction is complete to ensure that the protective exclusionary fencing remains intact.</p> <ul style="list-style-type: none"> • Stationary equipment such as motors, generators, and welders located within 100 feet of potential wetlands and other waters of the U.S. and/or state shall be stored overnight at a designated staging area and shall be positioned over drip pans. • Any hazardous or toxic materials deleterious to life that could be washed into adjacent sensitive habitats shall be contained in watertight containers. • Refueling of equipment shall take place within designated staging areas or at least 100 feet from potential wetlands and other waters of the U.S. and/or state. • All construction debris and associated materials stored in staging area shall be removed from the work site upon completion of the project. 			
<p>Impact BIO-E – Impacts to Sensitive Resources During Construction: The proposed project would involve</p>	<p>Mitigation Measure BIO-E: Biological Monitoring. The District shall retain a qualified arborist or biological monitor who shall be on site during initial ground-disturbing activities, including vegetation removal. Following initial ground-disturbing activities, the arborist or biological monitor shall monitor at least once per week throughout construction to ensure that the following tree protection measures are being implemented:</p>	<p>CAWD, Qualified Arborist/Biologist</p>	<p>Compliance items will occur or be implemented prior to or during project construction as outlined in the mitigation measure.</p>	<p>CAWD, Qualified Arborist/Biologist</p>

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
<p>construction activities that have the potential to result in unforeseen impact trees adjacent to the proposed project.</p>	<p>Prior to the commencement of construction activities:</p> <ul style="list-style-type: none"> • Trees located adjacent to the construction area shall be protected from damage by construction equipment by the use of temporary fencing in combination with wrapping of trunks with protective materials wherever there may be construction present. • Fencing shall consist of chain link, heavy duty snowdrift or plastic mesh, hay bales, or field fence. Portions of existing fencing may also be used. • Fencing is not to be attached to the tree but free standing and self-supporting so as not to damage trees. Fencing shall be rigidly supported both vertically and horizontally and shall stand a minimum of height of six feet above grade. • Soil compaction, parking of vehicles or heavy equipment, stockpiling of construction materials, and/or dumping of materials is not allowed adjacent to trees on the property especially within fenced areas. • Fenced areas and the trunk protection materials shall remain in place during the entire construction period. <p>During grading and excavation activities:</p> <ul style="list-style-type: none"> • Trenching located adjacent to any tree should be done by hand where practical and any roots greater than 1.5 –inches diameter should be bridged or pruned appropriately. • Any roots that must be cut should be cut by manually digging a trench and cutting exposed 			

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<p>roots with a saw, vibrating knife, rock saw, narrow trencher with sharp blades, or other approved root pruning equipment.</p> <ul style="list-style-type: none"> • Any roots damaged during grading or excavation should be exposed to sound tissue and cut cleanly with a saw. <p>During pruning of existing trees:</p> <ul style="list-style-type: none"> • In general trees will be assessed then pruned first for safety, next for health, and finally for aesthetics. No more than 25% of the tree overall crown will be pruned in one season. • Type of pruning is determined by the size of branches to be removed. General guidelines for branch removal are: <ul style="list-style-type: none"> ○ Fine Detail pruning-limbs under two (2) inch diameter are removed. ○ Medium Detail Pruning-Limbs between two (2) and four (4) inch diameter. ○ Structural Enhancement-limbs greater than four (4) inch diameter. ○ Broken and cracked limbs-removed will be removed in high traffic areas of concern. <p>If crown thinning¹ is required:</p> <ul style="list-style-type: none"> • All trees will be pre-assessed on how the tree will be pruned from the top down. • Tree trimmers will favor branches with strong, U-shaped angles of attachment and where possible remove branches with weak, V-shaped angles of attachment and/or included bark. 			

¹ Crown thinning is the cleaning out of or removal of dead diseased, weakly attached, or low vigor branches from a tree crown.

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<ul style="list-style-type: none"> Lateral branches will be evenly spaced on the main stem of young trees and areas of fine pruning. Branches that rub or cross another branch will be removed where possible. Lateral branches will be no more than one-half to three-quarters of the diameter of the stem to discourage the development of co-dominant stems where feasible. 			
Cultural Resources				
<p>Impact CR-A: Archaeological Resources: The proposed project would involve subsurface work within areas known to be archaeologically sensitive.</p>	<p>Mitigation Measure CR-A: Conduct Phase II Subsurface Testing for Cultural Resources. Phase II Subsurface testing shall be conducted for the proposed project, as outline below:</p> <ul style="list-style-type: none"> Prior to the initiation of ground disturbing activities, the lead agency will commission a qualified consultant to perform a Phase II subsurface testing to evaluate the proposed project’s potential to impact cultural resources under Section 106 and CEQA. The Phase II subsurface testing would occur during earthmoving activities within the identified range of archaeological deposits within the project’s APE and ADI. The Phase II subsurface testing would (1) aim to define the vertical and horizontal extent of the resource and variability within the Project APE, and (2) collect sufficient data to assess the site’s integrity and data potential and thus eligibility under both NHPA Section 106 (36 CFR Part 800) and CEQA (Public Resources Code §21084.1, CEQA Guidelines §15064.5). A 	CAWD	<p>Prior to initiation of construction, CAWD will retain qualified consultant. Subsurface testing would occur prior to ground disturbing activities taking place in the known range of archaeological deposits in the project’s APE and ADI. If required, CRTP would be prepared and implemented prior to ground disturbing activities within the known range of archaeological deposits in the</p>	CAWD, Qualified Consultant, Tribal Monitor

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<p>Tribal representative should be present to monitor any archaeological work carried out.</p> <ul style="list-style-type: none"> If the Phase II subsurface testing determines that the proposed project site is eligible under Section 106 or CEQA, a Cultural Resources Treatment Plan (CRTP) would be prepared. The CRTP would include mitigation to mitigate adverse impacts (per Section 106) and reduce impacts to less than significant (per CEQA). The CRTP will include, at a minimum, a detailed description of the proposed project and its subsurface impacts, description of the environmental setting and precolonial/historic-era background of the area, detailed field strategy used to record, avoid, or recover eligible resources, analytical methods, reporting requirements, curation plans, and appendices. The CRTP shall be developed and implemented in consultation with the local Native American community. 		project's APE and ADI.	
Tribal Cultural Resources				
<p>Impact TCR-A: Tribal Resources: Portions of the northern pipeline alignment are located in areas with known significance to Native American</p>	<p>Mitigation Measure TCR-A: Implement Recommendations from AB 52 Consultation. Based on the recommendations of the Esselen Tribe of Monterey County during tribal consultation under AB 52, the following measures would be taken to prevent impacts to tribal resources:</p> <ul style="list-style-type: none"> Prior to the initiation of construction, CAWD shall retain a qualified archaeological consultant to conduct hand augering tests at the pump station site and the northern portion of the pipeline alignment to determine the potential for presence of subsurface tribal resources at 	CAWD	Prior to initiation of construction, CAWD will retain qualified archaeologist. Monitoring by archaeologist and tribal monito shall be ongoing throughout ground disturbing activities.	CAWD, Contractor, Qualified Archaeologist, Tribal Monitor

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
groups. In addition, excavation at the pump station site have the potential to disturb tribal resources.	<p>these locations. Augering depth shall be consistent with the depth of excavation for the project components at each location. The results of the hand augering tests shall be documented in the Phase II Cultural Resources Report, along with any recommendations for further protection of tribal resources to be implemented during ground disturbing activities.</p> <ul style="list-style-type: none"> • Prior to initiating construction, CAWD shall coordinate with Esselen Tribe of Monterey County to have an approved tribal monitor present for all ground disturbing activities associated with the proposed project. 			
The following mitigation measures from the 2020 CAWD Sphere of Influence and Annexation Project Initial Study have been implemented into the project.				
Biological Resources				
Impact BIO-C – Impacts to Nesting Avian Species: The proposed project would involve construction activities that have the potential to impact nesting raptors and other nesting avian species	Mitigation Measure BIO-5: Restoration of Disturbed Areas. Areas disturbed by construction shall be restored and replanted, depending on the community and habitat type, i.e., disturbed grasslands shall be seeded with a native erosion control seed mix suitable to the project area.	CAWD, Contractor, Qualified Biologist	Post-construction, Biological Monitor shall be responsible for reporting compliance to CAWD.	CAWD, Contractor, Qualified Biologist

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
adjacent to the proposed project.				
<p>Impact BIO-D – Impacts to Wetland: The proposed project would involve construction activities that have the potential to impact potential wetlands adjacent to the proposed project.</p>	<p>Mitigation Measure BIO-6: Construction Best Management Practices. CAWD shall ensure future construction projects and contractors implement the following BMPs and protective measures listed below to avoid indirect impacts to wetlands, riparian areas and other sensitive habitats identified within the construction area.</p> <ul style="list-style-type: none"> No materials shall be allowed to enter into aquatic resources within the vicinity. All storm drain inlets and culvert inlets and outlets shall be protected (e.g., filter fabric, straw wattles, and/or silt fencing) in order to prevent debris or construction materials from entering in these areas. At the end of project construction, all materials trapped by the barriers and excess materials such as dirt, rock, asphalt and concrete pavement, or debris shall be collected using dry sweep methods and removed from the project locations. No materials shall be allowed to enter into aquatic resources within the vicinity. A litter control program shall be instituted at each project location. All workers ensure that food scraps, paper wrappers, food containers, cans, bottles, and other trash from the project area are deposited in covered or closed trash containers. The trash containers shall be removed from the area at the end of each working day. 	<p>CAWD, Contractor, Qualified Biologist</p>	<p>Prior to construction, CAWD will ensure BMPs are part of conditional approval or notes on construction drawings. BMPs shall be monitored During future construction, Contractor or assigned Monitor shall be responsible for reporting compliance to CAWD. projects</p>	<p>CAWD</p>

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<ul style="list-style-type: none"> All leaks, drips and spills shall be immediately cleaned up to prevent entry into aquatic resources within the vicinity. All workers shall be informed of the importance of preventing spills and of the appropriate measures to take should a spill occur. 			
Cultural Resources				
<p>Impact CR-A: Archaeological Resources: The proposed project would involve subsurface work within areas known to be archaeologically sensitive.</p>	<p>Mitigation Measure CR-2: Cultural Resources Protection Measures.</p> <ul style="list-style-type: none"> If the Professional Archaeologist determines that any cultural resources exposed during construction constitute a historical resource and/or unique archaeological resource under CEQA, he/she shall notify CAWD and other appropriate parties of the evaluation and recommend mitigation measures to mitigate to a less-than-significant impact in accordance with California Public Resources Code Section 15064.5. Mitigation measures may include avoidance, preservation in-place, recordation, additional archaeological testing and data recovery among other options. The completion of a formal <i>Archaeological Monitoring Plan</i> (AMP) and/or <i>Archaeological Treatment Plan</i> (ATP) that may include data recovery may be recommended by the Professional Archaeologist if significant archaeological deposits are exposed during ground disturbing construction. Development and implementation of the AMP and ATP and treatment of significant cultural resources will be determined by the CAWD in consultation with any regulatory agencies. 	<p>CAWD, Qualified Archaeologist Monitor</p>	<p>During future construction, Contractor or assigned Monitor shall be responsible for reporting compliance to CAWD.</p>	<p>CAWD, Qualified Archaeologist Monitor, County</p>

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
	<ul style="list-style-type: none"> The treatment of human remains and any associated or unassociated funerary objects discovered during any soil-disturbing activity within the APE shall comply with applicable state laws in regard to Native American burials (Chapter 1492, Section 7050.5 to the Health and Safety Code, Sections 5097.94, 5097.98 and 5097.99 of the Public Resources Code). This shall include immediate notification of the appropriate county Coroner/Medical Examiner and the CAWD. A <i>Monitoring Closure Report</i> shall be filed with CAWD at the conclusion of ground disturbing construction if archaeological and Native American monitoring of excavation was undertaken. 			
Noise				
<p>Impact NOI-A: Construction Noise: The proposed project is located within an area predominantly characterized by low density residential uses. Construction of the proposed project could result in</p>	<p>Mitigation Measure NOI-1: Construction Noise Reduction Measures. During construction, the project contractor shall implement the following measures to minimize construction noise impacts:</p> <ul style="list-style-type: none"> Place construction equipment and equipment staging areas to be located at the furthest distance as possible from nearby noise-sensitive receptors. Choose construction equipment that is of quiet design, has a high-quality muffler system, and is well-maintained. Install superior intake and exhaust mufflers and engine enclosure panels wherever possible on gas diesel or pneumatic impact machines. 	CAWD, Project Contractor	Prior to construction, CAWD will ensure this mitigation is part of conditional approval or notes on construction drawings. During future construction, Contractor or assigned Monitor shall be responsible for reporting compliance to CAWD.	CAWD, Project Contractor

Impacts	Mitigation Measures	Implementation Responsibility	Timing of Monitoring	Responsibility for Compliance Monitoring
significant temporary indirect noise impacts	<ul style="list-style-type: none"> • Limit construction to 7 a.m. to 7 p.m. Monday through Friday, and 8 a.m. to 6 p.m. Saturday. • Eliminate unnecessary idling of machines when not in use. • Locate all stationary noise-generating construction equipment, such as portable power generators, as far as possible from nearby noise-sensitive receptors. • Utilize the quickest equipment options to accomplish the tasks, in accordance with local, state, and federal regulatory requirements. 			

RESOLUTION NO. 2023-25

**RESOLUTION TO ADOPT AN INITIAL STUDY/MITIGATED NEGATIVE
DECLARATION (IS/MND) AND THE MITIGATION MONITORING & REPORTING
PROGRAM (MMRP) AND APPROVE THE PROJECT FOR THE CORONA ROAD
SEWER EXTENTION PROJECT- #18-21**

-oOo-

WHEREAS, the Carmel Area Wastewater District ("District") desires to adopt the Initial Study/Mitigated Negative Declaration ("IS/MND") and Mitigation Monitoring and Reporting Program ("MMRP") for the Corona Road Sewer Extension Project (the "Project"), which is on file with the District Secretary to the Board and incorporated herein by this reference; and

WHEREAS, pursuant to the § 15074 California Environmental Quality Act ("CEQA"), the IS/MND was prepared for this Project; and

WHEREAS, the Project consists of constructing a new sewer collection system in order to provide future sewer service to parcels that are currently using septic systems. Project elements include the following: installation of a below grade sewage lift station and construction of a sewer collection system with 8-inch polyvinyl chloride ("PVC") pipe.

WHEREAS, Because of the urgency to complete environmental review in order to meet a grant funding deadline the formal public comment period was approved on March 3, 3023, by the State Clearinghouse Office of Planning and Research to be reduced to 20 days, and was completed on March 22, 2023.

WHEREAS, upon completion of the IS/MND, the District, as the Lead Agency, prepared and filed a Notice of Completion ("NOC") with the State Clearinghouse Office of Planning and Research ("SCH OPR"), for distribution to public agencies and interested parties for a public review period, commencing on March 3, 2023, and ending on March 22, 2023; and

WHEREAS, copies of the Notice of Intent were provided to all responsible agencies, and copies were also made available at the County of Monterey Office of the County Clerk; and

WHEREAS, the District sent a Notice of Intent to Adopt an IS/MND to all affected property owners and interested parties, posted a copy at seven locations along the proposed project alignment and posted a copy of the notice and IS/MND document at the Monterey County Clerk's Office, and at the District Office; and, online on the District's website; and

WHEREAS, during the public review period, the District received one (1) written comment letter on the IS/MND; and

WHEREAS, the IS/MND identifies potentially significant impacts to the environment, including but not limited to specific impacts to biological resources, cultural resources, tribal cultural resources, and noise, which impacts can and will be avoided or mitigated to less than significant levels through adoption and implementation of the mitigation measures proposed as part of the Project, the IS/MND and MMRP.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors makes the following findings as required by CEQA with respect to the proposed Project:

- A. That the IS/MND was prepared in accordance with all legal requirements of CEQA, including all public notice and comment period requirements;
- B. That the Board of Directors has considered the IS/MND and the opportunity to comment within the public comment period, as well as the opportunity to comment after the public comment period and prior to the date of this Resolution;
- C. That the IS/MND identified all potentially significant environmental impacts of the Project, including but not limited to specific potentially significant impacts to biological resources, cultural and tribal cultural resources, paleontological resources, and noise, which impacts can and will be avoided or mitigated to less than significant levels through adoption and implementation of the mitigation measures proposed as part of the Project, IS/MND, and MMRP;

- D. That the IS/MND reflects the District's independent judgment and analysis;
- E. That there is no substantial evidence in the record that the Project, as mitigated, will have a significant negative effect on the environment;
- F. That the administrative record is located in Carmel Area Wastewater District Office, at 3945 Rio Road, Carmel, California 93923; and
- G. That the Board Secretary is designated as the location and custodian of the documents and other material constituting the record of proceedings upon which this decision is based.

NOW, THEREFORE, BE IT FURTHER RESOLVED, by the Board of Directors of the Carmel Area Wastewater District, based upon all of the oral and documentary evidence in the record, as follows:

- 1. That the IS/MND and the MMRP for the Project is adopted; and
- 2. That the District Board hereby approves Corona Road Sewer Extension Project as described in the IS/MND.

PASSED AND ADOPTED by the Board of Directors of the Carmel Area Wastewater District on March 30, 2023 by the following vote:

AYES: BOARD MEMBERS:
 NOES: BOARD MEMBERS:
 ABSENT: BOARD MEMBERS:
 ABSTAIN: BOARD MEMBERS:

 Ken White, President of the Board

ATTEST:

 Domine Barringer, Secretary to the Board

STAFF REPORT



To: Board of Directors

From: Rachél Lather, Principal Engineer

Date: March 30, 2023

Subject: Environmental Consultant Contract Amendment No. 2
Corona Road Sewer Extension Project #18-21

RECOMMENDATION

It is recommended the Board of Directors adopt a resolution authorizing the General Manager to:

- (1) Approve the contract amendment No. 2 with Denise Duffy and Associates to provide additional cultural resources field work and updates to the environmental work for the Corona Road Sewer Extension project.
- (2) In addition, it is recommended that the Board of Directors adopt resolution 2023-26 authorizing the General Manager to sign the contract amendment with the environmental consultants for the project in an amount not to exceed \$62,867.

DISCUSSION

The Corona Road area neighborhood in the Highlands area of Monterey County have been actively proceeding with the forming an assessment district to construct sewer facilities on the west and east side of Highway One near Corona Road. The advocates of the sewer project have circulated a petition to request that the District move forward with assessment district proceedings with 78% of the affected property owners having signed the petition. The property owners have also provided funding for the preliminary engineering and environmental work that would be needed to form an assessment district. In September 2022, the CAWD Board of Directors were informed that there was potential funding for this project by the Clean Water State Revolving Fund (CWSRF) Septic-to-Sewer Grant Program. At that time, the Board approved an amendment No. 1 to the contract with Denise Duffy and Associates (DD&A) for additional environmental work to meet the requirements for the full application for the grant program in the amount of \$56,200.

The Principal Engineer was contacted by the Clean Water State Revolving Fund (CWSRF) Septic-to-Sewer Program administrators in February 2023 and was informed that they have set aside funds for the project; only if the District is able to complete and adopt the California Environmental Quality Act (CEQA) documents by the funding deadline on April 1, 2023.

In December 2022, the design engineer, Monterey Bay Engineering, had developed more advanced preliminary plans for the project and it was clear that additional environmental work was needed. DD&A was authorized by staff to perform the needed work with the understanding that this additional scope would be brought to the Board for approval. In addition, after completing the Section 106 Native American Consultation it is necessary to complete Phase II Archaeologic field work as part of the CEQA requirements. In order to continue to meet the timing requirements of the CWSRF grant program, staff recommends approving the additional services to be performed by the DD&A subconsultant, Albion.

The attached proposal from DD&A provides a summary of the work that was performed and the costs for the archaeological work to be performed. This will result in a contract amendment of \$62,867 with a total contract amount of \$144,967.

FUNDING -

None- All costs to be covered by grant or bond

Corona Road Sewer Extension Project Additional/Out-of-Scope Services related to Project Changes and Additional Recommended Services

Denise Duffy & Associates, Inc. (DD&A) is pleased to provide this scope of services and budget amendment to cover out-of-scope additional services to the Carmel Area Wastewater District (District) for the Corona Road Sewer Extension project (Proposed Project). These services occurred in December 2022 and January 2023 as a result of changes to the Proposed Project's Area of Potential Effect, layout, and design. In addition, this scope of services and budget amendment includes costs for additional services associated with continued Native American outreach in support of Section 106 Native American Consultation. These out-of-scope services and proposed additional services are described in more detail below.

Out-of-Scope of Services

The following out-of-scope services were conducted for the Proposed Project between December 2022 and January 2023:

- Additional surveying based on revised pipeline, staging/laydown areas, and pump station locations provided by engineer.
- Coordinating project design changes, mapping, and GIS deliverables with District and project engineer.
- Revisions to Phase I Cultural Resources Report as a result of changes to the project design.
- Additional meetings with District staff and project engineer to coordinate on project changes and need for additional services.
- Revisions to Initial Study based on multiple project design changes.
- Additional site visit to document conditions at new laydown area.

Added Scope of Services

Add-On Task #1. Phase II Cultural Resources Evaluation

Albion prepared a Phase I Cultural Resources Assessment (CRA) under the first add-on for the proposed project, which identified cultural resources within the proposed project's Area of Potential Effect (APE) and Area of Direct Impact (ADI). The Phase I CRA recommended conducting a Phase II study of the precolonial cultural resource to evaluate significance under Section 106 and CEQA to assess the impacts of the proposed project to this resource. In addition this work would bring the proposed project into compliance with Caltrans specific requirements for cultural resources as outlined in the January 2014 *First Amended Programmatic Agreement among the Federal Highway Administration, the Advisory Council on Historic Preservation, the California State Historic Preservation Officer, and the California Department of Transportation Regarding Compliance with Section 106 of the National Historic Preservation Act* (Section 106 PA). This work would consist of the following subtasks:

Task #1.1. Management and Mobilization

This on-going task consists of contract management (including ongoing progress reports), meetings, and correspondence with the Project Team and Caltrans, pre-fieldwork mobilization, and project/staff management. This task also includes continued coordination with previously identified Native American groups and completing notification through the Underground Service Alert (USA) system to identify and locate existing underground utilities within areas selected for subsurface investigation.

Task #1.2. Prepare Archaeological Survey Report

Albion will prepare an Archaeological Survey Report (ASR) per Caltrans format for their review and approval. The ASR is a prerequisite to developing the Phase II Proposal discussed under Task 1.3. The ASR will be based on information provided in Albion's Phase I Cultural Resources Inventory (January 2023).

Task #1.3. Phase II Proposal

Albion will prepare and submit the required Phase II Proposal to Caltrans for approval prior to any fieldwork. The proposal will indicate the reasons for the study, the field methods to be used, and the thresholds that will determine when the study goals have been met. The proposal will also detail artifact analysis procedures, reporting standards, and arrangements for artifact curation. The proposal will also include a timetable for the proposed work and specify requirements for a Native American monitor.

Task #1.4. Phase II Fieldwork

Under this task, Albion proposes a program of archaeological evaluation to assess resource significance and effects/impacts under Section 106 and CEQA. The evaluation effort will include excavation of up to 10 Shovel Test Pits (STPs; 40 cm in diameter) to confirm the boundary of the previously mapped cultural resource within the Project's ADI and up to two (2) Surface Transect Units (STUs; 1.0 x 0.5 m) to assess the spatial extent and structure of the subsurface deposit. The units will be placed primarily on the east side of Highway 1 where the project design plans call for installation of sewer main (Attachment 1); at least one STP will be placed on the west side of Highway 1 adjacent to the proposed pumping station. Field testing in Phase II studies should be oriented toward the recovery of a sufficient sample of information critical to the integrity, research potential, and determination of eligibility while limiting disturbances to the site.

All material will be dry screened using 1/4-inch mesh, with a small sample from each unit level processed through 1/8-inch mesh. Features will be identified and mapped if encountered, and a 2-liter soil sample will be collected for microconstituent analyses.

Task #1.5. Artifact Analysis

Upon completion of fieldwork identified in Task 1.4, all materials will be delivered to Albion's laboratory in Santa Cruz for further processing. Items will be washed, sorted by material type, and sorted into artifact classes based on functional and morphological attributes. Artifacts will be cataloged in an Access database, then quantified and tabulated for the final report. Specialized

analysis may include radiocarbon dating, palaeobotanical studies, stone tool analysis, analyses, faunal analysis.

Task #1.6. CEQA/NHPA Phase II Evaluation Technical Report

The Phase II Report will be drafted following the Caltrans Guidelines for Phase II Reports. Albion's report will explicitly address the purpose for which the work was undertaken. We will provide basic documentation of any cultural materials that were recovered and the nature of the deposits that were encountered. We will include completed site records for any sites and completed Primary Record and Location maps for each isolate will be included as appendices to the report. The Department of Parks and Recreation (DPR) 523 forms will be completed in accordance with standards established by the Office of Historic Preservation. Albion will produce a polished Draft Phase II Report and assumes only two rounds of comments from Caltrans is needed to produce the Final Phase II Report.

Add-On Task #2: Additional Meetings and Project Management

DD&A proposes attendance/involvement in up to three (3) additional monthly meetings between the District, project engineer, Albion, and other parties as appropriate, to facilitate completion of all items described above under Task 1.

Costs

The estimated costs associated with the contract amendment are presented on the attached spreadsheet.

**DD&A, Inc. Cost Breakdown
for
Corona Road Sewer Extension Project
Add-On #2**

Task		Principal	Sr. Project Manager	Sr. Environmental Scientist	Assoc Planner/Scientist	Assistant Planner/Scientist	GIS/Computer Specialist	Admin/Editing	Hours Per Task	Subtasks	Cost Per Task
	Out of Scope Services	8	13	5	24	8	4	2	64		9,592.00
1	Phase II Cultural Resources Evaluation	2			4			1	7		1,077.00
2	Meetings and Project Management	4	2		4	2		2	14		2,234.00
	Total Hours	14	15	5	32	10	4	5	\$ 85		
	Hourly Rate	\$252.00	\$182.00	\$148.00	\$125.00	\$108.00	\$115.00	\$73.00			
	Total Labor	\$ 3,528	\$ 2,730	\$ 740	\$ 4,000	\$ 1,080	\$ 460	\$ 365			\$ 12,903
Subconsultants											
	Albion (Phase II Assessment, Monitoring, and Consultation)									\$ 42,847	
Subconsultant Subtotal											\$ 42,847
Expenses											
	Survey Equipment									\$ 225	
	Mileage (at current IRS mileage rate)									\$ 125	
	Miscellaneous (phone, fax, cellular, postage, courier etc)									\$ 250	
Expenses Subtotal											\$ 600
Subtotal											\$ 43,447
Administration Fee											\$ 6,517
Total Budget											\$ 62,867

Amendment No. 2 to Existing Contract
for Environmental Services
Carmel Area Wastewater District
P.O. Box 221428, Carmel, CA 93922
Tel: 831-624-1248 Fax: 831-624-0811

To: Denise Duffy & Associates

Date: March 30, 2023
POC: 1295

This Amendment No. 2 is made and entered into on this 30 day of March, 2023 to the Agreement for Environmental Services dated April 30, 2021 between the Carmel Area Wastewater District, hereinafter referred to as “District” and Denise Duffy & Associates, hereinafter referred to as “Consultant” for the Engineering Services for the Corona Road Sewer Extension Project #18-21, also known as Corona Road Assessment District.

RECITALS

- WHEREAS, District and Consultant entered into an Agreement executed on April 30, 2021 providing for Environmental Services for the Carmel Area Wastewater District Corona Road Assessment District Project for limited environmental services as summarized in their proposal dated October 13, 2020. (Original contract budget: \$25,900) and the District and Consultant amended the contract on September 29, 2022 to increase the scope to perform additional or amended services for complete environmental permitting for State Revolving Fund environmental requirements (Amendment 1 budget: \$56,200) for a total contract amount of \$82,100.
- WHEREAS, due to updated plans provided by the project engineer, additional Environmental work was conducted by the Consultant in order to meet the deadline for submittal of environmental review of the project for the full State Revolving Fund (SRF) application;
- WHEREAS, in addition to the cost of the extra work performed by the Consultant, it is necessary to approve Phase II Archaeologic field work to be performed by their subconsultant, Albion, in order to satisfy the results of the Section 106 Native American Consultation results due to the likely presence of Native American artifacts in the project area;
- Whereas, the District is authorizing as set forth herein to be known as Amendment No. 2; and whereas Consultant agrees to provide such services; now therefore the District and Consultant hereby agree to amend the Consultant Services Agreement Scope of Work to include the services described more fully in the proposal dated February 10, 2023 Attachment “A” and attached hereto:

Additional Services for SRF Environmental Package and additional Services associated with continued Native American outreach in support of Section 106 Native American Consultation.

AUTHORIZED CONTRACT PRICE – Amendment No. 2

Contract budget of \$62,867 for a total contract amount of \$144,967, which will not be exceeded without prior authorization from the District.

COMPLETION DUE DATE

It is expected that Denise Duffy & Associates would complete the services described in Attachment “A” within approximately four months after Notice-to-Proceed.

IN WITNESS WHEREOF, this Amendment is executed, by the duly authorized officers of each of the parties, effective on the date shown above.

Instructions: Sign and return the original. Upon acceptance by the District a copy will be signed by its authorized representative and returned to you. Insert below, the names of your authorized representative(s).

Contractor Name/Address

Denise Duffy & Associates
947 Cass Street, Suite 5
Monterey, CA 93940

Accepted for the District by:

By: _____

Name: Denise Duffy, Principal

Name: Barbara Buikema,
General Manager

Contractor's Authorized Representative(s)

District's Authorized Representative

Date: _____

Date: _____

RESOLUTION 2023-26

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A CONTRACT AMENDMENT No. 2 WITH DENISE DUFFY & ASSOCIATES TO PROVIDE ADDITIONAL ENVIRONMENTAL CONSULTING SERVICES FOR THE CORONA ROAD SEWER EXTENSION PROJECT #18-21 IN AN AMOUNT NOT TO EXCEED \$62,867

-oOo-

WHEREAS, the Corona Road Area Neighborhood have requested that the District pursue California State Revolving Fund grant funding for the Corona Road Sewer Extension project (Project) with a full grant application submittal deadline of April 1, 2023;

WHEREAS, the Board of Directors approved a contract on April 30, 2021 providing for Environmental Services for the Carmel Area Wastewater District Corona Road Assessment District Project for limited environmental services as summarized in their proposal dated October 13, 2020. (Original contract budget: \$25,900) and the District and Consultant amended the contract on September 29, 2022 to increase the scope to perform additional or amended services for complete environmental permitting for State Revolving Fund environmental requirements Amendment No. 1 for \$56,200 for a total contract amount of \$82,100.

WHEREAS, the District received a proposal from DD&A for an amendment to the contract to provide additional environmental and archaeological services for the Project; and

WHEREAS, in order to continue with completing the necessary environmental consulting services, the District must amend the contract with DD&A for the Project as summarized in their proposal dated February 10, 2023 in the amount of \$62,867, bringing the total contract amount to \$144,967.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Carmel Area Wastewater District, hereby authorizes the General Manager to enter into a contract amendment with DD&A to provide additional assessment district environmental consulting services for construction of a sewer in the vicinity of Corona Road in Carmel.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Carmel Area Wastewater District duly held on March 30, 2023.

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

Ken White, President of the Board

ATTEST:

Domine Barringer, Secretary to the Board

STAFF REPORT



To: Board of Directors

From: Barbara Buikema, General Manager

Date: March 30, 2023

Subject: Adopting a Memorandum of Agreement (“MOA”) between the County of Monterey and Carmel Area Wastewater District regarding the Carmel River Flood Plain Restoration and Environmental Enhancement Project (“CRFREE”)

RECOMMENDATION

It is recommended that the Board of Directors approve a resolution approving the Memorandum of Agreement between the County of Monterey and Carmel Area Wastewater District regarding the CRFREE Project and authorizing the General Manager to execute.

DISCUSSION

The County of Monterey and the District have been involved for the past two years in negotiations over a Memorandum of Agreement that will form the basis of a future Funding Agreement between the two agencies for the CRFREE Project.

We anticipate that Federal Emergency Management Agency will award funding by this summer. Due to the environmental constraints on when the work can be performed means that the District will likely put the project out to bid to begin work in 2025. We have agreed with the County that if they wish to begin grading on the east side of the highway prior to the pipeline undergrounding they may proceed. The MOA does preserve the District’s rights under California Environmental Quality Act, which ensures that the County will not notch the levies or allow water to flow through the causeway until our project is complete.

We anticipate there may be some future negotiations over the project cost as our estimates and the actual bids may prove to be greater than anticipated. The cost estimates were updated in 2022.

FUNDING

None. This agreement provides a framework for a future Funding Agreement between the District and the County of Monterey.

**MEMORANDUM OF AGREEMENT (MOA) BETWEEN COUNTY OF
MONTEREY AND CARMEL AREA WASTEWATER DISTRICT
REGARDING CARMEL RIVER FLOOD PLAIN RESTORATION AND
ENVIRONMENTAL ENHANCEMENT PROJECT**

This Memorandum of Agreement dated for reference purposes only March 30, 2023 (hereinafter, "**Agreement**") is entered into by and between the COUNTY OF MONTEREY ("**County**"), a political subdivision of the State of California, and the CARMEL AREA WASTEWATER DISTRICT ("**CAWD**"), a district organized in accordance with the California Sanitary District Act of 1923, (each a "**Party**" and collectively the "**Parties**"), effective as of the last date of signature by all Parties (the "**Effective Date**"), in reference to the facts and circumstances hereinafter described.

RECITALS

A. The lower reach of the Carmel River Basin was the site of multiple expensive and severe flooding incidents in 1958, 1995 and 1998. Since 1995, landowners and local agencies have been working collaboratively to develop a restoration concept for the lower Carmel River Basin to address flood control, environmental and habitat issues in the area.

B. In 2004, the California Department of Parks and Recreation ("**State Parks**") implemented the first phase of lower Carmel River restoration with the Carmel River Lagoon Restoration Project at Carmel River State Beach on the west side of State Route 1 ("**SR 1**").

C. Beginning in 2007, Big Sur Land Trust (BSLT) obtained several sources of federal and state grant funds to assess the feasibility of and to develop conceptual design plans for the next phase of lower Carmel River restoration, connecting the floodplain west of SR 1 with proposed restoration east of the highway corridor. The resulting plan is referred to as the Carmel River Floodplain Restoration and Environmental Enhancement Project (the "**CRFREE Project**" or "**Project**").

D. The Project is located immediately east and west of SR 1, just south of the existing Carmel River Bridge at the downstream end of the Carmel River Watershed, approximately one-half mile from the river mouth. The Project site is located on real property owned respectively by State Parks, BSLT, and Monterey Peninsula Regional Park District.

E. The Final Certified Environmental Impact Report/Environmental Assessment for the Project (as defined below) identifies two proposed interdependent components: i) the "**Floodplain Restoration**"; and ii) the "**Causeway**".

F. On November 1, 2010, the California Department of Transportation (“**Caltrans**”) approved a Project Study Report for the Causeway. The County and Caltrans entered into Cooperative Agreement No. 05-0234, effective May 6, 2014, for the construction of the Causeway component of the Project (the “**Cooperative Agreement**”). Through the Cooperative Agreement with Caltrans, the County is the Lead Agency for purposes of environmental review under the California Environmental Quality Act (CEQA), and Caltrans is the Lead Agency for the Causeway component of the Project in accordance with the requirements of the National Environmental Policy Act (NEPA).

G. In May 2015, the United States Fish and Wildlife Service (USFWS) and Caltrans District 5 Office of Local Assistance (as the delegated authority for the Federal Highway Administration [FHWA]¹) entered into an agreement to serve as the federal lead and cooperating agency, respectively, in accordance with the requirements of NEPA (40 CFR §1501). This cooperative agency relationship does not replace the Cooperative Agreement 0234 described in Recital F above.

H. On March 8, 2019, a Draft Environmental Impact Report/Environmental Assessment (“**Draft EIR/EA**”) on the Project was released for a 45-day public review period. Staff prepared a Final EIR/EA consisting of the Draft EIR/EA, Appendixes, Technical reports, comments, and responses to comments.

I. On January 28, 2020, the County Board of Supervisors certified the CRFREE Project Final Environmental Impact Report/Environmental Assessment (“**Final Certified EIR/EA**”) (Board of Supervisors Resolution No. 20-015).

J. On October 30, 2020, the U.S. Fish and Wildlife Service issued a Finding of No Significant Impact (FONSI).

K. On June 15, 2021, the County Board of Supervisors approved the Project, which is the Preferred Alternative described in the Final Certified EIR/EA, authorized County staff to apply for and obtain permits and entitlements for the Project, and adopted a Mitigation Monitoring and Reporting Program that incorporates the mitigation measures from the Draft EIR/EA, instead of the Final Certified EIR/EA.

L. CRFREE Project planning, design, construction, and other pre-construction and post-construction expenses are funded through a combination of state and federal grant funds. The County has obtained and continues to seek additional grant funding for the Project from state and federal agencies.

¹ Memorandum of Understanding between the Federal Highway Administration and the California Department of Transportation for improvements to the state highway system per the California Streets and Highway Code sections 114 and 130 (June 4, 2014).

M. CAWD is an independent special district that provides collection, treatment, and disposal of wastewater for an approximate 5.5 square mile service area. The service area includes Carmel-by-the-Sea and surrounding areas in unincorporated Monterey County. CAWD operates a wastewater treatment plant on the south bank of the Carmel River. CAWD's facilities include a treated wastewater outfall pipeline and a sewage force main ("**CAWD Pipelines**") within the south arm of the Carmel River Lagoon within unincorporated Monterey County.

N. The Final Certified EIR/EA on the CRFREE Project concluded that, under the proposed Project conditions, increases in flood elevation, flow velocities and debris flow forces during a 10-year flood event have potentially adverse impacts, made less than significant with the Mitigation Measures on the CAWD Pipelines set forth in the EIR/EA as Mitigation Measures HF-3, HF-4 and HF-5, as recited below. The Final Certified EIR/EA identified that, in light of CAWD's need to ensure the long-term viability of its infrastructure taken together with the impacts of the Project on the CAWD Pipelines, the preferred approach to protect the CAWD Pipelines from the potential increased flow velocity and woody debris is to place the CAWD Pipelines underground below the south arm of the Carmel River Lagoon or other sufficient equivalent measure within the discretion of CAWD to determine ("**Undergrounding Project**").

O. The Final Certified EIR/EA included the following final mitigation measures (the "Mitigation Measures") to avoid the potential physical impacts of the CRFREE Project (referenced therein as "Proposed Project") on the CAWD Pipelines:

HF-3 The County shall avoid the potential impacts to the existing CAWD outfall and sewer force main pipelines by phasing construction of the Proposed Project so that the Undergrounding Project is complete prior to any Proposed Project changes to the existing floodplain conditions. The Proposed Project shall include the following measures to protect the CAWD outfall and sewer force main pipelines from any negative impacts from the Proposed Project:

1. The existing south bank river levee will remain intact until the Undergrounding Project is complete and CAWD has provided timely written notification to the County of completion.
2. The temporary SR 1 detour road, which will be constructed to an elevation equal to the existing SR 1 embankment to function as a barrier to maintain flows equal to the existing condition during a flood event, shall remain intact until the Undergrounding Project is complete and CAWD has provided timely written notification to the County of completion.

HF-4 If the Proposed Project proceeds, the Undergrounding Project is necessary to avoid potentially significant impacts to CAWD's infrastructure.

The County shall negotiate in good faith for an agreement with CAWD to address funding and implementation of the Undergrounding Project in order to avoid potential impacts of the Proposed Project.

HF-5 The County shall not issue a Notice to Proceed to commence construction of the Proposed Project until all of the following have occurred:

A. The County has received in writing the following assurances from CAWD:

1. CAWD has obtained all required governmental approvals to proceed with the Undergrounding Project; and
2. CAWD has awarded a construction contract to construct the Undergrounding Project; and

B. The County shall not issue a Notice to Proceed to commence construction of the Proposed Project unless and until CAWD has provided written assurance that, in its opinion, the necessary funding for the Undergrounding Project has been secured in order for CAWD to proceed, and the County has concurred.

C. The agreement referenced in HF-4 between CAWD and County has been fully executed.

(As used herein, “Notice to Proceed” means authorization to the contractor to commence construction.)

P. On or about August 26, 2021, CAWD adopted a Mitigated Negative Declaration (“**CAWD MND**”) and approved the “CRFREE Mitigation Pipeline Undergrounding Project”, which CAWD describes as a project “to replace existing wastewater pipelines that currently span the south arm of the Carmel River Lagoon with new pipelines installed deep below the bed of the lagoon so that they would not be subject to damage by increased river flows in the south arm created by the CRFREE project being proposed by Monterey County.”

Q. CAWD was awarded a grant in the amount of \$750,000 from the State Coastal Conservancy (Agreement Number 19-48 dated May 29, 2020) for funding of certain costs of the Undergrounding Project, as set forth therein (the “**SCC Grant**”).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the Parties agree as follows:

1. PURPOSE OF AGREEMENT

1.01 The purpose of this Agreement is to set forth the parties' mutual understandings and interim agreements during the Term (as defined in Section 7 below) of this Agreement with respect to County's contribution to funding of the Undergrounding Project, the payment procedures, and coordination of construction of the Undergrounding Project and CRFREE Project. CAWD and the County intend to negotiate in good faith a mutually agreeable final and definitive "**Funding Agreement**," the terms of which shall be acceptable to each Party in such Party's sole and absolute discretion, and CAWD shall be responsible for preparing the initial draft of such Funding Agreement. Upon execution of such Funding Agreement, the obligations of the Parties under this Agreement shall be superseded by such Funding Agreement and this Agreement shall terminate.

2. GENERAL TERMS

2.01 The most recent cost estimate for the Undergrounding Project, at 90 percent design, was prepared in July 2022 (the "**2022 Construction Costs Estimate**"). The 2022 Construction Cost Estimate was approximately \$8,000,000, and CAWD believes that the 2022 Construction Cost Estimate is now not an accurate estimate due to continuing and significant increases in construction costs resulting from adverse changes and continuing uncertainty in market conditions, increased costs of construction materials and labor, increased inflation, continuing supply chain disruptions, and other factors. Promptly following approval and execution of this Agreement by both parties, CAWD shall undertake an updated cost estimate which shall include all costs required to plan, construct and complete the Undergrounding Project, including without limitation direct construction costs, soft costs associated with the planning, managing and monitoring of construction, and a design estimating contingency of fifteen percent (15%), but shall not include CAWD internal staff time (hereafter, the "**Updated 2022 Construction Costs Estimate**"). The Updated 2022 Construction Costs Estimate shall not include CAWD's expenditures to date for CAWD's design, planning, environmental review, and entitlement of the Undergrounding Project (in the aggregate, "**CAWD Planning Costs**"), but only to the extent that such costs have been or will be funded by the SCC Grant. For the reasons described above, CAWD believes that the Updated 2022 Construction Costs Estimate may exceed the 2022 Construction Costs Estimate. Prior to the approval and execution of the Funding Agreement, CAWD may undertake a further updated construction cost estimate consistent with the requirements for the Updated 2022 Construction Costs Estimate as set forth in this Section 2.01, or the County may, by written notice to CAWD, request that CAWD undertake such further updated construction cost estimate.

2.02 The Parties intend that the Undergrounding Project shall be funded by grants to the maximum extent feasible.

2.03 County acknowledges the importance to CAWD of the Mitigation Measures HF-3, HF-4, and HF-5, and that the Mitigation Measures were the result of lengthy negotiations between the County and CAWD in the months leading up to the certification of the Final EIR by the County Board of Supervisors.

County acknowledges and agrees that (i) the County shall notify CAWD at least thirty days in advance of any intent to modify the Mitigation Measures, which were included in the Final Certified EIR/EA to avoid potential physical impacts of the CRFREE Project on the CAWD Pipelines, (ii) promptly following any such notice, at least twenty business days in advance of any scheduled County action to modify the Mitigation Measures the County and CAWD shall meet and confer in good faith to endeavor to avoid any adverse impacts on the CAWD Pipelines that could result from any such proposed modifications, (iii) in connection with construction of the CRFREE Project, the County shall fully comply with and implement the Mitigation Measures in such a manner as to avoid any adverse impacts on the CAWD Pipelines, (iv) any proposed modification to the Mitigation Measures HF-3, HF-4, and HF-5 shall be subject to environmental review pursuant to California Environment Quality Act (CEQA) and any action to modify the Mitigation Measures shall be reviewed and considered by the Board of Supervisors of the County of Monterey and adopted by a vote of at least three members of said Board in order to be effective, (v) CAWD shall be given timely prior actual notice of all County agendas that contain any item regarding said Mitigation Measures, and (vi) CAWD shall bear no financial responsibility or obligation for funding the construction costs and any costs in excess of the Updated 2022 Construction Costs Estimate (hereafter, the “Total Construction Costs”), unless CAWD in its sole and absolute discretion agrees in writing in the future to bear any such additional costs in the course of construction of the Undergrounding Project. The payment terms herein are also intended to accommodate CAWD’s requirement that CAWD not be responsible to advance any of its funds for payments of Total Construction Costs to CAWD’s contractors.

2.04 County shall include the Undergrounding Project in its applications for grants for the CRFREE Project. County or CAWD will be the grant applicant/recipient depending on the funding source and criteria. Costs incurred by CAWD in excess of the Updated 2022 Construction Costs Estimate will be addressed in the Funding Agreement as further described below.

2.05 The Parties acknowledge that, no later than May 31st of the year preceding the start of construction of the Undergrounding Project, all funding source(s) for the Undergrounding Project must be secured by the County and a Funding Agreement must be executed by the Parties. If this deadline is not met, the Parties shall meet and confer to assess options for starting construction in the following year.

2.06 CAWD shall administer the public contracting process for the Undergrounding Project, including developing plans and specifications, going out to bid, and awarding the bid. Throughout the process, CAWD shall consult in good faith with the County for the purposes of the following: a) cost control; b) timing of construction; and c) coordination with the CRFREE Project.

2.07 If the final construction bids for the Undergrounding Project exceed the Updated 2022 Construction Costs Estimate, CAWD shall confer with the County before awarding any final construction contracts for the Undergrounding Project. CAWD and the County shall consider options to address such excess construction costs, including rejecting all bids and taking steps necessary to reduce costs (such as changes to plans and specifications) or taking steps necessary to raise additional funds. CAWD shall not award any construction contracts for bids that exceed the Updated 2022 Construction Costs Estimate unless County agrees in writing. CAWD and the County acknowledge and agree that CAWD's administration of the public contracting and bidding process, and the effectiveness of all contracts for the Undergrounding Project shall be conditioned upon County's receipt of all necessary funding as further provided in the Funding Agreement.

2.08 If, during the course of construction of the Undergrounding Project, cost overruns are incurred or anticipated to be incurred, CAWD shall promptly notify the County, and County and CAWD shall meet and confer as soon as practicable. CAWD will exercise due diligence and use commercially reasonable efforts to prevent or avoid cost overruns during construction, shall analyze change orders and claims by contractors that could result in cost overruns, and shall engage with its contractors to attempt to reduce or compromise contractor claims that could result in a cost overrun. If, after following this process, CAWD determines in good faith and documents that a cost overrun is required to complete the Undergrounding Project, County shall secure additional sources of funding to cover any such required cost overruns, and CAWD shall cooperate with the County in securing such additional funding, as reasonably requested by the County. County, in partnership with Project co-sponsor BSLT, shall make all commercially reasonable efforts to secure additional sources of funds to cover required cost overruns not covered by existing grant funds. If, despite such efforts, the County and BSLT are unable to secure necessary additional funds, the Parties and BSLT shall meet and develop a mutually agreeable resolution.

2.09 CAWD shall be responsible for selecting and contracting with the contractors for the Undergrounding Project and shall be responsible for making payment to its contractors. CAWD anticipates that the number of its contractors will be approximately five, including a general contractor for construction and additional contractors for engineering services, construction management, and biological, archaeological, and tribal cultural monitoring during construction. CAWD shall comply with all federal, state, and local regulations in the selection of contractors for the Undergrounding Project and in the construction process.

County shall have no liability or legal responsibility for selection of contractors. Except as otherwise provided in this Memorandum of Agreement and the Funding Agreement, County shall have no legal or financial liability for the construction of the Undergrounding Project or for any disputes, claims, or litigation that may arise in connection with the design or construction of the Undergrounding Project.

3.0 PAYMENT PROCESS

3.01 For the purpose of enabling CAWD to pay the above-referenced contractors for the Undergrounding Project, County will provide advance funding to CAWD on a progress basis pursuant to the procedures specified herein. County will require a certified invoice for specific work already done by CAWD's contractors before County will advance funds to CAWD to pay its contractors for such work.

3.02 CAWD shall certify each contractor's invoice(s) as true and accurate before submitting such invoice to the County. CAWD shall also review each such invoice for completeness, meaning it contains all the information required by the County for obtaining reimbursement from the specific granting agency within five (5) business days of receipt of such invoices. For the purposes of this Agreement "business days" means Monday through Friday, excluding Federal and State holidays.

3.03 For construction contractor invoices, CAWD shall submit the complete certified invoices within five (5) business days of the receipt of the invoices. For non-construction contractor invoices, CAWD shall submit the complete, certified invoices to the County Department of Housing and Community Development (HCD) on a periodic basis, no more than two (2) times per month. Invoices shall be transmitted via email. The Parties understand that County HCD may not meet the timelines herein if CAWD submits certified invoices more frequently, submits invoices individually rather than in batches, or submits invoices that are not complete or not certified.

3.04 County HCD staff will promptly review the certified invoices from CAWD. If a certified invoice is complete as defined in Section 3.02 of this Agreement, County HCD staff will submit the complete, certified invoice to the County Auditor for payment. The County Auditor-Controller will transfer funds to CAWD by electronic funds transfer (via Automatic Clearing House, 'ACH') for receipt of such funds by CAWD no later than twenty (20) calendar days of the County Auditor-Controller's receipt of the complete, certified invoices from CAWD.

3.05 County will fund on a timely basis all payments to CAWD pursuant to Section 3.04 above. Without limiting County's obligations under Section 4.01, County shall be responsible for all costs, liabilities, losses, and any other damages if it fails to timely advance funding to CAWD within the times set forth in this Article 3.

3.06 CAWD will make payment to its contractors in the amount of the invoice certified for payment. CAWD will provide to the County written proof of such payment to its contractors and such other documentation as County may reasonably require in order for County to obtain reimbursement from the appropriate grant funding agency.

3.07 Without limiting or modifying County's reimbursement obligations hereunder, County will promptly and diligently seek reimbursement from the appropriate grant funding agency for the payment made to CAWD for CAWD contractors' work.

4.0 INDEMNITY

Each Party agrees that it will be responsible for its own acts and the results thereof and shall not be responsible for the acts of the other Parties hereto or the results thereof. Each Party ("**Indemnifying Party**") shall indemnify, defend, and hold harmless the other Party, its directors, officers, agents, attorneys and employees ("**Indemnified Party**"), from and against any and all claims, liabilities, and losses for damages to property and injuries to or death of persons (including without limitation court costs and reasonable attorneys' fees) incurred by any and all third parties in connection with the Indemnifying Party's performance or activities (including without limitation any action or inaction of either the Indemnifying Party or any action or inaction of the Indemnifying Party's officers, employees, agents, contractors, and subcontractors) in connection with the CRFREE Project, the Undergrounding Project or this Agreement, but only to the extent such claims, liabilities, and losses are caused by or result from the negligent or intentional acts or omissions of the Indemnifying Party, its officers, employees, and agents; provided however, in no event shall the Indemnifying Party be liable to the Indemnified Party for any special, consequential, special or punitive damages, nor shall any Indemnifying Party be liable to any Indemnified Party for any claims, liabilities and losses arising out of the willful misconduct or gross negligence of the Indemnified Party, its officers, employees, and agents. In the event of a claim or litigation brought against one or more of the Parties by a third party challenging the approval of this Agreement, the Parties agree to cooperate in the defense of said claim or litigation. The obligations of each Party under this Section 4 shall survive termination of this Agreement. Additionally, termination of this Agreement shall not nullify any of the Parties' obligations under funding sources, Project permits and entitlements.

5.0 INSURANCE

Each Party shall, at its sole cost, insure or self-insure its activities and indemnification obligations in connection with this Agreement from its inception and shall keep in force and maintain insurance or self-insurance as follows: general liability, business automobile liability, workers compensation and such other insurance as may be necessary to provide coverage for its performance under this Agreement. Further, each Party shall require its agents, contractors, subcontractors and/or assignees in connection with the CRFREE Project and the Undergrounding Project (i) to indemnify, defend and hold harmless all Parties in respect to claims or liability which arise from the negligence or willful misconduct of said indemnifying agents, contractors, subcontractors and/or assignees and (ii) to carry insurance or self-insurance meeting the requirements of this section commensurate with the standards of the industry.

6.0 DISPUTE RESOLUTION

In the event of any dispute between the Parties regarding the CRFREE Project the Undergrounding Project, or any matter arising out of this Agreement, the County and CAWD shall meet and confer and make a good faith effort to resolve the dispute before commencing any litigation for a period not to exceed fifteen (15) business days. Each Party shall bear its own attorneys' fees and costs as specified in Section 8.07, including with respect to any alternative dispute resolution proceeding between the Parties arising out of this Agreement.

7.0 TERM AND TERMINATION

7.01 This Agreement shall continue in full force and effect from the Effective Date until terminated as set forth below (the "**Term**").

7.02 If the County is not able to secure grant funds for the Updated 2022 Construction Costs Estimate or the parties do not enter into the Funding Agreement by October 1, 2024, CAWD and County will meet and confer, and this Agreement may be terminated upon mutual written agreement of the Parties. If not terminated sooner, this Agreement will terminate upon mutual written agreement of the Parties when construction of the Undergrounding Project is complete, and all monetary transactions contemplated under this Agreement have been fully performed and completed to the reasonable satisfaction of both Parties.

7.03 This Agreement shall terminate upon the execution by the Parties of the approved Funding Agreement.

7.04 Termination of this Agreement shall not nullify either Party's obligations under third-party funding agreements to which it is a party.

8.0 MISCELLANEOUS

8.01 Any notice or communication required by this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, sent by overnight mail service with capacity to track delivery, sent by prepaid registered mail, or sent by confirmed email transmission, addressed to the other Party at the address set forth below, or such other address as such Party hereto may hereafter specify in writing to the other Party:

The County of Monterey
Attn: Erik V. Lundquist, AICP, Director
Housing and Community Development Department
1441 Schilling Place
Salinas CA 93901
Tel: (831) 755-5025
E-mail: lundquiste@co.monterey.ca.us

Carmel Area Wastewater District Attn:
Barbara Buikema, General Manager
P.O. Box 221428 Carmel,
CA 93922

8.02 This Agreement may be modified or amended only by written agreement of the Parties.

8.03 This Agreement shall be governed by the laws of the State of California.

8.04 Headings and captions in this Agreement are to facilitate reference only and do not form a part of this Agreement and shall not affect the interpretation hereof.

8.05 Each Party represents to the other that each has the full authority to perform its obligations under this Agreement and that the person executing this Agreement has the authority to bind it.

8.06 This Agreement is not intended to create, nor shall it be construed to be, a joint venture, association, partnership, franchise or other form of business relation. None of the Parties shall have, nor hold itself out as having, any right, power or authority to assume, create or incur any expenses, liability, or obligation on behalf of the other Parties, except as expressly set forth herein.

8.07 Each Party shall bear its own attorneys' fees and expenses and staff costs in the preparation and review of this Agreement. In the event that any Party hereto institutes an action or proceeding for a declaration of the rights of the Parties under this Agreement, for injunctive relief, for an alleged breach or default of this Agreement, or the transactions contemplated hereby, or in the event any Party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, each Party shall bear its own costs and attorneys' fees.

- 8.08 This Agreement, together with all Exhibits hereto and documents referred to herein, if any, constitute the entire agreement among the Parties hereto with respect to the subject matter hereof, and supersedes and replaces any and all prior understandings or agreements with respect thereto, including those understandings and agreements in letters, correspondence, memoranda or other expressions of intent from either party hereto or its agents that are prior to or contemporaneous in time to this Agreement.
- 8.09 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.
- 8.10 If any provision of this Agreement is deemed by a court of competent jurisdiction to be unenforceable under applicable law, the remaining provisions shall in no way be affected and shall remain in full force.

SIGNATURES APPEAR ON THE NEXT PAGE

IN WITNESS WHEREOF, this Agreement is executed on the dates set forth below by the duly authorized representatives identified below:

COUNTY OF MONTEREY

By: _____
Erik V. Lundquist, AICP, Director Housing Community Development

Date: _____

Approved as to form:

Leslie J. Girard, County Counsel

By: _____
Mary Grace Perry, Deputy County Counsel

Date: _____

CARMEL AREA WASTEWATER DISTRICT

By: _____
[Barbara Buikema, General Manager]

Date: _____

Approved as to form:

District Counsel

By: _____

Date: _____

RESOLUTION NO. 2023-27

A RESOLUTION ADOPTING A MEMORANDUM OF AGREEMENT (MOA) BETWEEN COUNTY OF MONTEREY AND CARMEL AREA WASTEWATER DISTRICT (“District”) REGARDING CARMEL RIVER FLOOD PLAIN RESTORATION AND ENVIRONMENTAL ENHANCEMENT PROJECT

-oOo-

WHEREAS, the lower reach of the Carmel River Basin was the site of multiple flooding incidents in 1958, 1995 and 1998. Since 1995, landowners and local agencies have been working collaboratively to address a restoration concept for the lower Carmel River Basin to address flood control, and environmental and habitat issues in the area; and

WHEREAS, beginning in 2007 the Big Sur Land Trust began to develop conceptual design plans for the next phase of the lower Carmel River restoration, connecting the floodplain west of State Route 1 with proposed restoration east of the highway corridor. The resulting plan is referred to as the Carmel River Floodplain Restoration and Environmental Enhancement Project (“CRFREE”); and

WHEREAS, the final certified Environmental Impact Report/Environmental Assessment (“EIR/EA”) on the CRFREE Project concluded that, under the proposed Project conditions, increases in flood elevation, flow velocities and debris flow forces during a 10-year flood event have potentially adverse impacts, made less than significant with the Mitigation Measures on the CAWD Pipelines set forth in the EIR/EA as Mitigation Measures HF-3, HF-4 and HF-5. The Final Certified EIR/EA identified the preferred approach to protect the CAWD Pipelines from the potential increased flow velocity and woody debris is to place the CAWD Pipelines underground (“Undergrounding Project”) below the south arm of the Carmel River Lagoon, and

WHEREAS, the County of Monterey and the District agree to set forth the parties mutual understandings and interim agreements during the Term of this Agreement with respect to County’s contribution to funding of the Undergrounding Project, the payment procedures, and coordination of construction.

The District and Monterey County intend to negotiate a "Funding Agreement" and upon execution of said Funding Agreement the obligations of the parties under the Memorandum of Agreement shall be superseded by the Funding Agreement and this Agreement shall terminate.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Carmel Area Wastewater District that they approve of the attached Memorandum of Agreement and authorize the General Manager to execute said agreement.

PASSED AND ADOPTED by the Board of Directors of the Carmel Area Wastewater District on March 30, 2023 by the following vote:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:
ABSTAIN:	BOARD MEMBERS:

Ken White, President of the Board

ATTEST:

Domine Barringer, Secretary to the Board

STAFF REPORT



To: Board of Directors

From: Barbara Buikema, General Manager

Date: March 30, 2023

Subject: Adopting a Debt Management Policy in Compliance with California Government Code Section 8855(i), as Amended and Effective January 1, 2017.

RECOMMENDATION

It is recommended that the Board of Directors approve a resolution adopting a Debt Management Policy in compliance with California Government Code Section 8855(i), as amended and effective January 1, 2017.

DISCUSSION

In order to receive a State Revolving Fund loan for the Corona Road Sewer Extension project, the District needs to adopt a Debt Management Policy that is in compliance with state law. The deadline for the grant application is April 1, 2023 and the policy is required to be adopted prior to that date.

In 1981 the California legislature established the California Debt Advisory Commission as the State's clearing house for public debt issuance information and required it to assist state and local agencies with the monitoring, issuance and management of public debt. In 1996 the Legislature changed the name to the California Debt and Investment Advisory Commission (CDIAC) and expanded its mission to cover public investment and to provide information, education and technical assistance on debt issuance and public fund investment to local agencies and public finance professionals. In September 2016 the Legislature enacted Senate Bill 1029 which became effective January 1, 2017, which further amended the CDIA requirements. In particular, Government Code Section 8855 was amended to require that all governmental entities establish a debt management policy if any form of debt is being contemplated or anticipated to be issued by the entity.

Government Code Section 8855, as amended by SB 1029, requires:

- CDIAC to track and report on all state and local outstanding debt until fully repaid or redeemed.
- The report of proposed debt includes a certification by the issuer that it has adopted local debt policies, which include specified provisions concerning the use of debt and that the contemplated debt issuance is consistent with those local debt policies.
- A state or local public agency to submit an annual report for any issue of debt.

This attached document prepared for the Board of Director's consideration and approval is required by CDIAC, which meets all of the requirements of Section 8855, yet preserves flexibility for the District in managing its debt.

FUNDING

None. This policy provides a general framework for all future District debt issuances.

Subject: Debt Management Policy	Number:
Effective Date: March 30, 2023	Prepared by: Administration
	Approved by: Board of Directors

I. Purpose

The purpose of this Debt Management Policy (“Policy”) is to organize and formalize debt issuance and management related policies and procedures for the Carmel Area Wastewater District (the “District”). The debt policies and procedures of the District are subject to and limited by applicable provisions of the State of California (“State”) and federal law and to prudent debt management principles.

II. Scope

This Policy is intended to comply with State Government Code Section 8855(i) which became effective on January 1, 2017, and will apply to all future debt considerations and issuances by the District or for which the Board of Directors of the District (“Board”) acts as the legislative body of other legal entities.

III. Objective

The primary objectives of the District’s debt and financing related activities are to:

- Maintain cost-effective access to the capital markets through prudent fiscal management policies and practices;
- Judicious debt service commitments will be made through effective planning and cash management;
- Ensure compliance with all applicable federal and state securities laws;
- Achieve the highest practical credit ratings within the context of the District’s financing needs and financing capabilities;
- Ensure that all debt is structures in order to protect both current and future taxpayers, ratepayers and constituents of the District; and

- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

IV. Assignment of Responsibility

This Policy will govern the issuance and management of all future debt issued by the District. This Policy will be reviewed and updated periodically as necessary. Any changes to the Policy will be approved by the Board of Directors. The Board of Directors is responsible for overall policy direction of this Policy, as well as the authorization of each debt financing. The General Manager will be responsible for implementation of the Policy, as well as its day-to-day administration.

The District recognizes that, while this Policy provides guidance and structure for the decisions and management of the District's debt, changes in capital markets, District programs and other unforeseen circumstances may arise that are not addressed in this Policy. In these cases, flexibility is appropriate and modifications or exceptions to this Policy may be necessary to achieve the District's goals. Minor modifications or exceptions may be made by the General Manager without approval by the Board of Directors. Significant modifications or exceptions will be approved by the Board of Directors.

V. Debt Issuance

a. Purpose of Debt Issuance

The District's debt management program will consider debt issuance in cases where public policy, generational equity and economic efficiency provide a benefit to the residents of the District.

The District will utilize debt obligations and will give due consideration to all available funding sources, including available cash reserves, available current revenues, potential future revenue sources, potential grants, and all other financing sources legally available to be used for such purposes.

Expenditure of bond proceeds are expected to fund major, non-recurring expenditures/expenses, including but not limited to: the financing of costs related to capital project planning and design, environmental, land acquisition, real property, and equipment acquisition, the construction or renovation of buildings and permanent structure, financing costs related to debt issuance, capitalized interest, necessary or financially prudent debt service reserves, or other costs as permitted by law. Refunding or refinancing existing debt obligations are acceptable uses of bond proceeds.

b. Types of Debt

The District will evaluate the use of appropriate financing tools available as permitted by the State Constitution and applicable State statutes. These financing tools will be considered in order to secure the most cost advantageous financing available while limiting the District's risk exposure. Types of debt may include, but are not limited to:

- Lease revenue bonds
- Certificates of participation
- Revenue bonds
- Land-secured financing, such as special tax bonds and assessment bonds
- General obligation bonds
- Tax increment financing
- Conduit financing, such as financing for affordable rental housing and qualified 501(c)(3) organizations
- Refunding/refinancing existing debt obligations
- Short term notes
- Lease-purchase transactions
- Letters of credit and revolving credit

The District will also consider the advantages of a negotiated or competitive bond sale and recognizes that a standard, all-purpose approach to debt financing does not serve the best interest of the District. The District will consider the unique combination of factors such as the type of debt needed, funding stream, market conditions and District programs to structure each debt issuance.

c. Debt Structuring Practices

The maximum term of any debt issuance will not exceed the useful life of the assets funded from the financing. Capitalized interest and deferral of principal may be considered but not required during construction of a debt-funded project. Fixed rate debt is preferred but the District may consider the appropriateness of variable rate debt when considering financial market conditions and risk factors.

d. Financing Options

In general, debt may be issued to fund new projects or to refinance existing debt.

- New Debt:

New debt issuances are used to generate funding for capital projects. These funds will be used for necessary land acquisitions, capital construction, equipment, related financing costs, and other necessary costs that would deliver a project for the District.

- Refinancing Existing Debt:

A periodic review of the District's outstanding debt will be undertaken by the Administration Department of the District to determine refunding opportunities.

Refunding bonds are issued to retire all or a portion of an outstanding bond issue, typically to secure lower interest rates and to reduce overall debt service. Alternatively, some refunding is undertaken for reasons other than to achieve cost savings, such as to restructure debt service payments, to change the type of debt instruments being used, or to eliminate undesirable covenants.

A present value savings analysis will be prepared to identify the economic effects of any refunding being considered by the District. The savings from any refunding candidate shall generally be at least 3% of the refunded principal amount, net of all transaction expenses.

This 3% target may be waived by the District upon finding that such a refunding is in the District's best overall financial interest and shall not be applicable for refunding transactions that are not solely undertaken to achieve cost savings.

e. Integration with District Capital Improvement Plan and Budgets

The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. In addition, the District maintain multi-year Capital Improvement Program ("CIP") to establish and monitor priorities for projects. If debt is selected as a funding mechanism for a capital purpose, the District would integrate its debt issuances with the goals of the CIP by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes and in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund budget.

Debt issuances will be for the purposes stated in this Policy and to implement policy decisions incorporated through the District's annual operations budget as well as the CIP.

VI. Policy Goals

The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable State and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

VII. Consultants

The District will, when appropriate and given the specific requirements of the financing, secure the services of independent financial advisors, underwriters, disclosure counsel, bond counsel, appraisal services and other service providers.

VIII. Investment of Bond Proceeds

Bond proceeds will be invested according to the District's investment policy or the indenture of fiscal agent management, if applicable. The District will not invest bond proceeds derivatives unless the District adopts a separate comprehensive derivatives policy.

IX. Ongoing Administration of Internal Controls

When issuing debt, in addition to complying with the terms of this Policy, the District will comply with any other applicable policies regarding initial disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will accurately account for all debt-related activity to ensure that debt proceeds are directed to their intended use. These records will also be designed to ensure that the District maintains compliance with all debt covenants, as well as State and federal laws. The District will maintain a system of reporting interest earnings that relates to and complies with Internal Revenue Code requirements relating to rebate, yield limits and arbitrage.

X. Compliance

a. Initial Disclosure

In accordance with California Government Code Section 8855 ("Section 8855"), the District will submit a report of final sale to the California Debt and Investment Advisory Commission, not later than 21 days following the sale of debt.

A copy of the final official statement shall accompany the report of final sale for publicly offered debt. In the event that the official statement has not yet been finalized, the District will provide documentation to satisfy the requirements of Section 8855, as necessary.

b. Ongoing Disclosure

The District will maintain compliance with the regulations set forth in Section 8855 and Rule 15(c)2-12 under the Securities Exchange Act of 1934.

The District will file an annual report; and annual financial information with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA). The reports will be made timely and in accordance with the District's continuing disclosure undertakings.

The District will submit an annual report for any issue of debt whose final sale occurred on or after January 21, 2017. The annual report will cover the reporting period July 1st through June 30th and will be submitted no later than seven months following the end of the reporting period.

XI. Adoption by Legislative Body

In accordance with Section 8855, the District adopted this Policy. In implementing this Policy from time to time, interpretations and variations may be made at the discretion of the General Manager or Principal Accountant, without approval of the Board of Directors, as determined by such person to be in the best interests of the District or its constituents, and/or for purposes of administrative efficiency or convenience or to comply with new applicable federal, State, or local law.

RESOLUTION NO. 2023-28

A RESOLUTION ADOPTING A DEBT MANAGEMENT POLICY IN COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 8855(i)

-oOo-

WHEREAS, Senate Bill 1029 has amended California Government Code Section 8855(i), which now requires public agencies to certify to the California Debt and Advisory Commission on their report of proposed debt issuance submitted prior to the issuance of any debt that they have adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with those debt policies; and

WHEREAS, THE Board of Directors is considering the issuance of debt to finance the Corona Road Sewer Extension Project; and

WHEREAS, the Board of Directors desires to adopt the Debt Management Policy attached as Exhibit A hereto (the "Debt Management Policy"), which conforms to the requirements of Government Code Section 8855(i).

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Carmel Area Wastewater District that:

1. Recitals: The recitals set forth above are true and correct, and by this reference incorporated herein.
2. Approval of Debt Management Policy: The Board of Directors hereby adopts the Debt Management Policy set forth in Exhibit A attached hereto and incorporated herein by this reference.
3. Effective Date. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Directors of the Carmel Area Wastewater District on March 30, 2023 by the following vote:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:
ABSTAIN:	BOARD MEMBERS:

Ken White, President of the Board

ATTEST:

Domine Barringer, Secretary to the Board

General Manager - Oral Report

Other Items Before the Board

STAFF REPORT



To: Board of Directors

From: Chris Foley, Maintenance Superintendent
Barbara Buikema, General Manager

Date: March 30, 2023

Subject: 2023-24 Preliminary Budget

RECOMMENDATION

Staff recommends the Board pass a motion accepting the fiscal year (FY) 2023-2024 Preliminary Budget.

DISCUSSION

Attached under separate cover is the Carmel Area Wastewater Districts FY 2023-2024 Preliminary Budget document for your review. The Budget-in-Brief may be found in the opening pages of the Preliminary Budget document. Staff has provided a streamlined version of the Preliminary Budget and the full budget in June will contain all narrative elements.

The Preliminary Budget must be accepted at this time in order to proceed with preparation of the Prop 218 rate notice and provide the 45 days of public notice as required by law. Included is a summary of major budget items, recommended by staff, and approved by the Budget and Salary & Benefits Committee.

The Budget Committee completed its review of the Operations & Maintenance Budget and Rate Model on March 20, 2023. Staff would like to acknowledge the leadership and guidance of the Budget Committee and the Salary & Benefits Committee. The Board has consistently stood behind the District's mission statement and commitment to not only protect the public health and the environment, but to do so in the most cost-effective manner possible. It is not an easy task to position a small agency to undertake and implement planning for the long term. While acknowledging both the short and long term needs for the District, there has been a commitment to fund those needs. Ultimately, the ability to fund gives the District the ability to make its own decisions and guide both the present and future in serving the public.

Staff Report



TO: Board of Directors

FROM: Chris Foley, Maintenance Superintendent
Barbara Buikema, General Manager

DATE: March 30, 2023

SUBJECT: 2023-2024 Preliminary Rate Model

RECOMMENDATION

This is a preliminary rate model only. Final approval of proposed 2023-2024 rates will occur at the June 2023 Board meeting. A motion to accept this model will permit staff to move forward with the Prop 218 notice using the proposed rates and provide the 45 days of public notice as required by law. This allows for the public to register a protest with the District prior to finalizing the rates at the June 29th board meeting.

DISCUSSION

We have attached the rate model sheets for fiscal year 2023-2024. As in the past, we continue to utilize the rate model and guidelines provided by the State Water Resources Control Board (SWRCB).

The option presented was approved by the Budget Committee for release to the full board. In looking at the rate model summary page you will note:

- The left side of the spreadsheet provides historical data.
- The middle section is the result of the SWRCB model.
- The right side of the spreadsheet shows the rates approved by the Budget Committee. Because we utilize the property tax rolls all amounts must be in even numbers.

For the District’s largest customer category, residential rates comprise roughly 60% of our customer base and the proposed dollar rate increase of \$5.25 per month is equivalent to 6.26%. In selecting the rate model for the coming year, and all years into the future, the District needs to decide how it wants to meet its goals. The District is well enough in advance of any move date to plan thoroughly and act accordingly to reach our goals. What is critical is that the entire Board agrees on the roadmap of how and when we make each step forward.

Below is a history of Capital Replacement funding built into the District’s rate model since 2012.

Fiscal Year	Total
2012-13	\$250,000
2013-14	\$500,000
2014-15	\$750,000
2015-16	\$750,000
2016-17	\$1,000,000
2017-18	\$1,200,000
2018-19	\$1,300,000
2019-20	\$1,650,000
2020-21	\$1,650,000
2021-22	\$2,275,000
2022-23	\$2,500,000
2023-24	\$3,500,000

The additional \$1M added to the Capital Replacement Reserve is allocated for Sea Level Rise.

The Preliminary Rate Model will be used for the Prop 218 Notice; therefore, it is necessary for the Board to give their consent.

FINANCIAL

The proposed rate model would provide \$10,561,013 in revenues.

Attachment: \$3.5M Capital Replacement

Summary Rate Model History 3.5M Capital

06/30/23

User Group	Count	Units	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	% Change	Model 23-24			Proposed Rates 23-24				
														Rates	% Change	Annual Est. Revenue	Annual Rates	Monthly Rate	% Change 2023-24	Annual Est. Revenue	
Veterinary Offices	3	each	1,039.90	1,242.32	1,406.20	1,496.16	1,621.48	1,748.92	1,892.64	1,938.78	2,043.50	2,288.83	12.01%	2,465.16	7.70%	7,395.48	2,465.16	205.43	7.70%	7,395.48	
Animal Hosp & Board	1	each	3,416.82	3,549.50	4,017.72	4,277.74	4,636.04	5,000.44	5,411.36	5,543.28	5,608.98	6,511.87	16.10%	7,013.55	7.70%	7,013.55	7,013.56	584.46	7.70%	7,013.56	
Bakery	4	each	1,885.36	2,198.30	2,369.08	2,487.40	2,726.44	3,002.30	3,163.94	3,339.10	3,351.22	3,743.88	11.72%	3,853.88	2.94%	15,415.50	3,853.88	321.16	2.94%	15,415.50	
Bar	28	each	724.30	864.82	981.04	1,049.60	1,136.96	1,225.20	1,327.44	1,358.00	1,374.58	1,579.63	14.92%	1,704.11	7.88%	47,714.95	1,704.12	142.01	7.88%	47,715.23	
Beauty Salon	32	each	601.98	717.46	819.78	867.32	937.98	1,012.12	1,100.86	1,121.26	1,136.28	1,331.31	17.16%	1,444.18	8.48%	46,213.78	1,444.18	120.35	8.48%	46,213.78	
Business/Govt/Retail	935	per 10 employees	274.94	311.50	355.02	391.92	424.10	456.10	495.42	505.36	511.94	612.48	19.64%	662.45	8.16%	619,387.51	662.46	55.20	8.16%	619,396.86	
Camera/Photo	2	each	382.04	456.96	515.96	540.98	586.62	633.34	684.52	702.20	710.04	799.14	12.55%	858.51	7.43%	1,717.03	858.52	71.54	7.43%	1,717.05	
Church/Synagogue/M	33	ERU = 150	401.46	478.50	546.72	582.88	630.36	677.20	736.58	750.24	760.26	887.94	16.79%	963.18	8.47%	31,784.85	963.18	80.26	8.47%	31,784.85	
Conv. Hospital	9	beds	217.94	260.20	295.10	309.56	335.34	361.40	391.50	400.58	405.48	472.38	16.50%	509.73	7.91%	4,587.61	509.74	42.48	7.91%	4,587.70	
Dental Office	15	each Dentist	408.88	485.80	561.02	588.36	634.78	678.92	742.66	751.60	763.14	914.52	19.84%	1,000.64	9.42%	15,009.63	1,000.64	83.39	9.42%	15,009.63	
Gym/Health Spa	3	each	514.08	612.82	699.50	752.92	814.44	875.36	951.58	969.84	982.70	1,161.50	18.19%	1,259.25	8.42%	3,777.74	1,259.26	104.94	8.42%	3,777.77	
Hotel/Motel	1,256	room	232.94	260.68	295.60	320.50	347.20	381.48	413.22	422.82	428.08	477.64	11.58%	514.95	7.81%	646,773.79	514.96	42.91	7.81%	646,786.35	
Laundromats	29	per machine	493.92	587.30	676.40	727.10	784.92	840.48	918.06	930.62	944.46	1,143.94	21.12%	1,244.63	8.80%	36,094.23	1,244.64	103.72	8.80%	36,094.52	
Laundry	3	each	1,884.96	2,262.74	2,514.96	2,691.76	2,929.36	3,183.98	3,411.96	3,533.92	3,564.90	3,968.94	11.33%	4,210.39	6.08%	12,631.18	4,210.40	350.87	6.08%	12,631.21	
Market	19	each	872.22	1,053.90	1,143.46	1,200.06	1,313.28	1,442.00	1,525.26	1,603.04	1,610.36	1,840.42	14.29%	1,901.27	3.31%	36,124.14	1,901.28	158.44	3.31%	36,124.33	
Medical Office	21	each Physician	216.50	247.18	283.18	299.62	318.16	334.26	364.94	364.94	359.92	440.49	22.39%	440.49	0.00%	9,250.29	440.50	36.71	0.00%	9,250.50	
Residential	7,113	each	463.46	514.32	575.46	647.14	703.18	767.84	825.78	851.84	877.58	1,005.94	14.63%	1,068.96	6.26%	7,603,492.72	1,068.96	89.08	6.26%	7,603,492.72	
Restaurants	14,400	Seat/Meal	35.90	43.36	46.98	49.36	54.02	59.36	62.74	65.98	66.32	74.40	12.18%	77.05	3.57%	1,109,567.01	77.06	6.42	3.58%	1,109,711.01	
Schools	2,500	Population	17.46	20.76	23.88	26.84	28.98	31.04	33.90	34.36	34.88	42.23	21.07%	46.01	8.95%	115,022.77	46.02	3.83	8.97%	115,047.77	
Service Stations	26	per pump	1,504.86	1,619.06	1,830.54	1,940.98	2,104.06	2,270.46	2,455.60	2,517.14	2,546.00	2,947.48	15.77%	3,170.57	7.57%	82,434.83	3,170.58	264.22	7.57%	82,435.09	
Supermarkets	2	each	14,639.80	14,152.08	15,350.08	16,915.86	18,513.28	20,330.52	21,500.58	21,601.64	22,703.94	25,502.45	12.33%	26,379.08	3.44%	52,758.17	26,379.08	2198.26	3.44%	52,758.17	
SPECIAL	57	ERU=150	402.96	480.32	548.60	594.48	642.96	690.84	751.26	765.36	775.56	916.18	18.13%	993.94	8.49%	56,654.43	993.94	82.83	8.49%	56,654.43	
TOTALS															\$10,560,821.19			\$10,561,013.51			

Proposed vs. Model 192.32

			Model	Proposed
		% Change	6.26%	6.26%
Prior Year	83.83	Current Yr Monthly \$ increase	\$89.08	\$89.08
			\$5.25	\$5.25

**CARMEL AREA WASTEWATER DISTRICT - REVENUE PROGRAM
FORM 1 - SUMMARY OF USERS AND WASTEWATER CHARACTERISTICS**

6/30/23

USER GROUP	COUNT	UNITS	FLOW (gpd/unit)	ADWF (MGD)	BOD (mg/l)	SS (mg/l)	DESIGN FLOW (MGD)	BOD (lbs/day)	SS (lbs/day)	VOLUME (MG)	BOD (lbs)	SS (lbs)
Veterinary Offices	3	each	355	0.0011	245	410	0.0011	2.176	3.642	0.389	794	1,329
Animal Hosp & Boarding	1	each	1,010	0.0010	245	410	0.0010	2.064	3.454	0.369	753	1,261
Bakery	4	each	260	0.0010	1,150	1,800	0.0010	9.975	15.612	0.380	3,641	5,698
Bar	28	each	250	0.0070	225	395	0.0070	13.136	23.060	2.555	4,794	8,417
Camera/Photo	32	each	225	0.0072	165	345	0.0072	9.908	20.717	2.628	3,616	7,561
Business/Govt/Retail	935	per 10 employees	100	0.0935	225	330	0.0935	175.453	257.331	34.128	64,038	93,923
Camera/Photo	2	each	120	0.0002	175	580	0.0002	0.350	1.161	0.088	128	424
Church/Synagogue/Mission	33	ERU = 150	150	0.0050	155	360	0.0050	6.399	14.862	1.807	2,336	5,424
Conv. Hospital	9	beds	75	0.0007	245	360	0.0007	1.379	2.027	0.246	503	740
Dental Office	15	each Dentist	170	0.0026	140	200	0.0026	2.977	4.253	0.931	1,087	1,552
Gym/Health Spa	3	each	195	0.0006	185	330	0.0006	0.903	1.610	0.214	329	588
Hotel/Motel	1,256	room	75	0.0942	290	320	0.0942	227.832	251.401	34.383	83,156	91,758
Laundromats	29	per machine	200	0.0058	150	300	0.0058	7.256	14.512	2.117	2,648	5,297
Laundry	3	each	500	0.0015	415	670	0.0015	5.192	8.382	0.548	1,895	3,059
Market	19	each	140	0.0027	1,100	1,450	0.0027	24.403	32.167	0.971	8,907	11,741
Medical Office	21	each Physician	87	0.0018	155	180	0.0018	2.362	2.743	0.667	862	1,001
Minimum/Vacant/Storage	0	each	0	0.0000	0	0	0.0000	0.000	0.000	0.000	0	0
Public	0	ERU=175	0	0.0000	0	0	0.0000	0.000	0.000	0.000	0	0
Residential	7,113	each	130	0.9247	410	610	0.9247	3,161.885	4,704.268	337.512	1,154,050	1,717,001
Restaurants	14,400	Seat/Meal	6	0.0864	1,100	1,200	0.0864	792.634	864.691	31.536	289,302	315,602
Schools	2,500	Population	8	0.0188	150	270	0.0188	23.456	42.221	6.844	8,561	15,410
Service Stations	26	per pump	450	0.0117	195	515	0.0117	19.028	50.253	4.271	6,945	18,342
Supermarkets	2	each	2,000	0.0040	900	1,600	0.0040	30.024	53.376	1.460	10,958	19,482
Theaters	0	Seats	3	0.0000	200	285	0.0000	0.000	0.000	0.000	0	0
SPECIAL	57	ERU~150	155	0.0088	160	350	0.0088	11.789	25.789	3.225	4,303	9,413
TOTALS			6,664	1.2802	424	599	1.2802	4,530.58	6,397.53	467.265	1,653,607	2,335,022

**CARMEL AREA WASTEWATER DISTRICT - REVENUE PROGRAM
FORM 5 - SUMMARY OF FUND COSTS - O & M**

06/30/23

USER GROUPS	COUNT	FLOW		BOD		SS		TOTAL ANNUAL REVENUE	AVERAGE ANNUAL REVENUE	AVERAGE MONTHLY REVENUE
		UNIT COST= 12,908.87		UNIT COST= 1.369808032		UNIT COST= 0.970162405				
		FLOW - MG	DOLLARS	BOD - lbs.	DOLLARS	SS-lbs.	DOLLARS			
Veterinary Offices	3	0.389	5,018	794	1,088	1,329	1,290	7,395	2,465.16	205.43
Camera/Photo	1	0.369	4,759	753	1,032	1,261	1,223	7,014	7,013.55	584.46
Bakery	4	0.380	4,900	3,641	4,987	5,698	5,528	15,416	3,853.88	321.16
Bar	28	2.555	32,982	4,794	6,567	8,417	8,166	47,715	1,704.11	142.01
Beauty Salon	32	2.628	33,925	3,616	4,954	7,561	7,336	46,214	1,444.18	120.35
Business/Govt/Retail	935	34.128	440,547	64,038	87,720	93,923	91,120	619,388	662.45	55.20
Camera/Photo	2	0.088	1,131	128	175	424	411	1,717	858.51	71.54
Church/Synagogue/Mission	33	1.807	23,323	2,336	3,199	5,424	5,263	31,785	963.18	80.26
Conv. Hospital	9	0.246	3,180	503	690	740	718	4,588	509.73	42.48
Dental Office	15	0.931	12,015	1,087	1,489	1,552	1,506	15,010	1,000.64	83.39
Gym/Health Spa	3	0.214	2,756	329	451	588	570	3,778	1,259.25	104.94
Hotel/Motel	1,256	34.383	443,846	83,156	113,908	91,758	89,020	646,774	514.95	42.91
Laundromats	29	2.117	27,328	2,648	3,628	5,297	5,139	36,094	1,244.63	103.72
Laundry	3	0.548	7,068	1,895	2,596	3,059	2,968	12,631	4,210.39	350.87
Market	19	0.971	12,533	8,907	12,201	11,741	11,390	36,124	1,901.27	158.44
Medical Office	21	0.667	8,608	862	1,181	1,001	971	10,760	512.40	42.70
Minimum/Vacant/Storage	0	0.000	0	0	0	0	0	0	0.00	0.00
Public	0	0.000	0	0	0	0	0	0	0.00	0.00
Residential	7,113	337.512	4,356,895	1,154,050	1,580,827	1,717,001	1,665,770	7,603,493	1,068.96	89.08
Restaurants	14,400	31.536	407,094	289,302	396,288	315,602	306,185	1,109,567	77.05	6.42
Schools	2,500	6.844	88,345	8,561	11,727	15,410	14,950	115,023	46.01	3.83
Service Stations	26	4.271	55,127	6,945	9,513	18,342	17,794	82,435	3,170.57	264.21
Supermarkets	2	1.460	18,847	10,958	15,011	19,482	18,900	52,758	26,379.08	2,198.26
Theaters	0	0.000	0	0	0	0	0	0	0.00	0.00
Special	57	3.225	41,628	4,303	5,894	9,413	9,132	56,654	993.94	82.83
TOTALS		467.265	6,031,856	1,653,607	2,265,124	2,335,022	2,265,351	10,562,331	61,854	5,154

STAFF REPORT



To: Board of Directors

From: Barbara Buikema, General Manager

Date: March 30, 2023

Subject: Carmel Area Wastewater District Footnote Disclosure Audit
Amendment-Section 115

RECOMMENDATION

It is recommended that the Board of Directors accept the amended footnote disclosure language regarding Investment in Section 115 for the Annual Audited Financial Statement ending 06-30-22.

DISCUSSION

At the February 2023 meeting the Board requested that an amendment be made to the published annual audited financial statement because of an omission in the comment section.

The omission was in the comments section, Note 4-Cash and Investments (item A), of the audit, on page 43. The Pun Group originally described the District's CalPERS Section 115 investment as being solely in the Strategy 1 portfolio, with only a reference to Strategy 2 in the second paragraph, not showing a corresponding comparison in table reference. The corrected version changes the description to reflect the split between Strategy 1 and Strategy 2 in table format.

Attached is page 43 as seen in the original document and the corrected version. Please request a full copy of the corrected audit if so desired. The correction will be posted on the District's website.

FUNDING- There is no financial impact on the correction of the omission.

Carmel Area Wastewater District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2022 and 2021

Note 4 – Cash and Investments (Continued)

A. Primary Government (Continued)

Investment in Section 115 Trust

The District established a Section 115 trust account with the CalPERS California Employers' Pension Prefunding Trust (CEPPT) Fund. CEPPT holds assets that are legally restricted for use in administering the District's pension plan. Trust account holders can select one of two strategy options for investments. The District selected the CEPPT asset allocation Strategy 1 portfolio which seeks to provide capital appreciation and income consistent with its strategic asset allocation. The CEPPT Strategy 1 portfolio is invested in various asset classes that are passively managed to an index. CalPERS periodically adjusts the composition of the portfolio in order to match the target allocations. Generally, equities are intended to help build the value of the portfolio over the long term, while bonds are intended to help provide income and stability of principal.

Also, strategies invested in a higher percentage of equities seek higher investment returns (but assume more risk) compared with strategies invested in a higher percentage of bonds. Compared with CEPPT Strategy 2, this portfolio has a higher allocation of equities than bonds. The CEPPT Strategy 1 portfolio consists of the following asset classes and corresponding benchmarks:

Asset Class	Target Allocation	Target Range	Benchmark
Global equity	40%	+/- 5%	MSCI All Country World Index IMI (net)
Fixed income	47%	+/- 5%	Bloomberg Barclays U.S. Aggregate Bond Index
Treasury Inflation-Protected Securities (TIPS)	5%	+/- 5%	Bloomberg Barclays U.S. TIPS Index, Series L
Real Estate Investment Trusts (REITs)	8%	+/- 5%	FTSE EPRA/NAREIT Developed Index (net)
Cash	0%	+/- 5%	91 day Treasury bill
Total	100%		

At June 30, 2022 and 2021, the District had \$445,210 and \$0, respectively, invested in the Fund.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the maturity date and yield of each investment:

The outstanding maturities on the District's investments were the following at June 30, 2022:

Investment Type	Total	Remaining Maturity (in Months) 12 Months or Less
Local Agency Investment Fund	\$ 1,198,228	\$ 1,198,228
Monterey County investment pool	42,106,113	42,106,113
Investment in Section 115 trust	445,210	445,210
Total	\$ 43,749,551	\$ 43,749,551

Carmel Area Wastewater District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2022 and 2021

Note 4 – Cash and Investments (Continued)

A. Primary Government (Continued)

Investment in Section 115 Trust

The District established a Section 115 trust account with the CalPERS California Employers' Pension Prefunding Trust (CEPPT) Fund. CEPPT holds assets that are legally restricted for use in administering the District's pension plan. Trust account holders can select one of two strategy options for investments. The District decided to divide its investment between asset allocation Strategy 1 and Strategy 2 to provide capital appreciation and income consistent with its strategic asset allocation. Both portfolios are invested in various asset classes that are passively managed to an index. CalPERS periodically adjusts the composition of the portfolio in order to match the target allocations. Generally, equities are intended to help build the value of the portfolio over the long term, while bonds are intended to help provide income and stability of principal.

Also, strategies invested in a higher percentage of equities seek higher investment returns (but assume more risk) compared with strategies invested in a higher percentage of bonds. The CEPPT Strategy 1 and Strategy 2 portfolios consist of the following asset classes and corresponding benchmarks:

Asset Class	Strategy 1 Target Allocation	Strategy 2 Target Allocation	Target Range	Benchmark
Global equity	37%	21%	+/- 5%	MSCI All Country World Index IMI (net)
Fixed income	44%	61%	+/- 5%	Bloomberg Barclays U.S. Aggregate Bond Index
Treasury Inflation-Protected Securities (TIPS)	5%	9%	+/- 5%	Bloomberg Barclays U.S. TIPS Index, Series L
Real Estate Investment Trusts (REITs)	14%	9%	+/- 5%	FTSE EPRA/NAREIT Developed Index (net)
Cash	0%	0%	+/- 5%	91 day Treasury bill
Total	100%	100%		

At June 30, 2022 and 2021, the District had \$445,210 and \$0, respectively, invested in the Fund.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the maturity date and yield of each investment:

The outstanding maturities on the District's investments were the following at June 30, 2022:

Investment Type	Total	Remaining Maturity (in Months) 12 Months or Less
Local Agency Investment Fund	\$ 1,198,228	\$ 1,198,228
Monterey County investment pool	42,106,113	42,106,113
Investment in Section 115 trust	445,210	445,210
Total	\$ 43,749,551	\$ 43,749,551

STAFF REPORT



To: Board of Directors
 From: Barbara Buikema, General Manager
 Date: March 30, 2023
 Subject: Annexation Fee Cost Recovery

RECOMMENDATION

This is informational for discussion purposes only.

DISCUSSION

At the February 2023 meeting the Board consensus was to agendize annexation costs for additional discussion.

I have attached the February 2023 staff report for your review. This report demonstrates the impact of 6% inflation on the costs over 10 and 20 years. In retrospect my estimated inflation rate might be too high, the past ten year average consumer price index for the San Francisco area is 3.15%, therefore I have recalculated using the lower rate.

2016 Annexation					
Total Cost	\$70,514.81		Starting Amount	\$168.70	\$168.70
# ERU	418		Number of Periods	10	20
Individual Cost	\$168.70		Interest Rate	3.15%	3.15%
				\$230.04	\$313.69

ERU = Equivalent Residential Unit

At 3.15% interest the investment will not reach \$450 until 31-32 years out.

2020 Annexation					
Total Cost	\$66,620.14		Starting Amount	\$93.83	\$93.83
# ERU	710		Number of Periods	10	20
Individual Cost	\$93.83		Interest Rate	3.15%	3.15%
			Future Value	\$127.95	\$174.47

For the 2020 Annexation the investment will not reach \$450 until 50-51 years out.

Again, the caveat is that staff labor is not included in this calculation, if it were it to be included the time frame would shorten. From a practical standpoint staff assumes that their labor costs are absorbed in the difference between cost set by Ordinance No. 85-02 and current year cost. For example, assume staff labor is \$24K (160 hrs. at current payroll rate) for the 2020 Annexation, that would change the individual cost to \$127.63 per ERU. In this scenario, the costs reach \$450 in 40-41 years.

FUNDING

The 2015 and 2020 Annexation projects were paid out of District Operations & Maintenance budget.

The question was how does the District ensure that it recovers the lost potential investment of those funds? It is impossible to predict how quickly connections will happen; however, should the 2016 Annexation happen within 30 years the District will recover its costs plus investment opportunity. For the 2020 Annexation that timeline is a bit longer, at 40 years.

The advantage of maintaining the \$450 annexation fixed cost is that the amount is reasonable with respect to the unknown connection timeline and the adopted accounting process required is minimal. It is an equitable position for the constituents because without the District's annexation efforts, it would cost, at current dollars, roughly \$6K for an individual to annex on their own.

STAFF REPORT



TO: Board of Directors

FROM: Barbara Buikema, General Manager

DATE: February 23, 2023

SUBJECT: Annexation Cost Recovery

RECOMMENDATION

This is informational for discussion purposes only.

DISCUSSION

Annexation fees are imposed as a condition of incorporating areas outside present District boundaries to pay for costs of adding the property to the District. Such costs include, but are not limited to, professional fees (engineering, legal, accounting, financial consultants, etc.) and the District's administrative costs.

The 2016 & 2021 "Mass" Annexation projects were a result of the District's interest in taking a more proactive and comprehensive approach to updating its Sphere of Influence (SOI) and service area boundaries to meet current and future needs. Proactive mass expansion of the District's SOI and boundaries greatly reduced the need for the inefficient, "parcel-by-parcel" approach. The piecemeal approach resulted in boundary growth that was not always contiguous to the existing District boundaries. Taking a proactive mass approach allows the District to reserve capacity for those developed and existing legal lots, which are currently either served by septic systems or undeveloped legal lots of record in a more cost effective approach for constituents and allows for a more uniform neighborhood approach.

Sphere of Influence amendments and annexations historically have occurred as service needs arose over time. In contrast, initiating "mass" annexations will help to gradually reduce the number of individual septic systems in the area by reducing the regulatory hurdle presented. Reducing the number of septic systems in the Carmel River watershed is a public health benefit that has been a long-standing objective of the County Environmental Health Department and would align with the District's mission statement.

In Ordinance 85-02 the District refers to “Special Asset Fee” as one paid for by specially serving only a limited or designated area with the District and each equivalent residential unit being charged a fee of \$450 (specifically for the Carmel Valley Trunk Line). Over time, except for properties that were individually annexed and costs could be collected for that property, the District has maintained the \$450 dollar fee without any adjustment. In 2016 and again in 2020 we entered into “Mass” Annexations in order to make it easier for those willing to convert from septic to sewer to join the District.

While we have maintained the 1985 charge of \$450 the reality is that we do not know when and if people will connect to the District. We believe by proactively annexing these parcels it will encourage connection. However, we also have studies in the District library from the 1970s that predicted all of Carmel Valley, out to the village, would be on sewer service by now. So much for predictions.

2016 Annexation					
Total Cost	\$70,514.81		Starting Amount	\$168.70	\$168.70
# ERU	418		Number of Periods	10	20
Individual cost	\$168.70		Interest Rate	6%	6%
			Future Value	\$302.12	\$541.12

2020 Annexation					
Total Cost	\$66,620.14		Starting Amount	\$93.83	\$93.83
# ERU	710		Number of Periods	10	20
Individual cost	\$93.83		Interest Rate	6%	6%
			Future Value	\$168.04	\$300.93

ERU = Equivalent Residential Unit

The question asked at the January 2023 Board meeting was “are we getting our return on money” with annexation fees? The answer, as seen above, is maybe. The unknown variable is how long the District will have to front its money before repayment. We simply do not know the answer to that question. And rather than recalculate the fee each year we have maintained it at \$450 because it can almost be called “de minimis” inasmuch as the parcels involved benefit greatly by being part of the “mass annexation” but the District must wait to be repaid. Parcels that proceed on their own end up paying anywhere from \$6,000 - \$15,000 to complete the legal/environmental requirements.

FINANCIAL

Undetermined at this time. However, in general, if parcels connect to the District in a short period of time the \$450 fee will be more than adequate to cover our costs. If the District has to wait in excess of 20 years then there is the chance that we will not completely cover all costs. Please note that the numbers above do not include staff labor – including labor would increase the per unit charge and thereby decrease the number of years it would take to recover the value of \$450.



STAFF REPORT

To: Board of Directors

From: Barbara Buikema, General Manager

Date: March 30, 2023

Subject: Director Compensation Allowances At Different Agencies In Monterey Bay Area

RECOMMENDATION

Staff requests further direction from the Board regarding Director compensation.

DISCUSSION

Board meeting compensation:

At the February 2023 meeting the Board requested information on Director compensation in the area. Compensation was last established under Ordinance No. 2002-02 on July 18, 2002 as follows:

Type of Meeting	Board President	Directors
Regular board meeting	\$200	\$150
Assigned PBCSD meetings		\$150
Committee meetings		\$ 50
State Executive meetings		\$ 50
Conferences		\$ 50/day

Maximum monthly compensation is \$600.

Special District board member compensation is set by the legislature. Carmel Area Wastewater District (CAWD) is granted its authority under the Health and Safety Code § 6489 which states "...each of the members of the board shall receive compensation in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of six days in any calendar months."

A special district may increase compensation above \$100 by Water Codes § 20201 with the following requirements: (1) it must do so via ordinance, (2) the increase may not exceed 5% for each calendar year following the operative date of the last adjustment, and (3) voters may petition for a referendum on the ordinance increasing compensation. As part of the ordinance requirement, the board must hold a public hearing for discussion of the compensation increase and publish a notice of the hearing. Voter referendums may result in the ordinance appearing on a regular election or special election ballot for voter approval. If the ordinance is struck down by voters, the special district board will be prohibited from adopting a new compensation increase ordinance for at least one year.

Reimbursement for job-related expenses:

The District has statutory authority to reimburse board members for expenses but are required to abide by the procedures set out in Government Code § 53232.2-53232.4. In general, the district must only reimburse board members for “actual and necessary expenses” incurred in the performance of official duties and adopt a written policy that specifies the types of expenses that may be reimbursed. CAWD’s reimbursement policy was approved in 2012 and amended in 2019 to clarify the use of personal vehicles.

Other requirements on board members include the filing of expense reports and providing brief oral reports on the meetings requiring reimbursement.

District board member benefits:

All special district board members may receive group insurance benefits if the board elects to do so under Government Code § 53201 and 53205.1. Benefits can include medical, dental, vision, and life insurance. CAWD offers its board members dental insurance only. California state law is relatively silent on the procedures a special district must take to adopt a benefits policy for its board members. The Attorney General has concluded that a special district may take action in any appropriate manner, whether by ordinance, resolution, motion or otherwise. The Brown Act requires changes in compensation, including fringe benefits, to be made during an open meeting.

Attached is a survey of local agencies around the Monterey Bay area on board member compensation. Please note that the County and cities may have different statutory requirements than a special district.

FUNDING

Current funding levels are provided for in our operating budget. Any changes in level funding would need to come from general reserves.

2023 Director Compensation Allowances

Agency	Salary Based	Regular Meeting	Special Meeting	Standing Committee	Ad Hoc Committee	Conference/Training	Comments
Carmel Area Wastewater District		\$150 / \$200 (a)	\$150	\$50	\$50	\$50/day	
Monterey Peninsula Regional Park District		\$100	\$100	\$100	\$100	Travel Allowance but no stipend	\$500.00 monthly max \$7,000 annual max
Monterey Regional Waste Management District		\$100	\$100	\$100	\$100	no travel allowance	Pay for mileage-\$500.00 monthly max \$7,000 annual max
City of Pacific Grove (City Council)	Paid biweekly -\$700/month for Mayor and \$420.00/Council Member via Ordinance- via written notice Mayor & City Council may decline compensation						Elected officials are eligible to participate in Cal Pers-Medical Insurance If in PERS, Parking Priviledges, Travel Expenses only if authorized to extend funds are appropriated in the annual budget.
Monterey Bay Air Resources District (MBARD)		\$100 (in person + mileage) \$50.00 via Zoom	\$100 (in person + mileage) \$50.00 via Zoom	100 (in person + mileage) \$50.00 via Zoom	100 (in person + mileage) \$50.00 via Zoom	\$100 (In person + mileage) \$50.00 via Zoom	Will be going back to in person meetings shortly. Additional notes: Plus mileage - If going out of state staff or Director requires Board approval
City of Marina	Council Member \$200/month and mayor \$250/month	\$200/\$250/month	\$200/\$250/month	\$200/\$250/month	\$200/\$250/month	\$200/\$250/month	Looking into updating Ordinance the 1990
PBCSD Current		\$100	\$50 - this includes board appointed trustees who are not employees of the District	50	50	100	Written report must be provided regarding the activity attended at the next regular board meeting. The \$50.00 stipend is for CAWD/PBCSD meetings, Del Monte Forest, PBCSD Pension, Monterey County Special District Association, Any other meeting that a Director is assigned by the Board to attend. A Director or a Board appointed trustee shall not receive compensation for more than \$100.00 for each day of service or for more than six days of service in a calendar month. Increase in stipend amount is done by Ordinance. GM determines if attendance by employees for events and if it is in the best interest of the district. Directors must have travel request approved in ADVANCE by the Board and report must be submitted to the Board at next meeting.
City of Monterey (City Council)	Annual rate Mayor \$8,112.00. Council Members \$5,160.00-Effective 7-1-22 to 6-30-22						
Monterey County Water Resources Agency		100	100	100	100		Direct reimbursements are paid for by the District
City of Seaside (City Council)	Monthly Salary of \$400 paid on 1st regular pay day of each month. Taxes, retirement contribution, and any benefit deductions are taken out of the check.	\$100/per meeting limit to one per month	100	100	100		Add'l stipends may be paid to serve as City Representative on other outside committees. These stipends are determined, and paid, by the outside agency. Health benefits/Dental/Visions
City of Carmel-by-the Sea	Medical 85% city pays/15% Council Member pays, Dental, Vision VSP there is no charge to Council because the City pays for these items. Reimbursement is provided for any travel/training	\$150/per month for all meetings/ Mayor is paid \$200/month	\$150/per month for all meetings/ Mayor is paid \$200/month	\$150/per month for all meetings/ Mayor is paid \$200/month	\$150/per month for all meetings/ Mayor is paid \$200/month	\$150/per month for all meetings/ Mayor is paid \$200/month	
Monterey Peninsula Water Management District (MPWMD)	Annual Salary Maximum is \$16,200(\$1350*12=\$16,200)-Limit of 10 meetings per year \$1,350 (\$135*10) annual max	\$135	\$135	\$135	\$135	\$135	Direct reimbursements are paid for by the District
Marina Coast Water District	\$600 monthly maximum/typical directors make \$150/\$200 a month	\$50	\$50	\$50	\$50	\$50	Max \$600 monthly maximum

2023 Director Stipend Allowances

Agency	Salary Based	Regular Meeting	Special Meeting	Standing Committee	Ad Hoc Committee	Conference/Training	Comments
Monterey One Water		\$100	\$100	\$100	\$100	\$100	Not to exceed a total of six in a any calendar month/capped at max 4 meetings for total compensation of \$400.00 in any calendar month.
<p>Compensation as used in this ordinance shall include basic salary, and such health and welfare benefits authorized by Sections 53200 et seq., Government Code, which are provided to management elected officials of the County, viz., medical and dental benefits, optical plan and group insurance and other health and welfare benefits granted to such officials under those sections. Each member of the Board of Supervisors shall receive as annual compensation a sum equal to fifty (50) percent of the annual salary for the office of municipal court judge as now prescribed by the legislature and the actual amount of increases as may hereafter be prescribed by law, prior to December 15, 1995. The compensation for services rendered shall be payable in the manner provided to management elected officials in the County. Effective July 1, 2016, the annual salary of each member of the Board of Supervisors shall be adjusted by the percentage rate of adjustment applicable to the office of superior court judge. A notice of any adjustment in compensation paid to members of the Board of Supervisors shall appear on the agenda of a regular meeting of the Board of Supervisors at least ten (10) days prior to the date such adjustment is implemented; however, the effective date of such adjustment shall be the date any adjustment is effective for superior court judges.</p>							
Monterey County CAO							The Chairperson in addition to the amount specified in Section 704.370 of the Monterey County Code shall receive an additional annual sum of two thousand dollars (\$2,000.00) payable pro rata every two weeks.
City of Watsonville (City Council)	Annual Salary Maximum is = \$7,657.68 (638.14*12)/Mayor is paid \$738.14/month total salary of \$8,857.68. There is also a \$3K travel/event/training	Paid per month					Each council member is paid \$3K for training, events, travel in addition to the monthly salary City also pays \$10 a month for term life insurance for all council members
City of Santa Cruz(City Council)	\$1,710.35 Council Members/Mayor \$3,420.68						
City of Capitola (City Council)	Annual Salary Maximum is \$7,920/Monthly payout of \$660.00 (12)	Paid per month	\$150	\$150	\$150	\$150	

(a) CAWD Board President Paid \$200/meeting

Information/Discussion Items

STAFF REPORT



To: Board of Directors

From: Barbara Buikema, General Manager

Date: March 30, 2023

Subject: General Manager's Role as Pension Plan Trustee

RECOMMENDATION

Staff requests further direction from the Board regarding this item.

DISCUSSION

Director Siegfried requested that the Board agendize the General Manager's role as Pension Plan Trustee and there was a Board consensus to agendize this item at the March meeting. Currently, the design of the committee is such that each trustee has an equal voice in making decisions on the committee.

There are five areas of possible focus on this topic:

Trustee Definition in Plan Document:

There are few limitations in the plan document on who may be named as a trustee. "Trustee" is defined as the person or entity named as trustee or in any separate trust forming a part of the plan, and any successors. The District, since 1982, has named trustees by a Plan Amendment authorized by the full board under a resolution. The positions have also traditionally been filled by a director, legal counsel, and general manager – but it could be anyone (i.e. a member of the public, an employee, etc.)

From the plan document the responsibilities of the trustee(s):

7.1 BASIC RESPONSIBILITIES OF THE TRUSTEE:

(a) The Trustee shall have the following categories of responsibilities:

(1) Consistent with the "funding policy and method" determined by the Employer, to invest, manage, and control the Plan assets subject, however, to the direction of the Employer or an Investment Manager if the Trustee should appoint such manager as to all or a portion of the assets of the Plan;

(2) At the direction of the Administrator, to pay benefits required under the Plan to be paid to Participants, or, in the event of their death, to their Beneficiaries; and

(3) To maintain records of receipts and disbursements and furnish to the Employer and/or Administrator for each Plan Year a written annual report pursuant to Section 7.7.

(b) In the event that the Trustee shall be directed by the Employer, or an Investment Manager with respect to the investment of any or all Plan assets, the Trustee shall have no liability with respect to the investment of such assets, but shall be responsible only to execute such investment instructions as so directed.

(1) The Trustee shall be entitled to rely fully on the written (or other form acceptable to the Administrator and the Trustee, including, but not limited to, voice recorded) instructions of the Employer, or any Fiduciary or nonfiduciary agent of the Employer, in the discharge of such duties, and shall not be liable for any loss or other liability, resulting from such direction (or lack of direction) of the investment of any part of the Plan assets.

(2) The Trustee may delegate the duty of executing such instructions to any nonfiduciary agent, which may be an affiliate of the Trustee or any Plan representative.

(c) If there shall be more than one Trustee, they shall act by a majority of their number, but may authorize one or more of them to sign papers on their behalf.

Historical Role:

The plan was signed in 1969 – I am unable to uncover records back to 1969; however, I am able to confirm the history of plan trustees back to 1982. During that time the Pension Committee was comprised of three members: a Director, Legal Counsel, and the General Manager. In 2021 the committee added a second director. Logically in 1984, when Mr. Freeman stepped down, Mr. Wellington would have come onto the committee. The continuity provided over the years has been beneficial to the advice given at the committee meetings.

Resolution No.	Trustees Director	Director	General Manager	Counsel
82-02	Floyd		O. Bigelow	Freeman
83-03	Floyd		Zambory	Freeman
84-xx	Floyd		Zambory	Wellington
94-34	Haseltine		Zambory	Wellington
95-03	Haseltine		Von Dohren	Wellington
03-36	Kohn		Von Dohren	Wellington
07-30	Siegfried		Von Dohren	Wellington
08-22	Townsend		Von Dohren	Wellington
10-17	Townsend		Buikema	Wellington
14-09	Paboojian		Buikema	Wellington
15-30	Siegfried		Buikema	Wellington
16-08	Rachel		Buikema	Wellington
21-12	Rachel	Siegfried	Buikema	Wellington
23-20	Urquhart	Siegfried	Buikema	Wellington

Errors & Omissions:

All members of the Pension Plan are covered at the same level by the District’s Fiduciary Liability Coverage. The policy provides for \$1M limit with \$0 retention.

F. *Benefit Plan Committee* means any committee of the **Benefit Plan**, including any **Benefit Plan** investment or administration committee, that is established by the **Benefit Plan** and that is comprised entirely of **Insured Persons**.

M. *Insured* means:

1. the **Insured Persons**;
2. any **Benefit Plan**; and
3. any **Benefit Plan Committee** in its capacity as a fiduciary or trustee of a **Benefit Plan**, or in its **Administration** of a **Benefit Plan**.

N. *Insured Person* means any natural person who was, is now or becomes a trustee; committee member; officer; in-house general counsel; or employee of a **Benefit Plan**, but only while acting in his or her capacity as a fiduciary of a **Benefit Plan** or as a person performing **Administration**.

In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** against the estate, heirs, legal representatives or assigns of such **Insured Person** for a **Wrongful Act** of such **Insured Person** will be deemed to be a **Claim** against such **Insured Person**.

In the event of litigation, provided that the litigation involves handling of the Carmel Area Wastewater District Pension Plan, it would trigger coverage under the policy.

I. Claim means:

1. a written demand for monetary damages or non-monetary relief;
2. a civil proceeding commenced by service of a complaint or similar pleading;
3. a criminal proceeding commenced by filing of charges;
4. a formal administrative or regulatory proceeding commenced by filing of a notice of charges, formal investigative order, service of summons or similar document, including a fact-finding investigation by the Department of Labor or the Pension Benefit Guaranty Corporation;
5. an arbitration, mediation or similar alternative dispute resolution proceeding if the **Insured** is obligated to participate in such proceeding or if the **Insured** agrees to participate in such proceeding, with the Company's written consent, such consent not to be unreasonably withheld; or
6. a written request to toll or waive a statute of limitations relating to a potential civil or administrative proceeding,

against an **Insured** for a **Wrongful Act**.

A **Claim** will be deemed to have been made on the earliest date written notice thereof is received by an **Insured**.

Z. Wrongful Act means:

1. any actual or alleged breach of fiduciary duty by or on behalf of the **Insured** with respect to any **Benefit Plan**, including:
 - a. any actual or alleged breach of duties, obligations and responsibilities imposed by the Employee Retirement Income Security Act of 1974, as amended, COBRA, **HIPAA**, or by any similar or related federal, state, local, or foreign law or regulation, in the discharge of the **Insured's** duties with respect to a **Benefit Plan**; or
 - b. any other matter claimed against an **Insured** solely because of the **Insured's** status as a fiduciary of a **Benefit Plan**; or
2. any actual or alleged negligent act, error or omission by or on behalf of the **Insured** in the **Administration** of a **Benefit Plan**.

All **Related Wrongful Acts** are a single **Wrongful Act** for purposes of this **Policy**, and all **Related Wrongful Acts** will be deemed to have occurred at the time the first of such **Related Wrongful Acts** occurred whether prior to or during the **Policy Period**.

Current Investment Policy:

The District maintains an investment policy document that is routinely reviewed for its accuracy. This document describes the parameters for investing government funds and identifies investment objectives, preferences or tolerance for risk, constraints on the portfolios, and how the investment program will be managed.

The document further serves as a guide (or perhaps “guard”/parameters) rails for the Pension Committee. (California Government Code § 53600-53609 and 53630-53686.) The code section, and by extension our Investment Policy, describes the framework which the Pension Committee must act within. In effect providing protection by requiring the use of said framework.

338 Fiduciary:

In 2015 the Pension Committee took steps to further protect the District by engaging Hastie Financial as a 338 Fiduciary. The 3(38) offers the plan sponsor (includes officers and committee members) the highest form of liability protection when compared with the 3(16) or 3(21). The 3(38) fiduciary provides a legal “safe harbor” and minimizes the risk of liability for poor investment decisions. With a 3(38) Fiduciary, the only responsibility of the plan sponsor is to prudently select and monitor the consultant. If the plan sponsor decides to make investment decisions on its own, any liability then transfers to the plan sponsor.

The attached chart summarizes the differences between the three types of fiduciaries.

Primary Investment Fiduciary	Role of Investment Consultant	Duty of Primary Fiduciary	Fiduciary Protections under ERISA
<u>Scenario 1:</u> Plan Sponsor (and Officers and committee members)	No consultant.	Engage in prudent process; understand investment theories and industry practices.	No safe harbor; must be able to support and document prudent process.
<u>Scenario 2:</u> Plan Sponsor (and officers and committee members)	Non-discretionary Investment Consultant: 3(21).	Engage in prudent process, assisted by consultant.	No safe harbor; use of qualified consultant is some evidence of engaging in prudent process.
<u>Scenario 3:</u> Discretionary Investment Consultant: 3(38)	Due to discretion, consultant is primary fiduciary.	The discretionary consultant must engage in prudent process.	Safe harbor for plan sponsor for use of qualified 3(38) investment manager.

FUNDING

Unknown known at this time

Carmel Area Wastewater District
WWTP Elec/Mech Rehab and Sludge Holding Tank Replacement Project

Construction Progress Report

March 10th, 2023

Prepared by: Patrick Treanor, Plant Engineer
Contractor: Clark Bros Inc (CBI)



Section 1: Project Summary

Project Summary			
General Contractor		Clark Bros Inc	
Contract Value			
Contract Bid Amount		\$7,291,500	
Change Orders Issued to Date		1	
Value Added Change Order Cost ⁽¹⁾	% of Bid Amount	\$59,212.57	0.81%
Non Value Added Change Order Cost ⁽²⁾	% of Bid Amount	\$62,928.78	0.86%
Total Change Order Cost	% of Bid Amount	\$122,141.35	1.7%
Current Contract Value		\$7,413,641.35	
Open/Pending Potential Change Orders (PCO)		1	
Contract Time			
Notice To Proceed		September 7 th , 2021	
Original Contract Time		550 Calendar Days	
Calendar Days Elapsed		549 Days	
Weather Days: Accepted to Date		3 Days	
Contract Change Order(s) Time Extension		0 Days	
Current Contract Completion Date		March 11 th , 2023	
Contract Progress Summary			
Total Project Time Expended		100%	
Total Project Construction Cost Expended		60% (not including retention)	

Notes:

1. Value Added Change Orders include: District Requested Additional Work and Betterments
2. Non Value Added Change Orders include: Design Issues, and Unforeseen/Differing Site Conditions

Section 2: Work Performed This Month

2.1 General

Minor mechanical work at the Influent Pump Station, Headworks, and Chlorination Building was conducted this month. In addition, some minor earthwork activities occurred at the Sludge Tank area. The new Motor Control Center (MCC) for the Influent Pump Station arrived on March 2nd, freeing up work to commence in earnest at this location.

2.1.1 Submittals

Submittals reviewed this month included the revised critical path schedule to reflect current progress and plan forward amongst delays in MCC procurement. Also, startup reports were submitted for the new Grit Collector, Bladder Tank, and Sludge Tank Pump.

2.1.2 PLC Programming

PLC programming by Frisch Engineering is in progress. The new program for the Influent Pump Station was loaded this month now that the new MCC has arrived.

2.2 Site Work

2.2.1 Potholing/Locating Existing Utilities

None.

2.3 Sludge Holding Tank Replacement

Minor earthwork and trenching was conducted this month. Progress was slowed by wet ground conditions. Protective coatings application work was conducted on a few dry days this month.

2.4 Influent Pump Station Rehab

The new MCC for this building arrived and is pending installation in March. A new suction elbow was installed in the Influent Pump Station wet well for the first of the new Influent Pumps that is scheduled to go online once the new MCC is installed and tested.

2.5 Headworks Rehab

Clark Bros conducted minor mechanical piping work for grit channel flushing piping and electricians continued conduit rough-in for the mechanical bar screens. Commissioning of the new screens is pending delivery and installation of the new Headworks MCC.

2.6 Chlorination Building Rehab/3W System Improvements

Clark Bros installed piping for the new chlorine analyzers at the Chlorination Building.

2.7 Effluent Pump Station Rehab

The new PLC for the Effluent Pump Station was delivered.

Section 3: Project Issues

In March 2022, Clark Bros informed CAWD of delays in procurement of the Motor Control Center (MCC) equipment. The Clark Bros schedule provided soon after this notice showed MCC equipment arriving in mid-September, which had only a minor impact on the overall project completion schedule.

On September 1st, 2022, Clark Bros notified CAWD that the MCC were experiencing further delays beyond what was previously anticipated and the MCC may not be onsite until June of 2023. This procurement schedule would have significant impacts on the project schedule. CAWD sent a notice to Clark Bros on September 7th, 2022 stating that CAWD will incur financial loss if the work is not completed in the Contract Time, and reaffirming that there hasn't been a change to the Contract Time stipulated in the Agreement.

Clark Bros has been working diligently with the supplier in getting the MCC onsite without significant delays. The Influent Pump Station MCC was delivered on March 2nd. The latest revised estimate for delivery of MCC is late March 2023 for the Headworks MCC, and April 2023 for Chlorination and Effluent MCCs.

Section 4: RFI and Submittals Review Summary

The following table contains a summary of RFI/Clarifications and Submittals to date:

	Total Number Processed	Number Received in Current Month
RFI/Clarifications	48	6
Submittals	164	5

Section 5: Change Order Summary

Potential change orders (PCOs) are being generated for differing site conditions, owner requested changes, and design issues.

	Total Number Processed to Date	Open PCO Pending Quote/Approval	Number Generated in Current Month	Total Cost Approved to Date
Potential Change Orders (PCO)	11	1	1	NA
Change Orders	4	0	1	\$122,141.35

Section 6: Project Schedule and Budget

6.1 Schedule

MCC deliveries have been a moving target and have already delayed the project by about 4 months. Clark Bros submitted a revised schedule in February that reflects the delays to project completion. Clark Bros and CAWD are currently negotiating a potential time extension to account for delays in MCC procurement.

6.2 Budget

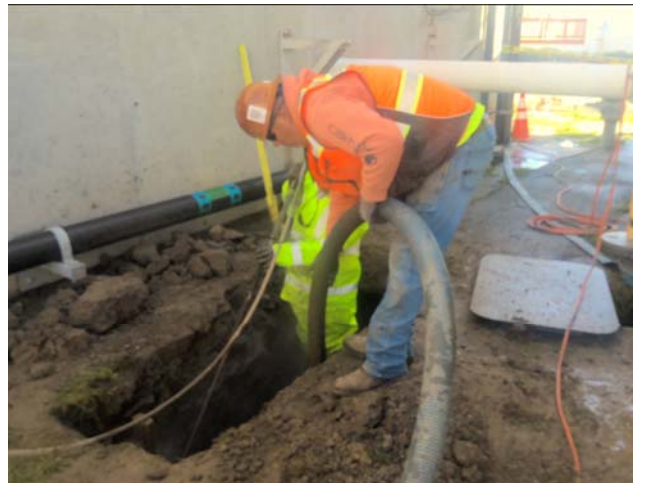
At this time the approved change orders amount to 1.7% of the project cost. The project management team is continually monitoring the costs of potential changes to manage costs.

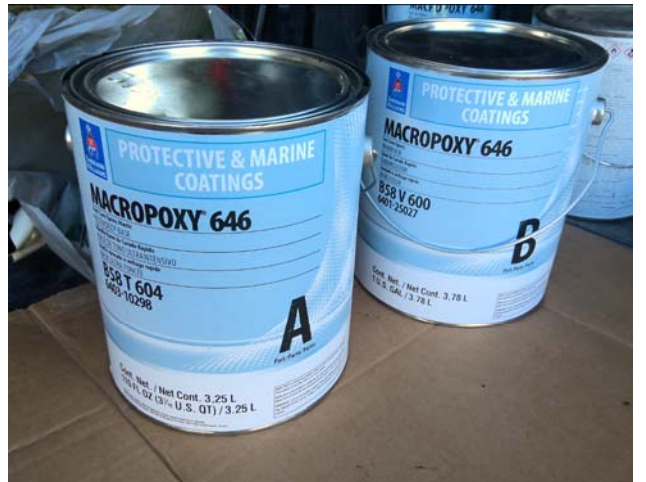
Currently the amount to be paid to CBI is 60% (not including retention) of the total approved budget (66% with retention).

Section 7: Photos

- Sludge Holding Tank Replacement
- Influent Pump Station Rehab
- Headworks Rehab
- Chlorination Building/3W System Improvements
- Effluent Pump Station

Photos:
Sludge Holding Tank
Replacement



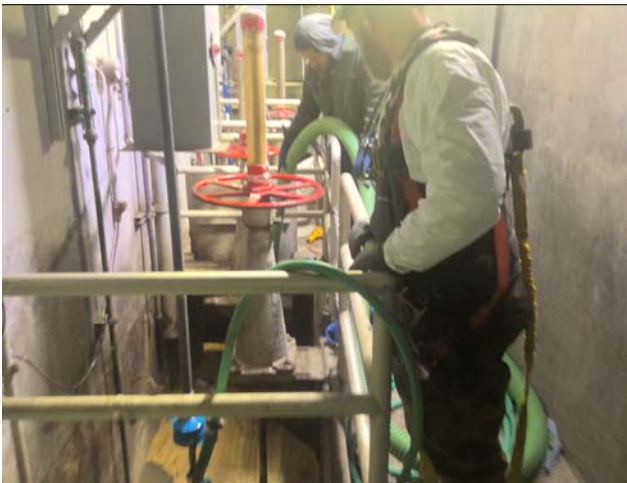
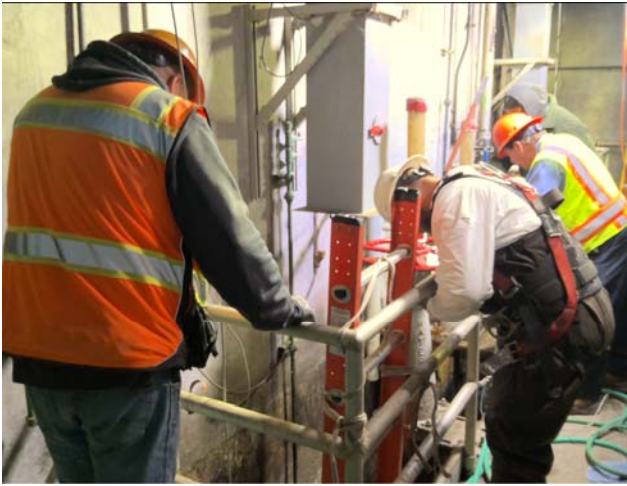


Photos:
Influent Pump Station Rehab









Photos:
Headworks Rehab



Photos:
Chlorination Building/3W System
Improvements



Photos:
Effluent Pump Station Rehab



STAFF REPORT



To: Board of Directors

From: Chris Foley, Maintenance Superintendent

Date: March 30, 2023

Subject: Pebble Beach Community Services District (PBCSD)- Regular Board Meeting on February 24, 2023

DISCUSSION

Agenda items from February 24, 2023, meeting that are of specific interest to this District:

- Total cash balance at the end of January 2023 was \$32.3M: of that \$17.2M was designated for Capital Acquisition and Outlay Reserves. Property taxes comprise roughly 80% of PBCSD revenues with user fees making up 22% of the total actual cost of wastewater operations.
- Total revenues through January 2023 in the cash-based budget were \$14.2M of the budget. Total expenditures were \$5.8M or 20% of the budget.
- Approximately 115 million gallons (MG) or 353 Acre Feet (AF) of recycled water is stored in Forest Lake which represents 100% of permitted capacity. The storage volume is 6% above the historic average of 108 MG.
- Average daily wastewater flow of 1,142,000 gallons per day (GPD) was measured in January at the PBCSD-Carmel gate. This represents 44% of the total flow at the Carmel Area Wastewater District (CAWD) treatment facility. The measured PBCSD flow was 162% above the five-year average of 436,000 GPD for the month of January. The CAWD total flows were 104% above the five-year average of 1,287,000 GPD for January.
- Total irrigation water demand for the 2023 calendar year through January was 2 AF. Total demand for the calendar year is 80% below the 5-year average of 10 AF through January. The month of January reflected a net storage increase of approximately 25MG.

- PBCSD staff requested approval to move forward with purchasing 2 new utility trucks from local dealers since the National Auto Fleet Group government purchasing program no longer has any allocations available. This highlights the supply vs demand issues the economy is still experiencing.
- PBCSD staff presented a program of the underground utilities. The first 3 phases of the program have been completed for a total of 6 miles of utilities underground. There are 4.6 miles remaining at an estimated cost of \$19M to underground.
- The notice to proceed was issued for the Sloat Road and Strawberry Hill Road sewer main line replacement. Construction will continue through June.
- Average daily wastewater flows measured in million gallons per day (MG) show:

MONTH	TOTAL	CAWD FLOW	PBCSD FLOW	PBCSD
Jul – 22	36.043	24.579	11.464	31.806%
Aug -22	35.881	24.412	11.469	31.964%
Sept – 22	33.941	23.173	10.768	31.726%
Oct -22	31.961	22.411	9.55	29.880%
Nov – 22	34.002	22.641	11.361	33.413%
Dec -22	57.963	33.771	24.192	41.737%
Jan -23	81.216	45.825	35.391	43.576%
Total	311.007	196.812	114.195	36.718%

FUNDING-N/A- Informational item only

Announcements on Subjects of Interest to the Board

Adjournment