

Director Siegfried Questions 06-24-21

- p. 3: "Each year the District works to bring all rate categories in line with the model provided by the State Water Resources Control Board (SWRCB) while balancing it against the District's ability to collect revenues and balance expenditures."

I understand that we annually try to harmonize our rate categories with those of the SWRCB. I do not understand what is required to balance the model against our ability to collect revenues. To my understanding, the current model is a given (though we plan to assess its adequacy). Finally, do limitations to our ability to collect revenues exist apart from Prop. 218?

Bringing the rate model "in line with the model" simply means that we are aware of local conditions that may call for us to deviate from the model. For example, this year because of COVID-19 we made an effort to cut the budget thereby causing the rate increase to be lower. Back in the early 2000s the board decided to deviate from the model – we were so far behind that it was decided we needed a more "gentle" ramp up.

Prop 218 governs our rate increases – the only way we would not be able to increase rates is if we received enough protests (50%+1).

The only other limitation on our ability to collect revenues is if people fail to pay. As an example, in 2018 uncollected fees were \$74,889, in 2019 they were \$39,308, and in 2020 they were \$85,849 (or 1.01% of user fees). The uncollectibles seem to trend with the economy. Because of COVID-19 we may not see a decrease in 2021; however, every time a property changes ownership the taxes & fees on that parcel must be brought current. Since the real estate market has been red hot this past year, we will have to wait and see the impact. We have not historically done much in the way of collections because we know that the County will collect when the property changes hands.

- p 15: #5 seems to be an uncertainty brought about by our having changed the date of the board meeting to the last Thursday of the month. Should we take the necessary measures to ensure the ordinance always goes into force on July 1? My preference is to do so for regularization.

Checking with legal counsel if we can change it to July 1st. Since we mailed the Prop 218 Notice out 45 days prior to the Public Hearing the notice requirements have been met.

p 18: Have administrative and personnel records SCADA-class protection?

No, it does not. SCADA is considered critical to operate the plant. When out of service time is considered Admin data can be recovered from the backup and be back in business within 24 hours. Admin data sits on a server that has hourly local and daily offsite backups.

Do personnel records need encryption?

Personnel records are kept in a locked cabinet. They have not been digitized.

Should we audit Exceedio's protection?

Yes, we plan on bringing in another company to perform more vulnerability tests. We are implementing some items first that we know will increase security, then will bring in a specialist.

Have we exposure via PBCSD or our contracted HR consultant?

For PBCSD we are locking down the connection so no exposure. The HR consultant has the same security requirement (multifactor) as CAWD staff.

Cold backup system ETA?

4-6 months. Will require some cabling to digester control building. Hardware will be easier to order and can be ordered in July.

p 29, 30: Are the Upper Rancho Canada project costs attributed to the Carmel Meadows project? Should they be? Partially?

The Upper Rancho Canada project (#19-13) costs are separate from the Carmel Meadows project (#19-03) costs. They are not shared costs.

p 31: Hydrant Meter K monthly service: Has Reclamation a water meter that requires service monthly?

This meter is in Pebble Beach and includes \$2,225.12 (fixed costs) for the meter, \$178.71 in pass through or regulatory charges, and \$58.41 in taxes. It is a monthly charge. It does not require service monthly, rather the payment is for monthly service.

This meter is not a hydrant meter, it is an 8-inch meter that is used to deliver CalAm potable water to the reclaimed distribution system Poppy Hills Storage Tank. When the Wastewater Reclamation Project Management Committee agrees to purchase potable water from CalAm it is recorded on this 8-inch meter.

p 61: Manhole overflow: Does this line get root foaming treatment?

Yes, it does. In this case the root was about 1 inch thick. Root foaming is most effective on the fine roots. We are also not using the most powerful herbicide available for root foaming because there is concern about killing the “bugs” at the treatment plant.

Root foaming is one tool in our toolbox. It is not a cure-all.

p 92: Generally, did any PFAS compounds stand out? Are any trends observable in PFAS concentrations?

Currently, no PFAS standouts according to Applied Marine Science. Since only one set of samples out of four has been collected and analyzed, no trend can be developed at this time. It should take one to two years before the State of California compiles the data and determines trends and whether wastewater treatment plants will need to remove or reduce PFAS concentrations in their flow stream.

p 100: What purpose is served by referring to CAWD as “The Public Agency” rather than “CAWD”?

No purpose at all. The format for this resolution is provided by Monterey County. While we normally refer to ourselves as CAWD, if the County wants to use “Public Agency” that is fine too.

p 121: Did CAWD ascertain reasons why other firms chose not to bid? If so, what are they? If not, why?

This is the second time we have bid CCLEAN Program Management services. Two years ago we received one bid, and this time we also received one bid. The answer given is that they simply are not willing to take on program management of this type of and size.

p 122: Does CAWD not pay any research costs – even for sampling specific to us?

The formula used is \$12K flat rate plus 5 yr. average percentage of flows for the remainder of budget. For 20-21 CAWD's fees totaled \$20,729.

The reimbursement for Lead Agency is 7%. For 20-21 that was \$26,581

Clearly, from a financial perspective, CAWD would like to remain the lead agency. However, at any time, the CCLEAN as a group can make the decision to change the lead.

Also, the formula given above may change. Now that Monterey One Water is also reclaiming their 5 yr average flow is going to decrease. That will shift the cost to Santa Cruz who does not yet reclaim. I see a discussion about a re-allocation of costs in the group's future.

p 123: Who will own the data that Applied Marine Sciences collects?

CCLEAN owns the data

p 130: Looks like we recovered 90% in May (p. 69)?

Yes, staff released stored rainwater runoff into the treatment plant from Digester #1 (approximately 650,000 gallons) during the month of May. The runoff was pumped from the storm water pump station into Digester #1 during the months of February and March this year.

p 135: What is the feasibility of injecting sea water or brackish groundwater into the outfall upstream of the exit ports in order to augment dilution?

This is technically feasible. However, obtaining permits for a seawater intake or water rights for a groundwater well is where feasibility becomes dubious. A seawater intake is extremely difficult to permit and is a major hurdle for desalination plants up and down the coast. As for a groundwater well, we do not have suitable water rights in this adjudicated basin; and if we did have water rights, we might not want to pump the water out to the ocean.

In terms of augmenting flow just to improve outfall dilution dynamics; I do not think flow augmentation is necessary to get an improved dilution ratio beyond the current dilution ratio (which is based on 3 MGD normal treated effluent discharge). Near field dilution (which is the metric used by the RWQCB) focuses on when the discharge plume is calculated to reach the water surface or the sea floor. The plume dispersion is not necessarily improved by higher flows, because the exit velocity at the diffusers is kept up over a wide range of flows by the flexible rubber duckbill valves at the outlet ports. Buoyancy plays a large role in the modelling of near field dilution, and the higher density RO concentrate is less buoyant than normal wastewater (which means dilution should be better with RO concentrate). All this (and considering the extremely

low daily volume of RO concentrate water being discharged) is anticipated to result in higher near field dilution allowance and more beneficial discharge limits for RO concentrate. Work needs to be done to verify all this however, and also to have enough supporting evidence to convince the RWQCB.

Director Rachel Questions 06-24-21

Item #12, p. 57 - 65. As I am observing and listening to the sewer lateral replacement being made in front of our home due to our neighbors selling their home, I am reminded that this process is the result of our Sewer Line Upgrade/Replacement Ordinance that went into effect on October 1, 2019. I am interested, as I believe all Board Members would be, on our findings since this Ordinance is now almost two years old. Perhaps Rachel and Daryl could provide an overall update for our September or October meeting. I would expect that more than 500 of these sewer lateral CCTV inspections have been made, with many if not most requiring replacement.

Therefore my question at this time is as follows: Are we starting to experience any positive impact overall in our Collections maintenance/repair efforts due to the Ordinance?

There have been over 600 lateral inspections completed since 2019. The past year was relatively dry but there did seem to be less flow due to rain events. In order to quantify this, we will need to complete another flow metering project and have enough rainfall.

Item #13, p. 67. My question regarding the SOP for transferring sulfuric acid is as follows: Since contact was made via a spray from the tote shut-off valve, would it be practical and beneficial to have a portable shield or panel in place to protect the operator from direct contact such as in this instance?

This could be option. We would ideally not even want to use the shield but it is better to have multiple options. Chris Foley will ask Mark to research a shield that is rated for sulfuric. This could also work in cases if we ever had a pinhole that was spraying we could direct the stream.

Item#15, p.75. The \$75.00 penalty does not seem to me to be a particularly painful amount for non-compliance. Is this \$ amount something we are locked into or can it be revisited?

It can be revisited. The updated policy was reviewed by committee recently and the plan is to take it to the updated polity to the full Board in August. However, we

have taken the position that the first penalty is essentially a mild slap on the wrist. We want to get their attention, educate them, and encourage compliance first. The second penalty \$150, and the third penalty is \$500 and is meant to be a bit more painful if they continue down the wrong path.

Believe it or not, I have had an experience with a local restaurant telling me they could not pay the entire fee and needed to split it into two payments. Therefore, we are keenly aware that it represents a hardship for some. It is a balancing act between getting their attention and compliance, and causing them real financial hardship.

Item#17, p.89. Project 21-02 - 2021 Pipeline Spot Repairs. My question is as follows: Do we have a rule of thumb on estimating pipeline repairs/replacement? I know there are many variables. I seem to remember a figure of \$ 200 per foot, or did I dream that?

\$200/foot is a good estimate for a large project that is linear in nature and does not require continuous mobilization and de-mobilization. Spot repairs are trickier to estimate because each has mobilization/de-mobilization, traffic control, shoring and site specific repair requirements. I estimated \$10,000 per location.

Final Comment: The staff reports are very good in that I had to look very hard to develop questions for this meeting.

Thank you – we try to put together a good packet!