

B-1 SUB COMMITTEE FORMATION

Rob Livick stated at the previous WRFCAC meeting there was discussion to form three Sub Committees, Finance, Environmental and Engineering/Water Resources. Each of these Sub Committees may have up to four Committee members so there is no quorum and they can meet for discussion.

John Diodati asked who would like to be on the Sub-Committees. The Finance Committee members are: Mary Garelick, Barbara Spagnola and Richard Sadowski. The Environmental Committee members are: Dale Guerra, Valerie Levulett and Paul Donnelly. The Engineering/Water Resources members are: Steven Shively, Dale Guerra and Paul Donnelly.

John Diodati will participate in all three Sub Committees.

MOTION: Shively moved to approve all three Sub Committees as self-nominated, Guerra seconded and the motion passed unanimously. (9-0).

C. NEW BUSINESS

C-1 Water Reclamation Facility (WRF) Project Schedule Update - Report to be provided at or before the meeting.

John Rickenbach stated the Project Schedule Update is a two page schedule. The first page is an update of a long term schedule and the second page is a short term schedule for 2014. A copy of the schedule will be given to the Committee members. Preliminary reports have been given to the members and more reports will be coming and will be distributed. At the November 12, 2014 City Council meeting, a decision will be made by Council to either proceed with CMC and work with the County and State or choose the Rancho Colina site.

John Rickenbach clarified City Council is responsible for changes made to the schedule.

Rob Livick stated the major date that Council is looking at, which was approved by Resolution, is five years from the issuance of the next NPDES permit for the existing plant to have the new WRF constructed and operational.

John Diodati received and filed.

C-2 Review and Discussion of Report by Larry Walker and Associates (LWA): Regulatory Implications of Discharge Options for the Future City of Morro Bay Water Reclamation Facility

Rob Livick stated this report was presented to the City Council by Betsy Elzufon (LWA). The report covered various discharge options a new facility could have, comparing creek discharge, land disposal and ocean outfall. Regulatory requirements increase when you discharge to a more sensitive disposal area. Land disposal is the easiest, followed by ocean and then creek discharge.

John Rickenbach presented to staff and Committee members a guidance document which outlines recommendations for providing focused feedback on the various reports. Staff is looking for feedback from the

Committee, such as, did the report answer the questions that are needed to move forward on this topic and was anything missed that was fundamental.

Rob Livick clarified the report has been finalized and this report is for discharge permits. The objective of getting the report out to Council, Committees and the Public is to have time to read the report and then ask questions over the next month and present the report at the November 12, 2014 City Council meeting. Rob Livick stated Cayucos CSD is interested in participating in the CMC evaluation, but does not know if Cayucos will participate in the other studies.

John Diodati stated he is looking forward to the Sub Committee's analysis of this report.

John Diodati opened Public Comment period, and seeing none, closed Public Comment period.

C-3 Review and Discussion of Draft Report by Kestrel Consulting: Initial Findings on Grants and Strategy

Rob Livick stated this report has not been to City Council and is the initial public offering of Kestrels analysis on potential availability of funding for a Water Reclamation Facility. Monica Reid from Kestrel Consulting prepared some initial findings on grant strategy and an overview of grant and loan funding programs for Public Works projects.

John Rickenbach stated there are not many programs the City will be eligible for because the City is not a disadvantaged community. Realistically, the City will get funded 25% at best, and probably 10%. There is a lot of competition for a limited amount of money and it does take time and effort to pursue the funding services. Neither site has a funding advantage. If the Committee has specific questions, bring them to Monica and she can provide answers. Monica Reid will be available to meet with the Finance Sub-Committee at 8:00a.m. on Wednesday, October 15, 2014 at Public Services.

Rob Livick clarified that the City does not meet the requirements of a disadvantaged community.

The Committee and staff discussed and commented on various funding options, sources and cost.

John Rickenbach stated CEQA and NEPA requirements are intended to be addressed at the same time using the CEQA plus process.

Rob Livick stated the time to obtain funds from Prop 84 has passed.

John Diodati asked if the City Council is considering a resolution endorsing Prop 1 and Rob Livick responded it has not been brought to City Council.

John Diodati stated the City is a member of IRWM Program and Rob Livick is the representative for the City.

John Diodati stated there are funds available through IRWM and encouraged the public to learn more about Prop 1 that is in the November election. There are a lot of funds available for Climate Adaptation Managed Retreat and because this project is moving from coastline to inland, the City would be competitive for these funds.

John Diodati opened Public Comment, and seeing none, closed Public Comment.

John Diodati stated this is a non-action item.

COMMITTEE MEMBER CLOSING COMMENTS

Bill Woodson stated he was impressed by the questions the Committee asked and wanted to know if the smoke testing of the sewer lines would have any effect on the size of the project in any way, shape or form. Rob Livick responded I & I correction is an ongoing maintenance activity and sewer lines are continually repaired. The smoke testing will not reduce the size of the facility, and it helps to identify where repairs need to be made. A few illicit connections were discovered and were disconnected.

Richard Sadowski stated the Coastal Commission, in their review of the Wastewater Treatment Plant Project, stated they are linking some of the major parts of the collection systems with this project. Regarding, I & I, the flow is significant.

Bill Woodson asked if there are any drop dead dates for CMC sewer facility improvement or replacement. Rob Livick responded no, they have a fairly new system and a fairly new facility.

Paul Donnelly thanked John Rickenbach for a job well done for the City.

Rob Livick will ensure the City has the most current e-mails for all Committee members and that members receive a hard copy of the packets.

John Rickenbach stated reports will be forwarded to members as they become available.

John Diodati stated the Committee and staff should meet at 2:00pm, October 22, 2014 at Rancho Colina to visit the site and if possible, visit the CMC site.

E. ADJOURNMENT

The meeting adjourned at 4:10pm to the next special WRFCAC meeting at the Morro Bay Community Center, 1001 Kennedy Way, on Wednesday October 22, 2014 at 3:00pm.

John Diodati, Chairperson

ATTEST:

Rob Livick, Secretary

