



# PEBBLE BEACH COMMUNITY SERVICES DISTRICT

3101 FOREST LAKE ROAD • PEBBLE BEACH, CALIFORNIA 93953 • (831) 373-1274

## PEBBLE BEACH COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS Regular Meeting of February 27, 2009 DRAFT MINUTES

### **CALL TO ORDER**

A regular meeting of the Board of Directors of the Pebble Beach Community Services District ("PBCSD") was held in the District Boardroom on February 27, 2009. Board President Jeffrey B. Froke called the meeting to order at 9:32 a.m.

### **ROLL CALL**

**Present:** Directors Jeffrey B. Froke, Gary D. Hornbuckle, Leo M. Laska, Richard D. Verbanec, and Gerald F. Verhasselt

**Absent:** None

### **Others Present**

Michael Niccum, General Manager/District Engineer  
Suha Kilic, Deputy General Manager/CFO  
Robert Wellington, Legal Counsel  
George Haines, Fire Chief, CAL FIRE San Benito-Monterey Unit  
Dennis Carreiro, Fire Operations Battalion Chief, CAL FIRE  
Robin Hamelin, Fire Prevention Chief, CAL FIRE  
Curt Itson, Division Chief, CAL FIRE  
John Tormey, Pebble Beach resident  
Spencer Thompson, Traffic and Safety Committee, Del Monte Forest Property Owners ("DMFPO")  
Mark Verbonich, Vice President Community Affairs, Pebble Beach Company ("PBCo")  
Greg D'Ambrosia, Director, Carmel Area Wastewater District ("CAWD")  
Laura Dadiw, Board Clerk, Dadiw Associates

### **APPEARANCES AND ORDER OF BUSINESS**

There were no appearances and no requested changes to the agenda.

### **MINUTES**

#### **MOTION 09-2-01**

**Moved by Director Verhasselt, seconded by Director Laska, and unanimously carried, to approve the minutes of the regular Board meeting held January 30, 2009.**

## **FINANCIAL MATTERS**

### **Statement of Receipts and Disbursements**

The Board received and reviewed the *Statement of Receipts and Disbursements* for January 2009. Deputy General Manager/CFO, Suha Kilic responded to questions from the Board.

The Board received the *Check Register* for January 2009. In response to Director Verhasselt's questions, General Manager Niccum responded that the Water Education Foundation and Water Reuse Association memberships provide access to water educational resources and conferences; Mr. Niccum would notify directors of upcoming meetings and content. Mr. Kilic responded that maintenance employees are required to have class B commercial driver licenses and per state law they are subject to random drug and alcohol tests. The District participates in a consortium which administers this program, including random selection of employees from pool participants.

### **MOTION 09-2-02**

**Moved by Director Verhasselt, seconded by Director Verbanec, and unanimously carried, to approve the *Check Register* for January 2009.**

### **Monterey County Treasurer's Investment Report for 4<sup>th</sup> quarter 2008**

The Board received and reviewed the *Monterey County Treasurer's Investment Report for quarter ending December 31, 2008*. Mr. Kilic stated that the defaults of Lehman Brothers and Washington Mutual are still carried in the portfolio. The County is undertaking aggressive recovery efforts with lawsuits filed against Lehman Brothers and their audit firm, claims filed in the bankruptcy proceeds, and tracking of a proposed senate bill that requires the Secretary of Treasury to allocate some funds to local governments that incurred losses due to defaults of financial institutions. The Treasurer will continue to carry the defaulted bonds in the portfolio until the recovery efforts are finalized. After that the losses will be allocated among the participating agencies based on each agency's asset value at the time of the default. The loss will be realized in reduced interest earnings on the remaining portion of the portfolio. The County Treasury Oversight Committee has been established with members consisting of: County Treasurer, County Chief Administrative Officer, County Superintendent of Schools, Vice President of Monterey Peninsula College, one public member, and Mr. Kilic as special districts representative and chosen as committee chairman. He stated that the committee does not direct investment decisions or selection of brokers, advisors or dealers, and does not interfere with day-to-day operations of the treasury. Mr. Kilic stated he would be happy to take any questions or

concerns on policy or any of the investments from directors of this or any other special district to the County Treasurer for discussion.

Director Verbanec requested that Mr. Kilic periodically provide a brief summary of the activities of the Treasury Oversight Committee to the members of the Special Districts Association of Monterey County ("SDAMC").

## **FIRE PROTECTION**

### **Fire Chief's Monthly Report**

The Board received and reviewed the monthly fire department activity report for January 16, 2009 – February 15, 2009. Operations Battalion Chief, Dennis Carreiro noted that tent structures at the AT&T and other events are fire rated membrane structures subject to all emergency restrictions placed on wood structures. The Fire Code now contains an entire section related to tent structures.

Fire Prevention Chief, Robin Hamelin said when the local telephone service provider (AT&T) establishes a phone account and a customer furnishes a post office box billing address instead of a physical one, the physical address is entered as "zero" to the AT&T's database. In those cases, the address of the caller is not displayed when 911 is called. The District receives data from AT&T for use in the Reverse 911® emergency notification system ("R911"). Therefore, prevention staff plans to call each "zero" address listed to determine the associated physical address. This data manually "cleaned up" by the District makes the PBCSD R911 system significantly more accurate than the Monterey County Department of Emergency Communications ("MCDEC") system, which deletes all "zero" addresses. Staff will provide the updated PBCSD database to the MCDEC as often as is practical. Chief Hamelin encouraged property owners and residents to contact the District or AT&T to ensure that a physical address is listed for use in an emergency situation, if they use a post office box as their billing address. R911 can also be programmed with secondary contact information – a cell phone or additional residence number – to be contacted in addition to local residence phone number.

A campaign involving the Red Cross and Community Emergency Response Team members will be conducted next week in an attempt to reach approximately 650 homes in the District with sign-up forms for R911 and the District's Emergency Assistance List for personal contact. The District website at [www.pbcسد.org](http://www.pbcسد.org) also contains information on all of the District's emergency preparedness programs and how to enroll.

Director Verbanec requested that security measures for access to telephone information held by the District be reviewed and tightened to the highest degree possible. Mr. Kilic said he would review the security measures of the program.

Chief Haines reported that the National Healthy Forest Act is a potential government stimulus funding source for County and District fuel reduction work. Mr. Niccum will coordinate with Chief Haines to submit necessary funding applications. County efforts to obtain stimulus funding for the Rancho Cielo Silver Star Youth Program in Salinas to provide basic wild land firefighting skills and work ethic to at-risk youth could potentially provide a fuel reduction work force for the District.

### **Draft Response to the 2008 Monterey County Civil Grand Jury Report**

The Board received and reviewed the District's draft response to the 2008 Monterey County Civil Grand Jury Report relevant to District emergency management system operations during the January 2008 storm. In response to Director Verhasselt, Mr. Niccum stated that the task of establishing better communication with PG&E during a disaster was recommended for the County Board of Supervisors and did not require a response from the District. Chief Haines stated that in reviewing the County response to the February 13, 2009 storms, communications with PG&E had still not been coordinated satisfactorily.

The Board concurred approval of the written response from the District. Mr. Niccum stated he would draft a cover letter for the Board President's signature to transmit the document to the Grand Jury, and would copy the letter and response report to other agencies in the County. He believed the District's position in this issue was that of a role model since some of the Grand Jury recommendations were based on current District programs.

Chief Hamelin and Chief Carreiro commended the Board for its support and actions in approving additions and upgrades to the fire department emergency preparedness program, most notably allowing the addition of Captain Jennifer Valdez as an exemplary leader of the program.

## **MAINTENANCE, ENGINEERING, AND CONSTRUCTION**

### **Wastewater Collection, Treatment and Disposal System**

The Board received and reviewed the *District Engineer's Report of Utilities Operations and Maintenance for 1/23/09 – 2/19/09* prepared by Assistant Engineer, J.T. Rethke. Mr. Niccum responded to questions from the Board regarding the District wastewater flow average and inflow and infiltration issues.

### **PBCSD Capital Improvement Projects**

Mr. Niccum reviewed the monthly status of *Capital Improvement Program* projects prepared by Assistant Engineer Christina Baca. The final inspection of the Forest Lake Reservoir Outlet Structure Modification Project is scheduled for today.

### **Reclamation Management Committee Meeting**

The Board received and reviewed the *Memorandum* regarding the February 6, 2009 Reclamation Management Committee meeting. Director Hornbuckle noted the discussion regarding the Independent Reclaimed Water Users Group (“IRWUG”) requesting a reduction in the price of recycled water from the original contract terms. Mr. Niccum noted that many of the current IRWUG members were not present at the time the original contracts were developed. Director Hornbuckle stated that the quality of the water produced by the project is higher than potable water. The users pay the same price as they would for the potable water, although currently it costs more to produce recycled water. Water quality issues as they relate to contract requirements are being addressed by CAWD staff.

### **Purchase of Generator Equipment for Pump Station P-7**

The Board received and reviewed the *Engineering Report* regarding the Pump Station P-7 Generator Improvement Project. The generator being replaced does not meet current air quality standards and will be sold as surplus.

### **MOTION 09-2-03**

**Moved by Director Verhasselt, seconded by Director Verbanec, and unanimously carried, to adopt *Resolution No. 09-01* determining the bid from Cummins West, Inc. as the lowest responsive, responsible bid in the amount of \$36,645 and to authorize the purchase of a new Emergency Engine Generator Set for Pump Station P-7.**

### **CAWD Board Meeting**

Director Froke attended the February 26, 2009 CAWD board meeting. Mr. Niccum stated the CAWD general manager had applied for California grant funding for the project to discharge reverse osmosis reject water, which meets Title 22 recycled water standards, into the Carmel River Lagoon. Unfortunately the State, due to financial woes, had stopped the processing of all grant requests. It appears the federal stimulus funding will include approximately \$240 million available for water and wastewater projects in California. There is a huge demand for the relatively small funding available for systems most in need. Federal stimulus funding will continue to require an intensive application process and restrictions on use of funding. Mr. Niccum stated there is also funding available for energy projects that might be easier for CAWD to obtain. Director Froke highlighted the discussion of the proposed creation of the town of Carmel Valley and the affect of its formation on CAWD operations. He stated that IRWUG had hired a consultant to evaluate the cost of producing recycled water.

## **SOLID WASTE MANAGEMENT**

The Board received and reviewed the report from Director Laska on the highlights of the meeting of the Monterey Regional Waste Management District held on February 20, 2009. Director Laska responded to questions.

## **GENERAL GOVERNMENT**

### **Strategic Planning Issues and the District Strategic Plan**

The Board received and reviewed the General Manager's Report of background material on the District's Strategic Plan. The Board concurred that a review would be in order and a facilitator was not needed. Mr. Niccum would email to directors proposed dates for a special meeting in May. Director Hornbuckle suggested each director give input and questions to Mr. Niccum prior to the meeting. Counsel Wellington suggested that at the next regular Board meeting in March the Board discuss preliminary topics for the strategic planning session.

### **Special Districts Association of Monterey County**

The Board received and reviewed the General Manager's Report of the February 17, 2009 Special District Association meeting, the last for Director Verbanec as president. There were no questions.

## **MISCELLANEOUS INFORMATION AND COMMUNICATIONS**

### **Oral reports from General Manager**

Mr. Niccum pointed out that Forms 700 were due and draft forms had been provided to each director today. He requested that Richard Farfan in the District Administrative Office be notified of any changes to enable him to complete the forms for signature at the next board meeting. Mr. Niccum stated that an update to the District Administrative Code was underway and would be presented to the Board in the future.

### **Questions from Directors or staff seeking clarification of matters within the purview of the District**

Director Hornbuckle requested that board agenda packets be provided in digital format. Mr. Kilic stated that the staff would find an efficient way to produce the digital packets and provide to Directors Hornbuckle, Froke, and Verbanec as requested.

### **Oral reports or announcements from Board President, directors or staff**

There were no reports or announcements.

## **CLOSED SESSION**

It was determined that no closed session was in order.

**ADJOURNMENT**

There being no further business at 11:30 a.m. a motion was made to adjourn.

**MOTION 09-2-04**

**M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Friday, March 27, 2009 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.**