



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 March 27, 2009 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 March 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
J.T. Rethke, Associate Engineer, PBCSD
Christina Baca, Assistant Engineer, PBCSD
Robert Wellington, Legal Counsel
George Haines, Fire Chief, CAL FIRE San Benito-Monterey Unit
Robin Hamelin, Fire Prevention Chief, CAL FIRE
John Tormey, Pebble Beach resident
Mark Verbonich, Vice President Community Affairs, Pebble Beach Company ("PBCo")
Robert Siegfried, Director, Carmel Area Wastewater District ("CAWD")
Vinod Badani, Vice President, E2 Consulting Engineers
Laura Dadiw, Board Clerk, Dadiw Associates

APPEARANCES AND ORDER OF BUSINESS

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

MINUTES

MOTION 09-3-01

Moved by Director Hornbuckle, seconded by Director Laska, and unanimously carried, to approve the minutes of the regular Board meeting held on February 27, 2009.

FINANCIAL MATTERS

Statement of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* and the *Cash Basis Budget Report* for February 2009. Deputy General Manager/CFO, Suha Kilic commented on the retrospective premium refund received from the District's insurance provider, Association of California Water Agencies /Joint Powers Insurance Authority ("ACWA/JPIA"). Mr. Kilic said ACWA/JPIA is a self insurance pool and at the end of each policy year a portion of the members' premiums are kept in reserves for settlement of open claims. As those claims are settled, any excess reserves are refunded to the member districts. He said a large portion of the refund is for the workers compensation program which may be a direct impact of the safety training programs provided to the members.

Mr. Kilic reported that the District's \$7 million Treasury bill matured in March and the proceeds have been rolled into the Monterey County Treasury Investment Pool. Per agreement with the County Treasurer and as authorized by the Board, that amount can be invested outside the investment pool at the direction of the District.

Mr. Tormey stated he was very pleased with the appointment of Mr. Kilic as the chairman of the County Treasury Oversight Committee.

The Board received the *Check Register* for February 2009. Capital expenditures are at the lowest point this fiscal year as the Fifth Priority Water System Improvements Project nears completion.

MOTION 09-3-02

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

FIRE PROTECTION

Fire Chief's Monthly Report

The Board received and reviewed the monthly fire department activity report for February 16, 2009 – March 15, 2009. Chief Haines reviewed highlights of the operational portion of the report.

Fire Prevention Chief, Robin Hamelin stated that an equine event was under way and that fire department staff was present. The Pebble Beach Food and Wine event would be held April 16 – 19, 2009. Community Emergency Response Teams and Red Cross members went door to door during the first

week in March with a goal of contacting 650 homes with packets of materials, including the District fire department's Emergency Assistance Program sign-up information, Reverse 911 alternative contact telephone number submission, and other emergency preparedness information. All volunteer members showed up for the canvassing and none cancelled, even though it rained at least one of the days, doubling the goal by contacting 1,300 homes and identifying a significant number of people requesting assistance in the event of an emergency that fire department staff was previously unaware of.

The District Fire Department annual Fire Safety Open House and Barbeque is scheduled for June 20th from 10 a.m. to 2 p.m. at the District. The theme this year is green living and green construction. Fire Prevention Captain Jerry Agenbroad is the point of contact for vendors and agencies interested in presenting at the open house.

Amendment to the CALFIRE and PBCSD Three-year Agreement

The Board received and reviewed Amendment No. 2 that adds the final fiscal year 2008-09 Schedule "A" Budget to the three-year agreement between CALFIRE and PBCSD. Mr. Kilic stated that CALFIRE provides a Preliminary Schedule "A" Budget, which provides an estimated cost for its services, at the beginning of each fiscal year which is incorporated into the District's original budget. Based on more accurate projections at this point in the fiscal year, CALFIRE presents a Final Schedule "A" Budget, reflecting more accurate rates for personnel and other costs. The Final Schedule "A" Budget is approved by a Board resolution and made part of the three-year agreement. The Final Schedule "A" Budget presented is approximately \$4,000 more than the original amount already included in the District's FY 2008-09 budget. The District's payments are based on the actual costs which historically have been below the budgeted amounts.

MOTION 09-3-03

Moved by Director Verbanec, seconded by Director Hornbuckle, and unanimously carried, to adopt *Resolution 09-02* approving Amendment No. 2, which adds final fiscal year 2008-09 Schedule "A" Budget in the amount of \$4,162,755 to the three-year agreement dated July 1, 2006 between the California Department of Forestry and Fire Protection and PBCSD.

Cost Sharing for Fire Department Personal Protective Equipment

The Board received and reviewed the Memorandum of Understanding with Cypress and Carmel Highlands Fire Protection Districts for cost sharing of Personal Protective Equipment

MOTION 09-3-04

Moved by Director Verbanec, seconded by Director Laska, and unanimously carried, to adopt *Resolution 09-03* approving Memorandum of Understanding with Cypress Fire Protection District and Carmel Highlands Fire Protection District for sharing costs associated with Personal Protective Equipment.

Update of Fire Defense Plan

Chief Hamelin thanked Director Verbanec for his significant input into updating the Fire Defense Plan. Director Verbanec stated he had reviewed the draft Plan and had minor grammatical changes that he would provide to Chief Hamelin after today's meeting. In response to Director Verbanec, Chief Hamelin stated that District Ordinance 19 governs the Plan. Director Verbanec noted that Fire Road 24 in the Carmel Woods area was not indicated on Plan maps. Chief Hamelin stated that the road is technically not a fire road but an equipment conveyance road; revisions to the Plan would include adding more maps to show sensitive habitat areas, high fire severity zones, areas of fuel reduction work performed, etc. Mr. Verbonich responded to Director Verbanec's comments regarding the Open Space Advisory Committee ("OSAC") reviewing the Plan stating that under the County Land Use Plan, OSAC has been identified as an advisory body to Del Monte Forest Foundation and Pebble Beach Company in open space management. The "OSAC Plan" was made a part of the Land Use Plan; OSAC has official standing under the Land Use Plan as an advisory body and is not an ad hoc committee. Directors concurred that the role of the Del Monte Forest Foundation and, in particular, OSAC's authority, responsibility, and interconnections with the Plan should be more clearly detailed in Fire Defense Plan.

Director Verbanec requested Chief Hamelin send the newly released draft Monterey County Community Wildfire Protection Plan to Mr. Niccum for distribution to interested directors. Mr. Verbonich conveyed PBCo's appreciation for the Plan update, especially regarding Haul Road and the conditions set by the Coastal Commission for approval of the Spanish Bay development. Mr. Niccum stated that Monterey County would be consulted prior to proceeding with any plans for work on Haul Road.

Chief Hamelin stated that the need to identify fuel treatment areas is generally what prompts Plan updates, and revisions are done every two to four years. Once the Plan is approved, it is kept within Del Monte Forest unless a copy is requested from other fire agencies.

Chief Hamelin calendared May 1, 2009, as a target for finalizing updates to the Plan. Director Verbanec stated he would be touring the Fire Roads with Eric Love, PBCo Forester and Steve Staub, DMFF Forester, later today.

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MOTION 09-3-05

Moved by Director Verhasselt, seconded by Director Verbanec, and unanimously carried, to approve the 2009 update of the PBCSD Fire Defense Plan as amended.

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MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Utilities Operations and Maintenance Report for 2/20/09 – 3/19/09* prepared by Assistant Engineer, J.T. Rethke. Mr. Niccum stated that the District high pressure wastewater pipeline cleaning truck carries 1,000 gallons of recycled water that when used is collected in the wastewater system.

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PBCSD Capital Improvement Projects

Mr. Niccum reviewed the monthly status of *Capital Improvement Program* projects prepared by Assistant Engineer Christina Baca. The District plans to approach PBCo for an easement covering the Fire Road 20 Intersection Improvement Project area in order to spearhead coordination with Monterey County Planning.

Forest Lake Reservoir Sluice Gate Repairs

The Board received and reviewed the *Memorandum* regarding the February 27, 2009 Forest Lake Reservoir emergency repairs. Preliminary indications are that a threaded object possibly left over after construction work performed in the past was moved by water pressure and lodged under the sluice gate which prevented the sluice gate from closing after Department of Safety of Dams (“DSOD”) examination. The District has a plan for draining the reservoir during an emergency that currently satisfies DSOD requirements even without the redundancy of the second gate. The steel plate that was installed in place of the gate will be removed later this in October or November and the gate will be reinstalled in shallow water. Mr. Niccum commended staff for its rapid response to the situation, and fire department staff for assistance in placing sand bags around the gap at the bottom of the sluice gate to reduce the flow of water out of the reservoir until the pipeline plug and the steel plate could be installed.

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CAWD Board Meeting

Director Laska attended the March 26, 2009 CAWD board meeting stating that a sewer rate increase on the order of approximately 4.3% was indicated in the

2009/10 budget. Sludge waste that is currently being disposed of in King County and was anticipated to be received by Monterey Regional Waste Management District may continue to be sent to King County after that facility lowered its disposal costs to producers. Mr. Niccum noted that PBCSD pays approximately 40% of sludge disposal costs under its agreement with CAWD.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

The Board received and reviewed the report from Director Laska on the highlights of the meeting of the Monterey Regional Waste Management District ("MRWMD") held on March 20, 2009. Director Laska reported highlights of the meeting and responded to questions.

Recycling Efforts at the Recent AT&T Pro-Am Event

Brennen Jensen, Ecology Action, and Jeff Lindenthal, MRWMD, gave a presentation to the Board on the second year of cooperative effort between the California Department of Conservation and numerous other agencies in providing the AT&T golf tournament event with recycling staff, fixtures, and material collection and removal logistics. Ms. Jensen stated that the recycling program for next year's US Open currently appears to be affected by a \$4 million cut in state-wide grants that would jeopardize the funding needed for staffing of on-the-ground collection and separation for the event. Director Verhasselt suggested Ms. Jensen contact Kirsten Hunter with Hunter Public Relations to solicit assistance from the U.S. Golf Association, and Mr. Verbonich suggested that PBCo and the U.S. Open Planning Committee would be appropriate to approach as well. Mr. Niccum stated that District staff would be involved throughout and would bring matters to the Board as appropriate. Director Laska noted that MRWMD would be the focus of coordination of funding, and PBCo would be the entity for coordinating operational aspects of the effort.

GENERAL GOVERNMENT

Review and Update of the District Strategic Plan

The Board received and reviewed the General Manager's Report of topics for the District's Strategic Plan planning session and related background information. The Board concurred to meet on May 1, 2009 at 9:00 a.m. in the training room with lunch to be provided. Director Verbanec suggested adding to the topic list technological additions such as video monitoring equipment at the entry gates to support Sheriff's Office services; Director Froke suggested the District consider parks and recreation authority for services beyond fuel reduction such as education and interpretation; and Director Verhasselt suggested coordination of storm water collection and diversion with PBCo. Mr. Niccum stated he would research how involved the District could get on the

subject of under grounding of utility lines before latent powers would need to be activated. Input and questions prior to the meeting are to be directed to Mr. Niccum who would provide the Special Meeting materials to directors at the April board meeting.

District Newsletter Topics

The Board received and reviewed Report of topics for possible inclusion in the upcoming District Newsletter. Director Verbanec suggested a procedure be outlined in the next issue to ensure residents that their address would be properly displayed at County Communications when an emergency 911 call is made. Director Hornbuckle suggested including a prominent picture of a full Forest Lake Reservoir accompanied by a large article. Director Verhasselt suggested that there be an indication that the Fire Defense Plan update could be viewed on the District web site.

Water Education Foundation

The Board received and reviewed the information on the District supported Water Education Foundation. Mr. Niccum will supply a list of board members to Director Verhasselt.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

Mr. Niccum provided a memorandum regarding the Water Reuse California Section Conference he attended from March 22-24, 2009. Mr. Niccum stated that a Special District Institute education seminar would be held locally in Seaside and that Director's Verbanec and Froke will be attending.

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

Mr. Kilic, as the special district representative, provided the Board a copy of a letter he sent to Monterey County special districts including information on the role and activities of the Monterey County Treasury Oversight Committee.

Oral reports or announcements from Board President, directors or staff

Mr. Kilic stated that the final amount that will be paid to the contractor for the last year's Household Hazardous Waste Collection Day has been determined as \$45,000, from an estimated range of \$30,000 - \$59,000. Mr. Niccum stated that the District's Administrative Code was being updated with changes in pertinent laws and policies. Mr. Kilic reported that the final board meeting packet is available each month on Wednesday evening prior to the Board meeting on the District web site at pbcسد.org.

It was suggested that small computers may be provided to directors to view electronic packet materials during board meetings; staff to present costs at the April board meeting.

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CLOSED SESSION

It was determined that no closed session was in order.

ADJOURNMENT

There being no further business at 12:20 a.m. a motion was made to adjourn.

MOTION 09-3-06

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M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Friday, April 24, 2009 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.

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