



# 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 January 29, 2010 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 January 29, 2010. Board President Jeffrey B. Froke called the meeting to order at 9:33 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  
Dennis Carreiro, Assistant Chief, CAL FIRE San Benito-Monterey Unit  
Jude Acosta, Fire Operations Chief, CAL FIRE San Benito-Monterey Unit  
Buddy Bloxham, Battalion Chief, CAL FIRE San Benito-Monterey Unit  
John Tormey, Pebble Beach resident  
Mark Verbonich, Vice President Community Affairs, Pebble Beach Co. ("PBCo")  
Spencer Thompson, Traffic and Safety Committee, Del Monte Forest Property Owners  
Greg D'Ambrosio, Director, Carmel Area Wastewater District ("CAWD")  
Vinod Badani, President, E2 Consulting Engineers  
Nancy Stangel, ACWA/JPIA Director of Administration  
Bill Monning, Assemblymember, 27<sup>th</sup> District  
Noelle White, Field Representative, Assemblymember Bill Monning's Office  
Laura Dadiw, Board Clerk, Dadiw Associates

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

There were no requests for changes to the agenda.

## **MINUTES**

### **MOTION 10-01-01**

**Moved by Director Laska, seconded by Director Hornbuckle, and unanimously carried, to approve the minutes of the regular Board meeting held on December 11, 2009.**

## **FINANCIAL MATTERS**

### **ACWA/JPIA Insurance Premiums Refund**

Nancy Stangel, Director of Administration for Association of California Water Agencies Joint Powers Insurance Authority ("ACWA/JPIA"), delivered a retrospective premium adjustment check to President Froke in the amount of \$27,219.60. Ms. Stangel stated that ACWA/JPIA was refunding \$7.7 million overall to all member agencies, the largest amount the agency had ever refunded. Ms. Stangel complimented the District, management and staff for exemplary results and involvement in ACWA/JPIA affairs. General Manager Niccum noted that the District had received refunds the last five years reflecting on the success of safety programs coordinated by Associate Engineer J.T. Rethke.

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

The Board received and reviewed the *Statement of Receipts and Disbursements* for November and December 2009. Mr. Kilic reviewed the reports, noting that in November approximately \$85,600 was received in unbudgeted revenue due to partial recovery of funds by the County Treasurer lost on the defaulted Washington Mutual bond in the previous fiscal year. Mr. Kilic responded to questions from directors.

### **Check Register**

The Board received the *Check Registers* for November and December 2009. Mr. Kilic responded to directors' questions.

### **MOTION 10-01-02**

**Moved by Director Laska, seconded by Director Verhasselt, and unanimously carried, to approve the *Check Registers* for November and December 2009.**

### **Mid-year Budget Report**

The Board received and reviewed the *Mid-year Budget Report* for fiscal year 2009/10. Mr. Kilic noted that in January the District received half of the approximately \$808,000 expected from the Proposition 1A securitization bond sale proceeds. This unbudgeted revenue will offset the amount borrowed by the State in the current year. In addition, with the Washington Mutual bond sale revenue of \$85,600 and the ACWA/JPIA refund of \$27,220, District revenues are projected to exceed the originally budgeted amount by approximately \$1 million while expenses are expected to be less than

budgeted at year end. These positive results will allow the District to make an allocation to the Special Projects Reserve Fund which was depleted in the current fiscal year after setting aside necessary funds for the final water system improvement project.

### **Treasurer's Investment Report**

The Board received and reviewed the *Treasurer's Report of Investments for the quarter ending September 30, 2009*. Mr. Kilic advised the board that the County Treasury investment policy is expected to be updated later in the year and there may be a reduction in the investment expenses charged to the pool participants by the County. He would provide a report to the special districts participating in the pool on the outcome.

### **FIRE PROTECTION**

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

The Board received and reviewed the *Monthly Fire Department Activity Report* for December 1, 2009 – January 14, 2010. Chief Carreiro gave highlights of the activity report and stated that a CAL FIRE Local Government Cooperators meeting was scheduled next week in Lone with Directors Froke and Verbanec, General Manager Niccum and fire department personnel planning to attend. The District is monitoring City of Carmel planning for future fire services since the method of delivery ultimately chosen by the City of Carmel – stand alone, joint powers member, or contracting with another agency – would affect regional fire operations.

### **GENERAL GOVERNMENT**

#### **Presentation from Assemblymember Bill Monning**

Assemblymember Monning representing Santa Cruz, Monterey, and Santa Clara counties addressed the board on the topics of the State budget crisis and local issues. He stated that State revenues were generated mainly from sales, personal income, capital gains, and corporate taxes. The revenues from all major sources are down and State is facing an \$18 to \$20 Billion deficit. The governor had presented two budgets. The first one includes \$7 Billion in Federal government contributions. The backup plan includes further reduction of social and education programs, if the federal contribution does not materialize. The November ballot may include a measure to change how the State budget is approved, from the current 2/3-votes to a majority vote of both houses. A constitutional convention is being considered as an opportunity for the public to address structural governance issues. Any item receiving a majority vote at the convention would require a majority vote of the public.

Assemblymember Monning stated he was working with mayors and supervisors on the State Water Resources Control Board Cease and Desist Order against California American Water to help bring all parties together on the issue. His district office is located in Heritage Plaza and anyone may contact him or his field representative, Noelle White, with questions or concerns.

## **FIRE PROTECTION**

### **Fire Operations**

Fire Operations Chief, Jude Acosta gave an overview presentation of the fire department response to the structure fire in the Spindrift building at Ocean Pines on December 21<sup>st</sup>. He stated seven local fire departments responded and worked well together controlling the fire. Pebble Beach Company and the local chapter of the Red Cross assisted in providing lodging for residents displaced by the fire. Mr. Niccum added that the very first fire protection water system improvement project upgraded the pump station for the third lift zone, which serves Ocean Pines, increasing the flow capacity to 2500 gallons per minute and adding an underground generator for emergency standby power.

### **Regional Incident Support Vehicle**

The Board received and reviewed the *Staff Report* regarding the resolution for agreement with Monterey County Regional Fire District to operate and maintain a regional support vehicle to provide light and breathing air supply during incidents. The new agreement adds several agencies to the current agreement.

### **MOTION 10-01-03**

**Moved by Director Verhasselt, seconded by Director Hornbuckle, and unanimously carried, to adopt *Resolution 10-01* with Monterey County Regional Fire District to operate and maintain a regional support vehicle (Light and Air).**

### **Division Chief Command Vehicle**

The Board received and reviewed the *Staff Report* regarding the purchase of a division chief command vehicle for a total cost not to exceed \$40,000 and to be shared with neighboring fire districts (PBCSD cost not to exceed \$15,000).

### **MOTION 10-01-04**

**Moved by Director Hornbuckle, seconded by Director Verhasselt, and unanimously carried, to authorize the purchase of a replacement command vehicle for the Assistant Chief.**

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

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

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance for 12/12/09 – 1/22/10* prepared by Associate Engineer, J.T. Rethke, who gave an overview of the report adding that the PG&E electric service connection serving the Sunset easement pump station P-5 was damaged in the recent storms and was supplied for several day by the standby generator while repairs were completed.

### **PBCSD Capital Improvement Projects**

Assistant Engineer Christina Baca highlighted the *Engineering Report* on the monthly status of *Capital Improvement Program* projects. Staff was reviewing alternatives for the location of the proposed Spruance water storage tank due to Coastal Commission restrictions at the previously proposed location.

### **Reclamation Management Committee Meeting**

The Board received and reviewed the *General Manager Report* regarding the Reclamation Management Committee meeting held on December 18, 2009. The cause of the failure of the microfilter/reverse osmosis units was still under investigation. California American Water is considering a project to extend the recycled water distribution system to the Pacific Grove golf course and cemetery. Wastewater from the Del Monte Park area may be diverted during the summer months to increase the daily flow of recycled water from the CAWD plant. The project was considered feasible but several policy and technical issues still need to be worked through.

### **CAWD Board Meeting**

Greg D'Ambrosio, CAWD director, reported that in its January 28, 2010 meeting CAWD Board selected Barbara Buikema to serve as the new general manager of CAWD upon retirement of the current general manager Ray Von Dohren in June. Mr. Niccum stated that staff from the two Districts would continue to work closely to address any technical issues that arise.

## **SOLID WASTE MANAGEMENT**

### **Monterey Regional Waste Management District Board Meeting**

The Board received and reviewed the *Memorandum* from Director Laska on the highlights of the meeting of the Monterey Regional Waste Management District ("MRWMD") held on January 15, 2010. The Board also received and reviewed correspondence from MRWMD General Manager William Merry regarding discussions of a possible consolidated franchise agreement among MRWMD member agencies and a request for PBCSD to not extend its solid waste and recycling services contract within the next 12 months. Director Laska responded to questions.

## **GENERAL GOVERNMENT**

### **Agreement for Undergrounding Overhead Utilities**

The Board received and reviewed the *Engineering Report* prepared by Assistant Engineer Baca regarding the scope of work for undergrounding overhead utilities feasibility study. Counsel Wellington stated that research and development to determine undergrounding feasibility did not require the District to activate its related latent power. Ms. Baca stated that the request for proposals would be sent out to identify a consultant for the feasibility study that would include methods for prioritization, a work plan, project schedules and cost estimates in sufficient detail to allow the Board to determine whether to approach the Local Agency Formation

Commission ("LAFCO") to activate the District's latent power. District staff would work closely with PG&E as well as AT&T and Comcast on the project.

**MOTION 10-01-05**

**It was moved by Director Verhasselt, seconded by Director Hornbuckle, and unanimously carried, to approve the submitted Scope of Work for a Request for Proposals to perform an Undergrounding Overhead Utilities Feasibility Study.**

**Special Districts Association of Monterey County**

The Board received and reviewed the *General Manager Report* on the Special District Association meeting held on January 19, 2010. Director Verhasselt and General Manager Niccum attended the meeting. Commissioner Tom Perkins, special district representative to LAFCO, would not be seeking re-election in the April elections; more information would be available from Mr. Niccum in the next two months for any Board member interested in the position.

**Director Committee Assignments**

The Board received and reviewed the *General Manager Report* on 2010 assignments for PBCSD directors.

**MOTION 10-01-06**

**It was moved by Director Hornbuckle, seconded by Director Laska, and unanimously carried, to continue with 2009 committee assignments through 2010.**

**2010 Conferences, Symposiums and Training Schedule**

The Board received and reviewed the *General Manager Report* on the 2010 schedule. Mr. Niccum reminded directors that ethics training was required every two years and would be available locally or could be obtained on-line; he would notify directors of the schedule of local training when received.

**Safety Committee Meeting**

The Board received and reviewed the *Safety Committee Meeting minutes* from the meeting held December 4, 2009. Associate Engineer, J.T. Rethke gave an overview of the meeting and related actions. The Board commended Mr. Rethke for running an exemplary program.

**MISCELLANEOUS INFORMATION AND COMMUNICATIONS**

**Oral reports from General Manager**

Mr. Niccum noted that the PBCo lot program was moving forward and the District was providing input.

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

There were no comments from directors or staff.

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

Mr. Spencer Thompson expressed his appreciation for the excellent District medical response program and staff. He stated that CHOMP had agreed to call the Pebble Beach Fire Department if a "Life Line" service signal was sent from his wife's neck medallion to CHOMP. Mr. Thompson also indicated he had installed a lock box provided by the fire department for emergency entry into his home by responding personnel.

**CLOSED SESSION**

A closed session of the Board was convened at 11:54 a.m. to conduct the Board's annual performance evaluation of the General Manager and District Legal Counsel.

The Board reconvened open session at 12:58 p.m. Legal Counsel Wellington announced the Board has taken up in closed session the performance evaluations as listed on the meeting agenda for the General Manager and the Legal Counsel; had concluded the performance evaluations and no other action was taken.

The Board then considered the matter of compensation for the General Manager and Legal Counsel.

**MOTION 10-01-07**

**It was moved by Director Laska, seconded by Director Hornbuckle, and unanimously carried, to increase the General Manager's compensation by one percent (1%) retroactive to July 1, 2009 and to increase the retainer for the Legal Counsel by \$100 per month.**

**ADJOURNMENT**

There being no further business at 12:58 p.m. a motion was made to adjourn.

**MOTION 10-1-08**

**M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Friday, February 26, 2010 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.**