

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
Regular Meeting of February 28, 2014  
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 28, 2014. Board President Leo M. Laska called the meeting to order at 9:30 a.m.

**ROLL CALL**

**Present:** Directors Jeffrey B. Froke, Richard B. Gebhart, Leo M. Laska, Peter B. McKee, and Richard D. Verbanec

**Absent:** None

**Others Present**

Mike Niccum, General Manager  
Suha Kilic, Deputy General Manager/CFO  
Rob Wellington, Legal Counsel  
Nick Becker, Principal Engineer  
Rick Hutchinson, Unit Chief, CALFIRE San Benito-Monterey Unit (CALFIRE)  
Buddy Bloxham, Fire Operations Chief, CALFIRE  
Robert Siegfried, Board Director, Carmel Area Wastewater District (CAWD)  
Barbara Buikema, General Manager, CAWD  
Vinod Badani, E2 Consulting Engineers  
Bob Hutchison, Board Director, Del Monte Forest Property Owners (DMFPO)  
Hampton Stewart, Pebble Beach Resident  
Mark Stilwell, Executive Vice President, Pebble Beach Company (PBC)  
Laura Dadiw, Board Clerk, Dadiw Associates

**APPEARANCES AND ORDER OF BUSINESS**

There were no requested appearances or changes to the agenda.

**MINUTES**

**MOTION 14-02-01**

**Moved by Director Verbanec, seconded by Director Gebhart, and  
unanimously carried to approve, as presented, the minutes of the regular  
board meeting held on January 31, 2014.**

**FINANCIAL MATTERS**

**Statement of Receipts and Disbursements**

The Board received and reviewed the *Statement of Receipts and Disbursements* for January 2014. Mr. Kilic gave highlights.

### **Cash Basis Budget Report**

The Board received and reviewed the *Cash Basis Budget Report* for January 2014. Mr. Kilic responded to questions.

### **Check Register**

The Board received and reviewed the *Check Register* for January 2014. Mr. Kilic summarized the register and responded to questions.

### **MOTION 14-02-02**

**Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried to approve the January 2014 *Check Register*.**

### **Treasurer's Report**

The Board received and reviewed the *Monterey County Treasurer's Investment Report* for quarter ending December 31, 2013. Mr. Kilic reported the Treasurer's portfolio yield for the quarter was 0.50%. The yield, net of County Administrative charges, was 0.43%. For comparison, the yield of the State Local Agency Investment Fund was 0.26% and the yield of the 2-year Treasury bill was 0.3%. Mr. Kilic reported the County Treasurer's office negotiated a settlement in the litigation against Lehman Brothers officers and directors regarding a \$10 million bond which went into default in 2008. The bond was sold for \$0.21 on the dollar shortly after default. The settlement will provide an additional \$568,000, or another \$0.06 on the dollar, to the pool participants. The District is expected to receive approximately \$9,000 as its share.

### **FIRE DEPARTMENT**

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

The Board received and reviewed the *Monthly Fire Department Activity Report* for January 15 – February 14, 2014. Fire Operations Chief, Buddy Bloxham gave highlights. Mr. Stilwell expressed appreciation to CALFIRE for its assistance during the AT&T Pro Am, stating the event would not be possible without the participation of cooperating agencies.

Unit Chief Hutchinson reported on personnel changes at the senior level. Chief Dennis Carreiro will be assigned to Administration, and Chief Mark Edria will move to the Assistant Chief West Division position, as of April 1<sup>st</sup>. Chief Hutchinson also noted that amounts were entered incorrectly on invoicing by CALFIRE to PBCSD; a 1.7% reduction from the staff benefits rate will be credited either in an upcoming invoice or a refund will be issued. An update on the State Responsibility Area (SRA) fire fee: the class action suit is now officially filed in the court system; an outcome is not anticipated for 12 to 24 months. Property owners are required to pay the fees, and then can choose whether to challenge them. A separate set of documents must be submitted for each fee year being challenged.

CALFIRE will remain fully staffed since fire fuel moisture levels remain low and an early fire season has begun.

**Pebble Beach Fuel Reduction Projects Completed in 2013**

This item was deferred to the next regular monthly meeting.

**MAINTENANCE, ENGINEERING, AND CONSTRUCTION**

**Wastewater Collection, Treatment and Disposal System**

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance* for January 23 to February 18, 2014 prepared by Principal Engineer, Nick Becker. Forest Lake Reservoir storage level has increased through February to 70 million gallons that represents 61% of capacity. The Project Oversight Committee met on February 26<sup>th</sup> and agreed to attempt to maximize storage at Forest Lake Reservoir by using only microfiltration (MF) quality water for the next two weeks. This will establish a baseline to evaluate the plant's efficiency using only MF not in combination with reverse osmosis treatment. Water quality monitoring will be intensified, notably sodium sampling will be performed weekly at the reservoir.

The District received regional recognition as Collection System of the Year from the Monterey Bay Chapter of the California Water Environment Association (CWEA). State CWEA officials toured the District facilities on February 20<sup>th</sup> and indicated the District was one of three finalists for the State-wide Small Collection System Award.

Mr. Stilwell was particularly appreciative of the recycled water usage data provided to PBC each day by the District's Maintenance Supervisor Drewien and CAWD staff. The data is used to identify usage anomalies to detect operational issues. Now that the Independent Recycled Water Users Group (IRWUG) is directly involved with the Reclamation Management Committee (RMC), there is another set of eyes reviewing the efficiency of the project.

There was discussion on efforts to identify potential sources for increasing recycled water system inflow. The District and reclamation project partners may consider instituting pilot projects to assess the feasibility of capturing dry weather runoff at certain areas in the District, including determination of approximate volumes that might be collected and what policy issues might need to be addressed.

**PBCSD Capital Improvement Projects**

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. The District's long-term capital outlay plan is scheduled to be presented at the April board meeting.

### **CAWD Board Meeting**

Director McKee attended the CAWD board meeting held February 27, 2014 and provided a verbal report. The monthly CAWD board meetings now begin at 9:00 a.m. instead of 9:30 a.m.

### **SOLID WASTE MANAGEMENT**

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

Director Laska provided a *Memorandum* and reported on the highlights of the Monterey Regional Waste Management District (MRWMD) meeting held on February 21, 2014. Mr. Niccum gave a progress report on negotiations for the new Franchise Agreement for solid waste collection which will go into effect in 2015. Participating city managers met to discuss what issues are best worked on cooperatively versus independently by the jurisdictions negotiating with Green Waste Recovery for solid waste collection services. The District has retained the firm HF&H that assisted the MRWMD Technical Advisory Committee in the Request For Proposal process for assistance in developing a rate structure and negotiating specific solid waste collection contract terms with Green Waste Recovery.

### **GENERAL GOVERNMENT**

#### **Review Topics for PBCSD Spring/Summer Newsletter**

The Board received and reviewed the *Deputy General Manager's Report* regarding District newsletter articles. Director McKee suggested an article be included from time to time on County building standards such as sprinkler installation requirements for new or remodeled homes, perhaps written by fire prevention staff.

### **MISCELLANEOUS INFORMATION AND COMMUNICATIONS**

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

The District's Administrative Assistant, Cheri Rainwater will be contacting those directors who have not yet filed the annual Form 700 Statement of Economic Interests that covers the 2013 period.

LAFCO is calling for nominations for a regular member special district representative. CSDA also has an opening on its board of directors.

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

There were no questions or comments.

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

There were no reports or announcements.

### **CLOSED SESSION**

It was determined that a closed session of the Board was not required.

**ADJOURNMENT**

There being no further business a motion was made to adjourn at 11:48 a.m.

**MOTION 14-02-03**

**M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, March 28, 2014 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.**

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**Mike Niccum, Board Secretary**