

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of April 24, 2015
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 April 24, 2015. Board President Richard B. Gebhart 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

George Thacher, Legal Counsel

Nick Becker, Principal Engineer

David Drewien, Field Operations Supervisor

Brennan Blue, Unit Chief, CALFIRE San Benito-Monterey Unit (CALFIRE)

Mark Edria, Assistant Fire Chief, CALFIRE

Buddy Bloxham, Operations Battalion Chief, CALFIRE

Bo Lee, Fire Captain, Fire Prevention, CALFIRE

Garon Coalwell, Fire Captain, Engineering/Paramedics, CALFIRE

Mike Meddles, Fire Captain, Training Program, CALFIRE

Ken White, Board Director, Carmel Area Wastewater District (CAWD)

Barbara Buikema, General Manager, CAWD

Bob Hutchison, Board Director, Del Monte Forest Property Owners (DMFPO)

Jerry Verhasselt, Chair, Open Space Advisory Committee

Hampton Stewart, Pebble Beach resident

Dawn Mathes, Environmental & Governmental Affairs Director, Pebble Beach Co. (PBC)

Dave Hodgin, Executive Committee Member, Association of California Water Agencies
Joint Powers Insurance Authority (ACWA/JPIA)

Chris Pia, Sergeant, California Highway Patrol (CHP)

Laura Dadiw, Board Clerk, Dadiw Associates

APPEARANCES AND ORDER OF BUSINESS

Mr. David Hodgin, ACWA/JPIA presented a check to President Gebhart in the amount of \$18,381.00 representing Rate Stabilization Fund (RSF) refunds. The RSF is used to add and subtract monies from member agency individual accounts annually based on updated actuarial estimates of prior years' claim losses. This process commences when a policy year reaches four years of history. When a member's balance in the RSF exceeds 50% of its basic liability insurance premium, a refund is generated.

Mr. Hodgin indicated the ACWA/JPIA is a risk sharing pool and the refund is a reflection of the safety training programs provided by ACWA/JPIA as well as successful implementation of such programs by PBCSD and other member agencies.

President Gebhart requested, and the board concurred, to move the Law Enforcement Status Update report to follow Financial Matters.

MINUTES

MOTION 15-04-01

Moved by Director Verbanec, seconded by Director Laska, and unanimously carried to approve, as presented, the minutes of the regular board meeting held on March 27, 2015.

FINANCIAL MATTERS

Statement of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* for March 2015. Mr. Kilic responded to questions.

Cash Basis Budget Report

The Board received and reviewed the *Cash Basis Budget Report* for March 2015.

Check Register

MOTION 15-04-02

Moved by Director Froke, seconded by Director McKee, and unanimously carried to approve *Check Register* for March 2015.

PBCSD Preliminary Budget Fiscal Year 2015-16 and Set Budget Hearing

The Board received and reviewed the PBCSD 2015-16 Preliminary Budget and Deputy General Manager Kilic gave a slide presentation. Current revenue of \$13,727,000, excluding Reclamation Project reimbursements, is 5.7% higher than prior year. Sewer user fees are proposed to increase by 4.0%, equivalent to 62 cents per month, from \$15.53 to \$16.15 for residential units effective July 1, 2015. The adjustment will help pay PBCSD share of CAWD Wastewater Treatment Plant Rehabilitation Project capital costs. The fees for garbage and recyclable material collection services are proposed to increase by 14.0% effective July 1, 2015 equivalent to \$2.64 per month from \$18.86 to \$21.50 for basic residential services. Operations & Maintenance (O&M) expenses increase by 6.1% to \$11,766,000, excluding \$465,000 for recycled water distribution system O&M expenses which will be reimbursed by the Reclamation Project.

The budget includes 2.6% Cost-of-Living salary adjustment in staff salaries, to be effective July 1, 2015. Total budgeted expenses, including capital outlays, reserve contributions and carryover appropriations are \$22,329,000.

A notice will be mailed to District property owners within the next few days, setting a public hearing for the user fee increases and adoption of the final budget.

Director McKee requested that a comparative analysis be done on the Bureau of Labor Statistics San Francisco-Oakland-San Jose consumer price index with other areas; Mr. Niccum stated analysis results will be provided at the May board meeting.

MOTION 15-04-03

Moved by Director Laska, seconded by Director Froke, and unanimously carried to adopt *Resolution No. 15-04* approving the Preliminary Budget for fiscal year 2015-16 and setting Final Budget Hearing on June 26, 2015 at 9:40 a.m.

GENERAL GOVERNMENT

Traffic Enforcement Status Report

The Board received and reviewed the *Deputy General Manager's Report* regarding the Supplemental Traffic Enforcement Program status for quarter ending March 31, 2015. Sgt. Pia reported no significant traffic incidents during the quarter. Delivery drivers have been contacted by CHP regarding observing traffic rules during holiday periods. Dirt bikes and mountain bikes on pedestrian trails is being addressed. There were no major incidents during the Pebble Beach Food and Wine event. Speed spikes captured by radar units will be analyzed by PBCSD staff to determine any time or location trends.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for March 15, 2015 – April 14, 2015. Operations Battalion Chief Buddy Bloxham, Fire Captain Mike Meddles, and Fire Captain Bo Lee highlighted operations, training and fire prevention activities during the period. A vehicle fire occurred on April 21st at a residence on Sunridge Road and was contained before spreading to the garage. A fire still under investigation occurred at the Lodge on April 22nd with three rooms evacuated. Captain Coalwell gave details of the stroke alert and STEMI reports provided.

Fire Department Bathroom Remodel Project Award

The Board received and reviewed the *Engineering Report* regarding the remodel project that includes a stair loft reconfiguration.

MOTION 15-04-04

Moved by Director Froke, seconded by Director Verbanec, and unanimously carried to adopt *Resolution 15-05* declaring the bid from DMC Construction, Inc. as the lowest responsible bid and authorize award of contract in the amount of \$216,625 and a 10% budget contingency for a total contract amount not to exceed \$240,000 for the construction of the Fire Station Bathroom Remodel Project.

MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance* for March 18, 2015 to April 20, 2015 prepared by Principal Engineer Becker. Forest Lake Reservoir measures 97 million gallons or approximately 84% of capacity, below historical average however projected to trend historically through the irrigation season. Mr. Becker has been reviewing the County "Accela" computer program used to perform plan checks electronically, and anticipates the District will integrate into the Accela system in an effort to streamline the process.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. Mr. Becker gave highlights of the seven projects.

2014/15 Sewer Line Replacement Project

The Board received and reviewed the project *Engineering Report*, and viewed diagrams of the sewer line replacement location and process presented by Engineer Becker. Construction is anticipated to be completed in the next two months, coordinated with PBC renovations and temporary conference facility connection requirements.

MOTION 15-04-05

Moved by Director McKee, seconded by Director Froke, and unanimously carried to adopt *Resolution 15-06* authorizing the General Manager to enter into construction agreement with D'Arcy & Harty Construction, Inc. for an amount not to exceed \$176,250 to complete the construction of the 2014/2015 Sewer Line Replacement Project.

Sewer System Management Plan Five Year Update

The Board received and reviewed the *Engineering Report* on the update. Appendices to the report are available upon request. Engineer Becker responded to questions.

MOTION 15-04-06

Moved by Director Verbanec, seconded by Director Laska, and unanimously carried to adopt *Resolution 15-07* certifying the Pebble Beach Community Services District Sewer System Management Plan, Revision No.1.

CAWD Board Meeting

Director Laska attended the CAWD board meeting held April 23, 2015. He congratulated the agency on preparing a successful, competitive construction bid package for the Treatment Plant Rehabilitation Project. The next CAWD meeting will be held Wednesday, May 27th at 9:00 a.m. instead of the usual Thursday meeting.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meetings

Director Laska provided a report on the Monterey Regional Waste Management District (MRWMD) Board meeting held on April 17, 2015.

GENERAL GOVERNMENT

PBCSD Upcoming Election

The Board received and reviewed the *General Manager Report* regarding the general District election on November 3, 2015.

MOTION 15-04-07

Moved by Director McKee, seconded by Director Froke, and unanimously carried to adopt *Resolution No 15-08* calling for a general district election within PBCSD on November 3, 2015 to elect three Directors to four-year terms of office.

District Assistant Engineer Position

The Board received and reviewed the *General Manager Report* regarding the job description and recruitment for District Assistant Engineer. General Manager Niccum briefed the board on the additional engineering support needed to adequately address the current workload. He will expand the lower end of the salary range to attract a wider array of candidates.

MOTION 15-04-08

Moved by Director Laska, seconded by Director Froke, and unanimously carried to approve the job description and authorize recruitment for an Assistant Engineer.

PBCSD Safety Committee Meeting

The Board received and reviewed the minutes of the March 26, 2015 Safety Committee meeting prepared by Engineer and Safety Officer, Nick Becker. He noted that ACWA/JPIA is a significant safety training resource.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

General Manager Niccum reported Saturday, June 27th as the date of the 2015 District Open House and Safety Day; and Saturday, September 26th as the date of the 2015 Household Hazardous Waste Collection Day. Director Gebhart will be attending the Reclamation Management Committee meeting on May 8th as alternate for Director McKee who is unable to attend.

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

There were no questions of clarification.

Oral reports or announcements from Board President, Directors or staff

There were no reports or announcements from directors or staff.

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 11:56 a.m.

MOTION 15-04-09

M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, May 29, 2015 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.

Mike Niccum, Board Secretary