

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of June 26, 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 June 26, 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

Rob Wellington, Legal Counsel

Nick Becker, Principal Engineer

David Drewien, Maintenance Supervisor

Nancy Johnson, Senior Accountant

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

Mark Edria, Assistant Fire Chief, CALFIRE

Robin Hamelin, Battalion Chief, Fire Protection and Planning, CALFIRE

Buddy Bloxham, Operations Battalion Chief, CALFIRE

Mike Meddles, Fire Captain, CALFIRE

Nate Armstrong, Fire Captain/Paramedic, CALFIRE

Barbara Buikema, General Manager, Carmel Area Wastewater District (CAWD)

Bob Siegfried, Board Director, CAWD

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

Hampton Stewart, Pebble Beach resident

Vinod Badani, E2 Consulting Engineers

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

Emily Finn, Director of Business Development & Communications, Green Waste Recovery, (Green Waste)

Cheri Rainwater-Polanzi, Administrative Assistant

APPEARANCE AND ORDER OF BUSINESS

President Gebhart announced that the GreenWaste Recovery presentation, on the status of service transition, will be moved to follow the public hearing on the budget and service fees.

MINUTES

MOTION 15-06-01

Moved by Director McKee, seconded by Director Verbanec, with Director Laska abstaining, to approve the minutes of the regular board meeting held May 29, 2015.

FINANCIAL MATTERS

Statement of Receipts and Disbursements

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

Check Register

MOTION 15-06-02

Moved by Director Laska, seconded by Director Verbanec, and unanimously carried to approve the Check Register for May 2015.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for May 15, 2015 – June 14, 2015. In response to Director McKee's inquiry, Chief Bloxham responded that trends in causes of fires can be provided. Fire Captain Meddles reported on public information officer training for the purpose of relaying information to the media and public during emergencies. Fire Captain/ Paramedic Armstrong responded to questions regarding the criteria for determining whether local patients are transported to the Community Hospital of the Monterey Peninsula (CHOMP) or the Natividad Trauma Center in Salinas. Captain Armstrong and Unit Chief Blue responded to questions regarding trauma policy.

Battalion Chief Hamelin reported on the recently completed fire fuel reduction by use of goats. Staff is looking into an emergency notification system to replace the current Reverse 911 system.

FINANCIAL MATTERS

TIMED BUSINESS

Fiscal Year 2015-16 PBCSD Final Budget and Service Fees

The Board received and reviewed the *Final Budget for Fiscal Year 2015-16*. Mr. Kilic gave a presentation summarizing the FY 2015-16 final budget.

The amount budgeted for Operations and Maintenance (O&M) expenses is \$12,231,000 or 6.4% more than the previous year's budget. The budget includes a 5% contingency for emergency or unforeseen expenses.

The amount budgeted for Capital Outlays is \$9,993,000 which includes \$3,494,000 for PBCSD's 1/3 share of CAWD wastewater treatment plant capital outlay expenses, mainly related to major plant renovation.

Mr. Kilic presented the proposed Fiscal Year 2015-16 garbage and sewer service fees, including changes from the prior year as well as the basis for the adjustments. Garbage service fees are proposed to increase by 14% so the monthly basic residential garbage service fee will increase from \$18.86 to \$21.50. He provided the background on the District's new franchise agreement with the GreenWaste Recovery, Inc.; and presented a comparison of the proposed fee to neighboring cities. Mr. Kilic answered questions from the Board.

The District received one protest letter regarding proposed garbage service fees and one protest letter regarding the budget allocation for supplemental traffic enforcement program. President Gebhart opened the public hearing at 9:58 a.m. There were no comments or questions from the public.

MOTION 15-06-03

Moved by Director Laska, seconded by Director Verbanec, and unanimously carried, to adopt the following resolutions:

***Resolution No. 15-11* approving service charges for sewer treatment and disposal and garbage collection and disposal services; and a special tax for fire protection services within the District for the Fiscal Year 2015-16;**

***Resolution No. 15-12* certifying compliance with State law with respect to the levying of general and special taxes, assessments, and property-related fees and charges for Fiscal Year 2015-16;**

***Resolution No. 15-13* adopting the Final Budget for Fiscal Year 2015-16;**

***Resolution No. 15-14* approving positions, classifications and pay schedule for Fiscal Year 2015-16;**

***Resolution No. 15-15* adopting the property tax appropriation limit for Fiscal Year 2015-16;**

Resolution No. 15-16 modifying employer paid member contributions to CalPERS Retirement Plan; and

Resolution No. 15-17 establishing the District sewer connection, inspection, and permit fees for Fiscal Year 2015-16.

Mr. Kilic thanked District Accountants Nancy Johnson and Marianna Pimentel, Principal Engineer Nick Becker, Maintenance Supervisor David Drewien and fire department staff for their contributions in preparing the budget.

END OF TIMED BUSINESS

SOLID WASTE MANAGEMENT

Emily Finn, Director of Business Development and Communications for GreenWaste Recovery, Inc. (GreenWaste) gave an update on the garbage service transition including the status on recruitment of Waste Management personnel, new cart delivery and old cart removal process, customer service call center, data retrieval from Waste Management, a description of new available services and development of outreach and education materials.

MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance* for May 22, 2015 to June 17, 2015 prepared by Principal Engineer Becker. Forest Lake Reservoir measures about 68 million gallons or approximately 60% of capacity, a level similar to the 5-year average.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects summarized below.

Undergrounding Overhead Utilities Project – Phase I - Construction

AT&T re-design documents have been pushed out with installation expected in August.

Lodge Area Utility Improvement Project

A recommendation for awarding construction contract is scheduled for the July Board meeting. Mr. Niccum outlined the unique proposal process required to provide the flexibility necessary to construct this project.

2014-2015 Sewer Line Replacement Project

Sewer line replacement along Sawmill Gulch Road was successfully completed on June 11th finalizing the 2014-15 Sewer Replacement Project, on time and on budget.

Undergrounding Overhead Utilities Project – Phase II – Design

Preparation of bid documents is underway for the phases subsequent to the Lodge Area Utility Improvement Project and are expected to be ready for bid before the AT&T Golf Tournament.

Fire Station Bathroom Remodel

The contractor is on schedule with the new plumbing, mechanical, electrical, sheet rock and flooring installations to complete the work in August.

Additional unforeseen work included extending the sewer waste line into the adjacent laundry room, revising the ventilation system to satisfy existing field conditions and adding shower repairs in a separate captain's bathroom.

Holman Hwy 68 / Highway 1 Roundabout Project

Mr. Becker attended a project meeting held June 25th. The project is about 90% designed and currently under the California Department of Transportation's (CalTrans) review. Project is expected to go out to bidding in October or November with anticipated construction activities beginning post AT&T Tournament. An Emergency Services Task Force will coordinate emergency vehicle traffic and services through the construction period. Mr. Becker presented a project video representing a simulation of expected roundabout traffic flow. Dawn Mathes added that additional project information and simulation video based on current traffic flow is available on the TAMC website.

CAWD Board Meeting

Director McKee attended the CAWD board meeting held June 25, 2015. The main subject was the approval of the fiscal year 2015-16 budget. Sewer fees increased by 12% and personnel salaries increased by 2.6% reflecting a cost of living adjustment.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

Director Laska recapped the highlights of the Monterey Regional Waste Management District Board meeting held on June 19, 2015.

GENERAL GOVERNMENT

California Special Districts Association 2015 Board Election

The Board received and reviewed mail ballot information of the California Special Districts Association 2015 Board Election for Coastal Network Seat A. The Board decided to make a selection at the July Board meeting.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

The California Special Districts Association Conference will be held September 21 – 24, 2015 in Monterey – registering in July offers a discount. Directors can notify the staff, if interested in attending.

Mr. Niccum indicated the election filing period for the November 2015 election is July 13 through August 7. Candidates should file at the Monterey County Elections department in Salinas.

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 11:15 a.m.

MOTION 15-06-04

M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, July 31, 2015 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.

Mike Niccum, Board Secretary