

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
Regular Meeting of January 29, 2016  
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, 2016. 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

Marianna Pimentel, Senior Accountant

Rob Wellington, Legal Counsel

Mike Nolan CPA, Partner, Hayashi Wayland

Stacy Radich CPA, Audit Manager, Hayashi Wayland

Mark Edria, Assistant Fire Chief, CAL FIRE San Benito-Monterey Unit (CAL FIRE)

Mark Mancini, Fire Protection and Planning Chief, CAL FIRE

Aaron Young, Training Chief, CAL FIRE

Charlotte Townsend, Board Director, Carmel Area Wastewater District (CAWD)

Barbara Buikema, General Manager, CAWD

David Stivers, EVP and Chief Administrative Officer, Pebble Beach Company (PBC)

Cheryl Burrell, Planning Manager, PBC

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

Jerry Verhasselt, Open Space Advisory Committee

Hampton Stewart, Pebble Beach resident

Vinod Badani, E2 Consulting Engineers

Sgt. Chris Pia, California Highway Patrol (CHP)

Laura Dadiw, Board Clerk

**APPEARANCES AND ORDER OF BUSINESS**

There were no appearances. Staff requested the Law Enforcement agenda items be moved forward to follow the financial items.

## **MINUTES**

### **MOTION 16-01-01**

**Moved by Director Laska, seconded by Director Froke, and unanimously carried to approve the minutes of the regular board meeting held December 11, 2015, as presented.**

## **FINANCIAL MATTERS**

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

The Board received and reviewed the *Statements of Receipts and Disbursements* for November and December 2015. Mr. Kilic summarized the report.

### **Cash Basis Budget Report**

The Board received and reviewed the *Cash Basis Budget Report* for December 2015. Mr. Kilic summarized the report.

### **Check Register**

The Board received and reviewed *Check Registers* for November and December 2015.

### **MOTION 16-01-02**

**Moved by Director Froke, seconded by Director Laska, and unanimously carried to approve the *Check Registers* for November and December 2015.**

### **Annual Audited Financial Statements and Independent Audit Report**

The Board received and reviewed the PBCSD Annual Financial Statements and Independent Auditors' Report for Fiscal Year ended June 30, 2015. Mr. Kilic introduced Mike Nolan, CPA and Stacy Radich, CPA from Hayashi Wayland for the presentation of the District's Audit Report. Mr. Nolan presented the required communications per audit guidelines. Mr. Nolan explained Governmental Accounting Standards Board (GASB) Statement No. 68 which now requires the District to include pension liability on annual financial statements and its minor impact on presentation of the District's net position. He noted there were no significant changes in accounting policies or practices, no unusual transactions or alternative treatments discussed with management, and no additional journal entries were necessary, an indication of accurate work performed by District staff. Mr. Nolan expressed appreciation for the cooperation and support of District management and staff in providing timely information with details. The District received an unqualified opinion, which is the highest level audit opinion.

Ms. Radich reviewed the District's audited statements, and called attention to the additional notes and supplementary information required under GASB Statement No. 68. Mr. Nolan and staff responded to questions from board members.

Mr. Niccum complimented Mr. Kilic, Ms. Pimentel and staff for the extra effort required this year preparing the financial statements due to new GASB requirements. This completes the last year of a three-year contract with Hayashi Wayland to perform audits of District financial statements.

**MOTION 16-01-03**

**Moved by Director Verbanec, seconded by Director McKee, and unanimously carried to receive the PBCSD Annual Financial Statements and Independent Auditors' Report for Fiscal Year ended June 30, 2015.**

**LAW ENFORCEMENT**

**Law Enforcement Status Report for Quarter Ending December 31, 2015**

The Board received and discussed the *Deputy General Manager's Report* regarding Supplemental Traffic Enforcement Program status for the quarter ending December 31, 2015. Sergeant Chris Pia reported no record of calls received by CHP to cover Sheriff's Office calls since September 1<sup>st</sup>. Emergency calls in Sheriff's Office jurisdiction received by CHP during the period were relayed and responded to by the Sheriff's staff. There were no records indicating that CHP had to respond due to lack of, or delayed response from the Sheriff's Office during the period. There are memorandums of understanding in place regarding the type of coverage CHP provides to the Sheriff's office. Mutual and auto aid protocols are also in place between local jurisdictions.

Patrol by CHP will be focused on high speed areas along thoroughfares. If enough information is relayed by persons reporting, letters will be sent by CHP to drivers for violations such as speeding and vehicles rolling through stop signs. Mr. Niccum emphasized the importance of the enforcement program being data driven based on radar units capturing actual speeds. Cyclists, most at risk for injury when collisions occur, will be the focus of patrol on Saturday mornings to encourage safe riding practices. Increasing the PBCSD/CHP contract during construction of the Holman Hwy One/Hwy 68 Roundabout for anticipated increased traffic rerouted through the Forest may be presented for board consideration at an upcoming meeting.

**DMFPO Traffic and Safety Committee Meeting**

The Board received the January 26, 2016 DMFPO Traffic and Safety Committee meeting packet including the Sheriff's Office presentation of crime statistics through the 2015 calendar year. Suspects responsible for thefts and burglaries in December were questioned and/or arrested, subsequently reducing reported crimes. The Sheriff's Office will conduct a Town Hall meeting for Pebble Beach residents on Wednesday, February 17<sup>th</sup> at 6:00 pm at the Lodge Conference Center covering services and general information.

Ms. Burrell noted that a mirror has been placed on Lopez Road for a better view of vehicles and cyclists approaching Congress Road coming from the direction of Poppy Hills Golf Course. Mr. Stivers stated that the intersection is scheduled to be reconfigured for better line of sight in the PBC 2017-18 fiscal year.

### **Monterey County Sheriff Level of Service**

The Board received the *General Manager Report* on Sheriff's Office service levels. There has been no indication that staff reductions that started at the beginning of October resulted in an increase in local crime.

### **FIRE DEPARTMENT**

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

The Board received and reviewed the *Monthly Fire Department Activity Report* for November 26, 2015 – January 14, 2016. Chief Edria noted that 2015 calls for service were less than in 2014 due to the higher number of winter storm calls in December 2014. New Fire Department Training Chief, Aaron Young was introduced and reported that water rescue training for fire department staff was in process. Chief Mancini reported on fire prevention efforts. Staff is optimizing the "CodeRED<sup>®</sup>" emergency telephone notification system that replaced the "Reverse 911<sup>®</sup>" system.

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

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

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance* for December 8, 2015 to January 21, 2016 prepared by Principal Engineer Becker. Forest Lake Reservoir current water storage level is at 102 million gallons or 89% of capacity. A sewer system overflow of approximately 200 gallons occurred in December, the first since January 2015.

#### **PBCSD Capital Improvement Projects**

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. The next phase of the District Lodge Area Utility Improvement Project is planned to commence after the AT&T golf tournament. The construction area extends from the Lodge loading dock to Casa Palmero.

#### **CAWD Board Meeting**

Director Froke and General Manager Niccum attended the CAWD board meeting held January 28, 2016. Resolutions regarding personnel policies were adopted. Ms. Buikema was thanked for conducting a tour earlier this week for PBCSD board members of capital improvements underway at the treatment facility. The agency received a clean 2014-15 fiscal year audit report.

## **SOLID WASTE MANAGEMENT**

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

Director Laska provided a Memorandum on the highlights of the meetings of the Monterey Regional Waste Management District (MRWMD) held on December 18, 2015 and January 15, 2016. The MRWMD is considering expanding the organic waste digester facility.

## **GENERAL GOVERNMENT**

### **Special Districts Association Meeting**

The Board received and reviewed the *General Manager Report* for the January 19, 2016 meeting. Director Froke was in attendance. Director Verbanec was elected Secretary/Treasurer for the Association. He previously served as President.

### **2016 Assignments for PBCSD Directors**

The Board received and reviewed the *General Manager Report* regarding board director assignments for 2016.

## **MOTION 16-01-04**

**It was moved by Director Laska, seconded by Director McKee, and unanimously carried to continue with the same Assignments in 2016 for PBCSD Directors.**

## **MISCELLANEOUS INFORMATION AND COMMUNICATIONS**

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

General Manager Niccum related that there were two openings on the Local Agency Formation Commission with the two incumbents interested in re-appointment. However if any directors are interested, they may be nominated for election with each independent special district having one vote.

Mr. Niccum noted that Director Verbanec is now chair of the Open Space Advisory Committee that approves maintenance efforts by the Del Monte Forest Conservancy, Pebble Beach Company and Pebble Beach Fire Department.

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

There were no questions from directors or staff.

### **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 11:22 a.m.

**MOTION 16-01-05**

**M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, February 26, 2016 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.**

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**Mike Niccum, Board Secretary**