

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of May 27, 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 May 27, 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

Rob Wellington, Legal Counsel

Nick Becker, Principal Engineer

Holly Heebink, Engineering Intern

Brennan Blue, Unit Chief, CAL FIRE San Benito-Monterey Unit (CAL FIRE)

Mark Edria, Assistant Fire Chief, CAL FIRE

Buddy Bloxham, Operations Battalion Chief, CALFIRE

Mark Mancini, Fire Protection and Planning Chief, CAL FIRE

Nate Armstrong, Battalion Chief, Emergency Medical Services, CALFIRE

Robert Siegfried, Board Director, Carmel Area Wastewater District (CAWD)

Barbara Buikema, General Manager, CAWD

Cheryl Burrell, Project Manager, Pebble Beach Company (PBC)

Beat Giger, Director of Special Events / Corporate Chef, PBC

Bart Bruno, Board Director, Del Monte Forest Property Owners (DMFPO)

Jerry Verhasselt, Member, Open Space Advisory Committee

Hampton Stewart, Pebble Beach resident

Vinod Badani, E2 Consulting Engineers

Kristin Cushman, Executive Director, The Offset Project (TPO)

Rico Tesio, Director of National Programs, TPO

Jeff Lindenthal, Deputy General Manager of Community Programs, Monterey Regional Waste Management District (MRWMD)

Laura Dadiw, Board Clerk

APPEARANCES AND ORDER OF BUSINESS

There were no requested appearances or changes to the agenda.

MINUTES

MOTION 16-05-01

Moved by Director Laska, seconded by Director Froke, and unanimously carried to approve the minutes of the regular board meeting held April 29, 2016, with the correction on page 2 under Preliminary Budget Fiscal Year 2016-17 last sentence "...O&M expenses increase by 4.1%..." instead of 6.1%.

FINANCIAL MATTERS

Statement of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* for April 2016. Mr. Kilic summarized the report and there were no questions.

Cash Basis Budget Report

The Board received and reviewed the *Cash Basis Budget Report* for April 2016. Mr. Kilic summarized the report.

Check Register

The Board received and reviewed the *Check Register* for April 2016. Mr. Kilic responded to questions.

MOTION 16-05-02

Moved by Director Froke, seconded by Director McKee, and unanimously carried to approve the *Check Register* for April 2016.

Monterey County Treasurer's Investment Report

The Board received and reviewed the Monterey County Treasurer's Investment Report for quarter ending March 31, 2016. Mr. Kilic reported the Treasurer's portfolio yield for the quarter was 1.08%, 37 basis points higher than the previous quarter. For comparison, the yield of the State Local Agency Investment Fund was 0.38% and the yield of the 2-year Treasury bill was 0.87%, 18 basis points lower than last quarter.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for April 15, 2016 – May 14, 2016. Battalion Chief Bloxham summarized the report. Chief Mancini summarized fire protection and planning efforts during the period. The May 16th arrival of the goats was delayed due to time needed for masticators to clear brush for corral fencing installation. Chief Edria gave a slide presentation on recent fires in the state. CAL FIRE has increased staffing in anticipation of intense fires due to heavy fuel loading from tree die-off during the drought, most significantly in the Southern Sierras.

PBCSD Open House and Public Safety Day Update

The Board received and reviewed the *Fire Department Staff Report* on the event.

MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance* for April 20 - May 18, 2016 prepared by Principal Engineer Becker. As of May 25th, Forest Lake Reservoir water storage was 83% of capacity, 8 million gallons more than last year at this point, with irrigation demand at average so far for May. On May 24th a Category 3 (200-400 gallon) sewer system overflow occurred apparently due to root intrusion along an old terra cotta clay pipe on Riata Road; a full report will be provided at the next board meeting. Replacement of old pipes with seamless plastic has reduced overflows from 20 to 30 each year 15-years ago to one in the last year. The dry weather diversion facility at the Fourth Fairway of Pebble Beach Golf Links has been capturing approximately 18,000 gallons per day for reclamation. A permanent facility will be installed by PBC in the late summer/early fall and the District pilot project will be removed. The well at MPCC Dunes Fairway 9 has been turned on capturing approximately 20,000 gallons per day. Dewatering pumps at the CAWD facility digester construction area are currently diverting up to 1,000,000 gallons/day to the treatment plant head works for the benefit of the reclamation project.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. Mr. Becker provided photographs and schematics of the Lodge Area Utility Improvement Project that is nearing completion. The numerous contractors coordinated and cooperated well the entire project. Road finishing is currently being performed in the project area. Mr. Becker provided slides of the renovation of rooms by PBC at the Lodge, and the CAWD Wastewater Treatment Plant Rehabilitation Project.

Pelican Easement Emergency Sewer Line Repairs Final Payment

The Board received and reviewed the *Engineering Report* on the repairs and costs. Mr. Becker presented the report as informational.

Wastewater Reclamation Management Committee Report

The Board received and reviewed the *Engineering Report* regarding the Reclamation Management Committee meeting held on May 13, 2016.

CAWD Board Meeting

Director McKee attended the CAWD board meeting held May 25, 2016. The \$355,000 cost of the project to increase the recovery of the reverse osmosis system from 75% to 88% is fully funded by the reclamation project. A review of the \$14 million CAWD rehabilitation project was provided at the meeting.

The project has had minimal (\$100,000) change orders so far with an anticipated completion date of July 2017. New flooring for the Rio Road administration building was approved.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

Director Laska gave highlights of the meeting of the Monterey Regional Waste Management District (MRWMD) held on May 20, 2016. A facility improvement project to accommodate material recovery equipment upgrades was bid on by only one firm for an amount far over the engineer's estimate. The project will be re-bid with the completion date delayed ten months. Revisions to the MRWMD 2016-17 Budget will need to be made as a result of the revised bid. Other MRWMD facility improvements are underway without notable incident.

Progress of The Offset Project (TOP) Diversion Programs

Kristin Cushman, Founder and Executive Director of TOP, gave a presentation on the progress of zero waste efforts since 2014. PBCSD contributions enabled TOP to establish programs at the PBC annual Food and Wine Event that resulted in a PBC daily operational program of food waste diversion in cooperation with MRWMD. TOP is building partnerships with community agencies such as Habitat for Humanity, SPCA, City of Gonzales, and others that have a use for recycled materials. Before TOP became involved with the AT&T Pro-Am Tournament, PBC had a 14% diversion rate with approximately 100 dumpsters taken to the landfill. With TOP involvement, out of 104 dumpsters at the 2016 tournament, only two were taken to the landfill, with the Monterey Peninsula Foundation and PBC saving significantly on waste disposal costs. GreenWaste Recovery Inc., the new District franchise hauler, has integrated TOP efforts into its operations. TOP has established model programs that are being replicated elsewhere in the country and are recognized by the California Resource Recovery Association as representative of best zero waste practices. Ms. Cushman thanked PBCSD for its vital stakeholder support.

GENERAL GOVERNMENT

Biennial Review of District Conflict of Interest Code

The Board received and reviewed the *General Manager Report* regarding the District Conflict of Interest Code.

MOTION 16-05-03

It was moved by Director Verbanec, seconded by Director Laska, and unanimously carried to adopt *Resolution No. 16-08* determining that one amendment to the Code is necessary adding the Principal Engineer to the list of designated positions.

California Special Districts Association (CSDA) Legislative Days Conference

The Board received and reviewed the *General Manager Report* of the conference attended by Mr. Niccum May 17-18, 2016 at the Sacramento Convention Center.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

General Manager Niccum provided a *Memorandum* from the CSDA board chairman and executive director regarding proposed bylaws updates; The District will vote to approve the bylaws changes since there were no director objections to the proposed changes. Mr. Niccum also provided the recently distributed District newsletter that has received positive response from residents and thanked Mr. Kilic for his commendable work in coordinating the production of each issue. Mr. Niccum is planning to attend the CSDA General Manager Leadership Conference next month. Last year the District joined the California Association of Sanitation Agencies that holds a conference in Monterey every other year; this year it will be held August 10-11 and live AB1234 board ethics training will be offered.

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

Director Verbanec noted he was made aware of an instance when unidentified crews working on the Lodge project were very professional and helpful to members of the public. Mr. Becker will pass the comment on to the contractors.

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 11:29 a.m.

MOTION 16-05-04

M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, June 24, 2016 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.

Mike Niccum, Board Secretary