

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of May 26, 2017
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 26, 2017. Board President Richard D. Verbanec called the meeting to order at 9:30 a.m.

ROLL CALL

Present: Directors Jeffrey B. Froke, Richard B. Gebhart, Peter B. McKee, and Richard D. Verbanec

Absent: Leo M. Laska

Others Present

Mike Niccum, General Manager

Suha Kilic, Deputy General Manager/CFO

Rob Wellington, Legal Counsel

Nick Becker, Principal Engineer

Justin Ferron, Assistant Engineer

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

Buddy Bloxham, Operations Battalion Chief, CAL FIRE

Josh Silvera, Fire Captain, CAL FIRE

Brandon Phillips, Firefighter, CAL FIRE

Jake Burkhardt, Engineer Paramedic, CAL FIRE

Mark Mancini, Fire Protection and Planning Chief, CAL FIRE

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

Barbara Buikema, General Manager, CAWD

Jeff Fuller, Board Director, Del Monte Forest Property Owners (DMFPO)

Jerry Verhasselt, Pebble Beach resident

Laura Dadiw, Board Clerk

APPEARANCES AND ORDER OF BUSINESS AND ANNOUNCEMENTS

There were no requested appearances or changes to the agenda. Mr. Niccum informed the board that long-time Forest resident, Bob Hutchison passed away May 17th. A DMFPO board member and chair of the Roads Committee until recently, he was instrumental in developing the road maintenance oversight program in cooperation with PBC. He was also the PBCSD board meeting representative on behalf of DMFPO for many years.

MINUTES AND FINANCIAL MATTERS

MOTION 17-05-01

Moved by Director Froke, seconded by Director McKee, and unanimously carried to approve, as presented, the minutes of the regular board meeting held April 28, 2017.

Statements of Receipts and Disbursements

The Board received and reviewed the *Statements of Receipts and Disbursements* for April 2017. Mr. Kilic summarized the reports, noting that property tax revenue was approximately \$400,000 higher than expected, and responded to questions.

Cash Basis Budget Report

The Board received and reviewed the *Cash Basis Budget Report* for April 2017. Mr. Kilic responded to questions.

Check Register

The Board received and reviewed the *Check Register* for April 2017. Mr. Kilic responded to questions.

MOTION 17-05-02

Moved by Director Gebhart, seconded by Director McKee, and unanimously carried to approve the *Check Register* for April 2017.

Monterey County Treasurer's Investment Report

The Board received and reviewed the Monterey County Treasurer's Investment Report for quarter ending March 31, 2017. Mr. Kilic reported the yield for the quarter was 1.18%, 11 basis points higher than the previous quarter. For comparison, the yield of the State Local Agency Investment Fund was 0.68%, and the yield on the 2-year T-bill was 1.2%. Mr. Kilic responded to questions.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for April 15, 2017 – May 14, 2017. Chief Bloxham introduced staff responsible for preparing fire department operations and training reports: Captain Josh Silvera, Firefighter Brandon Phillips, and Engineer Paramedic Jake Burkhardt. Cal Fire is currently fully staffed, and will be at peak fire season staffing approximately mid-June. Mr. Niccum noted that May 31 is the 30th anniversary of the large Morse Fire on Huckleberry Hill that destroyed over 35 residences in 1987. Cal Fire response and resources have improved significantly since that fire.

Chief Mancini reported the 2017 PBCSD Open House and Safety Day will be held Saturday, June 24 from 10:00am to 2:00pm. The upcoming goat fire fuel reduction effort is anticipated to help eradicate substantial thistle growth in the Forest.

Budget Increase for Fire Department Vehicles

The Board received and reviewed the *General Manager Report* on a requested budget increase of \$35,000 to purchase four fire department vehicles. Chief Edria reported the initial budget estimate assumed the mobile command stations in the rear of current command vehicles could be transferred to the new vehicles which turned out to not be possible. The extra cost also included radio upgrades due to new State radio requirements and the cost of sirens is significantly more than expected. The fire department purchasing process has been reviewed; more researched, competitive quotes for equipment and services will be obtained in the future.

MOTION 17-05-03

Moved by Director Froke, seconded by Director Gebhart, and unanimously carried to authorize budget increase of \$35,000 to purchase four fire department vehicles.

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, 2017 – May 18, 2017 prepared by Principal Engineer Becker, who gave highlights of the report. Currently, Forest Lake Reservoir water storage is at 83% of capacity. A column listing the Forest Lake storage volume for the previous year has been added to the chart of monthly recycled water use. Cypress Point Golf Club and District staff are considering a joint project to tie the golf course maintenance facility into the District wastewater system and eliminate a septic tank and leach field near Fan Shell Beach. Repairs were completed on the District administration building emergency generator caused by rodent damage.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. Mr. Becker reviewed the report and provided slides. District funding of weekend and night work on the Holman Highway 68 Roundabout Project allowed completion of Stage 4 construction in four weeks and a day instead of the anticipated six weeks. There will be restricted exit from Highway One gate through July 4 after which the roundabout should be fully operational.

Wastewater Reclamation Management Committee Meeting May 12, 2017

The Board received and reviewed the *Engineering Report* regarding the Reclamation Management Committee meeting and Mr. Becker gave highlights.

New Reclamation Project Well Development at Dunes Course

The Board received and reviewed the *Engineering Report* on Reclamation Project well water development. Director Froke recused himself from any discussion or action in the matter as he is a consultant to Monterey Peninsula Country Club. Mr. Niccum stated there are private wells in the area of the potential well site that will need to be monitored to insure there is no impact from the new well. Anticipated production is 15,000 – 30,000 gallons per day. Director McKee requested that a chart of alternative source water flows be provided at board meetings.

MOTION 17-05-04

Moved by Director Gebhart, seconded by Director McKee, recusal by Director Froke, and carried 3-0-1 to adopt *Resolution 17-04* authorizing the General Manager to procure well drilling contractor services along with materials and equipment for the development of well water production for an amount not to exceed \$200,000.

Undergrounding Overhead Utilities Phase II Private Service Conversion

The Board received and reviewed the *Engineering Report* regarding the award of a construction contract for the service conversion. Mr. Becker provided slides and explained the complexity of connecting certain homes to undergrounded power lines.

MOTION 17-05-05

Moved by Director Froke, seconded by Director Gebhart, and unanimously carried to adopt *Resolution 17-05* declaring the bid from Lewis & Tibbitts, Inc. as the lowest responsible bidder and authorize the General Manager to award a construction contract for an amount not to exceed \$504,375 for the Undergrounding Overhead Utilities Phase II, Private Service Conversion Project.

Financing Options for Neighborhood Underground Overhead Utility Projects

The Board received and reviewed the *Deputy General Manager's Report* regarding neighborhood undergrounding financing options, provided for information. Director Verbanec suggested scheduling a strategic planning session focusing on determining the level of community interest, with an announcement of such a meeting published in the District or DMFPO newsletter. Mr. Kilic suggested soliciting input from the various organizations and committees associated with the District. Mr. Niccum felt it would be beneficial, prior to scheduling a strategic planning session or

workshop, to dialogue with DMFPO, with PG&E on neighborhood undergrounding experiences, and with neighborhoods known to have an interest in undergrounding. He believes this type of policy discussion would also be helpful in determining how best to prioritize undergrounding projects once the main lines are completed.

CAWD Board Meeting

Director Gebhart attended the CAWD board meeting held May 25, 2017. Homeowners in the Highlands Sanitary Association (HSA) have requested some private non-conforming sewer lines be added to the CAWD wastewater system. The prospect of CAWD taking over maintenance and possibly ownership of the lines will be further considered once the system is videotaped and mapped by an HSA-retained contractor. Some 60 parcels within the city of Carmel are not currently charged for wastewater services; letters will be sent by CAWD to the property owners notifying that billing will commence and that service fees are due four years retroactively. The Reclamation Project 2017/18 budget was approved. A resolution was approved to contract with Applied Marine Science for Cclean Program management services with CAWD acting as lead agency to protect the quality of marine waters by determining contaminants reaching near shore waters. Cclean is made up of the four wastewater agencies (CAWD, MRWPCA, Watsonville and Santa Cruz) that discharge to the Pacific Ocean.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

The Board received a *Memorandum* on the highlights of the meeting of the Monterey Regional Waste Management District held on May 19, 2017. Mr. Niccum gave a report and there were no questions.

GENERAL GOVERNMENT

Extension of Agreement for California Highway Patrol Services to June 2018

The Board received and reviewed *Resolution No 17-06* regarding amendment to extend the term of agreement with CHP to June 30, 2018. Mr. Niccum expressed his appreciation to Sgt. Pia for his responsiveness and leadership in providing excellent program services.

MOTION 17-05-06

Moved by Director Gebhart, seconded by Director Froke, and unanimously carried to adopt *Resolution 17-06* authorizing execution of an amendment to the contract with California Highway Patrol to continue to provide supplemental law enforcement services through June 30, 2018 at a cost not to exceed \$205,000.

DMFPO Roads and Traffic Committee Meeting

The Board received the May 25, 2017 DMFPO Roads and Traffic Committee meeting packet. Director Froke and Mr. Niccum were in attendance and reported on the meeting. The PBC has budgeted \$2.4 million for 2017 road improvements and \$500,000 for 2017 drainage improvements. Shawn Casey encouraged everyone to report any observed problem road areas to the PBC Roads Department.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

General Manager Niccum provided the listing of Pebble Beach Company special events through 2022. The 2018 Concours d'Elegance will be held one week later than normal to accommodate the U.S. Amateur Championship being held at PB Golf Links.

Mr. Kilic announced that the District will receive a CSDA Special District Leadership Foundation Transparency Certificate of Excellence for its efforts in promoting transparency to the public in District operations and governance.

Senior Accountant Marianna Pimentel graduated from CSUMB this month with a diploma in Business Administration and Accounting. Ms. Pimentel conveyed thanks to the board and staff for their support during her educational endeavor.

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.

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 at 11:50 a.m. to adjourn in honor and memory of Bob Hutchison.

MOTION 17-05-07

M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, June 30, 2017 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.



Mike Niccum, Board Secretary