

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of March 30, 2018
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 March 30, 2018. 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, 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

Marianna Pimentel, Senior Accountant

Nick Becker, Principal Engineer

Justin Ferron, Assistant Engineer

David Drewien, Field Operations Supervisor

Yuriana Nuñez, Administrative Assistant

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

Mark Edria, Assistant Fire Chief, CAL FIRE

Mike Meddles, Battalion Chief, CAL FIRE

George Nunez, Battalion Chief, CAL FIRE

Mark Mancini, Fire Protection and Planning Chief, CAL FIRE

Dawn Mathes, Environmental/Governmental Affairs, Pebble Beach Company (PBC)

Robert Siegfried, 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

Hampton Stewart, Pebble Beach resident

Vinod Badani, E2 Consulting Engineers

Tim Flanagan, General Manager, Monterey Regional Waste Management District

Laura Dadiw, Board Clerk

APPEARANCES AND ORDER OF BUSINESS AND ANNOUNCEMENTS

The following District staff and board member were presented with longevity awards: Board Director Peter B. McKee—5 years; Nick Becker, Principal Engineer—5 years; Marianna Pimentel, Senior Accountant—10 years; Suha Kilic, Deputy General Manager/CFO—30 years; and David Drewien, Field Operations Supervisor—35 years.

There was Board consensus to move Item 17 (presentation by General Manager Flanagan on Monterey Regional Waste Management District long-term strategic planning) after Minutes and Financial Matters.

MINUTES AND FINANCIAL MATTERS

MOTION 18-03-01

Moved by Director Laska, seconded by Director Gebhart, and unanimously carried to approve, as presented, the minutes of the regular board meeting held February 23, 2018.

Statements of Receipts and Disbursements

The Board received and reviewed the *Statements of Receipts and Disbursements* for February 2018. Mr. Kilic summarized the report.

Cash Basis Budget Report

The Board received and reviewed the *Cash Basis Budget Report* for February 2018.

Check Register

The Board received and reviewed the *Check Register* for February 2018. Mr. Kilic highlighted certain payments.

MOTION 18-03-02

Moved by Director McKee, seconded by Director Gebhart, and unanimously carried to approve the *Check Register* for February 2018.

Annual Update of the District Long-term Capital Outlay Program

The Board received and reviewed the 2018-19 Long-term Capital Outlay Program. Principal Engineer, Nick Becker gave a slide presentation of the 15-year program. The total cost of items in the Program has increased by 19% from the previous year, mainly attributed to a 39% increase in Wastewater Department for Supervisory Control and Data Acquisition (SCADA) system improvements, sewer line and manhole replacement projects, and pump station improvements; a 20% increase in Undergrounding Projects to \$1.4 million per year; and a 16% increase in Fire Department for addition of equipment and capital improvements.

Annual Update of the District Long-term Financial Plan

The Board received and reviewed the 2018 Long-term Financial Plan. Chief Financial Officer, Suha Kilic presented a long-term financial outlook based on implementation of the Capital Outlay Program. He noted that property tax revenue has exceeded projections in the last two years, allowing a recommended \$1.4 million to be expended annually for Undergrounding. The Plan also recommends financing \$8 million for PBCSD share of CAWD Treatment Plant capital outlays from annual current revenue; and establishing a reserve for Plant Capital Outlays targeted to reach \$4 million by fiscal year 2031-32. Mr. Kilic presented certain factors that may impact the District's future financial position; responded to questions and recognized Senior Accountant, Marianna Pimentel for her work in producing the plan documents.

MOTION 18-03-03

Moved by Director Laska, seconded by Director Gebhart, and unanimously carried to approve the PBCSD 2018-19 Long-term Capital Outlay Program and the 2018 Long-term Financial Plan.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Long-term Strategic Planning

Mr. Tim Flanagan, General Manager, Monterey Regional Waste Management District (MRWMD) gave an informational slide presentation. The MRWMD is the lead agency for diversion and recycling mandate compliance. The gases captured in landfill processes and used to fuel GreenWaste Recovery garbage collection vehicles will reduce greenhouse gases as required by AB 32. Renewable energy generated from landfill gases will also power the neighboring Monterey One Water recycled water supply project. Information on updated Materials Recovery Facility operations and California compliance standards were presented. A statewide 75% landfill waste diversion rate is mandated by 2025. Pebble Beach is currently diverting 72%, higher than other MRWMD member jurisdictions. The MRWMD does not receive property tax revenue and is considering an increase in tipping fees of 10% per year for the next 3 years to fund capital reserve accounts and cover increased operating expenses.

FIRE DEPARTMENT

Fire Chief's Monthly Report

Chief Blue reported a potential emerging issue with Monterey County Emergency Medical Services (EMS) Agency. The Paramedic Provider Agreements (PPA) between Monterey County EMS Agency and fire department based Advanced Life Support (ALS) providers have historically been issued for 3-5 year terms. The new EMS director is attempting to limit the services ALS providers can offer and charge for.

As a result, PPAs have been stalled with the director only issuing one year extensions as he seeks to change the language of the agreements. Chief Blue may return to the Board and request a letter be drafted to the County Board of Supervisors asking for the County Chief Administrative Officer to develop a reasonable PPA with an extended term, and one that allows local government ALS providers to independently determine the cost/benefit and offerings of enhanced services.

The Board received and reviewed the *Monthly Fire Department Activity Report* for February 15, 2018 – March 14, 2018 and Chief Meddles gave highlights. Chief Mancini reported that the “air curtain burner” will be used at the Corporation Yard to burn extensive log/brush debris in a confined dumpster-like, smoke-free, monitored process (as opposed to prescribed ground pile burning). Chief Blue suggested a board tour of the curtain burner when operational in the Forest. General Manager Niccum recognized past Prevention and Operations Chief Dennis Carreiro, who is transferring out of the unit to San Luis Obispo, for all of his efforts and contributions during his time with the PBCSD Fire Department.

Pebble Beach Fire Department Attains Class One Rating

The Board received and reviewed the *Fire Department Staff Report* regarding the PBCSD Fire Department rating. Chief Edria reported that as of June 1, 2018, the District will have a Class One rating, up from a Class Two rating set in 2015. The Insurance Service Office (ISO) ratings range from one through ten. Of the 979 California fire agencies and 46,042 national fire agencies, only 19 and 241, respectively are Class One rated. Chief Edria thanked Principal Engineer Becker and Assistant Engineer Ferron for all of their hard work in preparing the water system information. A press release and an article in the District newsletter are planned.

Environmental Review Consulting Services for Update of Fire Defense Plans

The Board received and reviewed the *General Manager Report* regarding Fire Defense Plan Environmental Consulting.

MOTION 18-03-04

Moved by Director Froke, seconded by Director Gebhart, and unanimously carried to approve amendments to the agreement with EMC Planning Group for Fire Defense Plan environmental services required for PBCSD, Cypress and Carmel Highlands Fire Protection Districts, increasing the not to exceed cost from \$48,000 to \$85,000.

LAW ENFORCEMENT

Pebble Beach Crime Statistics over the Past Ten Years

The Board received and reviewed the *General Manager Report* on Pebble Beach crime statistics over the past ten years. Quarterly crime reports were historically provided through the Del Monte Forest Property Owners (DMFPO) Traffic and Safety Committee, which was reorganized and made the Roads and Traffic Committee with safety responsibility moving to the Board of Directors. The District is planning to work with DMFPO to obtain crime statistics from the Sheriff's Office to present quarterly to the board. Director McKee requested that crime details be provided in the quarterly reports such as type of burglary or theft (residential/construction site/vehicle) and time of occurrence. Mr. Niccum recommended increasing crime prevention awareness through printed media and safety related seminars.

MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance* for February 14, 2018 – March 21, 2018 provided by Principal Engineer Becker. Forest Lake Reservoir water storage currently and for the past two weeks is 100% of capacity. Mr. Becker responded to questions. Mr. Niccum reported that Mission Laundry at Sunset Boulevard and Congress Road has closed its operations and as a result, wastewater flows of approximately 20,000 gallons per day amounting to approximately \$85,000/year in revenue will cease.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects and Mr. Becker provided slides. The Poppy Hills Storage Tank Project involves rehabilitating the interior roof structure that is above the water line and suffers corrosion in the moist environment. The Forest Lake Reservoir Pump Station Rehabilitation Evaluation timeline will be accelerated as another leak in the previously repaired pipe has been detected. Mr. Niccum anticipates the \$25,000 limit of his authority to enter into contract will be exceeded to complete the project. Repairs will proceed on a time and materials basis and project scope and cost, once determined, will be provided to the Board for authorization.

Pump Station P-5 (Below Sunset Lane) Emergency Repairs

The Board received and reviewed the *Engineering Report* on the subject. Mr. Becker gave details of the repairs and provided photographs, noting that due to staff's rapid and efficient response a sanitary sewer overflow was avoided.

CAWD Board Meeting

Director Gebhart attended the CAWD board meeting held March 22, 2018. The Board authorized an increase in contract for professional services from Johnson Marigot Consulting to continue preparation of the environmental documentation and permit applications to repair a portion of the district outfall in the Carmel Lagoon. The Board approved a contract renewal with Applied Marine Science for "CCLEAN Program Management" for fiscal years 2018-2019 and 2019-2020. Four public agencies participate in the Central Coast Long-term Environmental Assessment Network (CCLEAN): City of Santa Cruz, City of Watsonville, Monterey One Water and CAWD, which is currently acting as the lead agency. The Board approved the 2018-19 Preliminary Budget. Nancy Johnson, PBCSD Senior Accountant was recognized by Director D'Ambrosio for her valuable contribution to the CAWD budget process.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

Director Laska gave highlights of the meeting of the Monterey Regional Waste Management District held on March 23, 2018. The board held a strategic planning session earlier in the week to address many of the issues covered by MRWMD. Tim Flanagan earlier in the meeting.

GENERAL GOVERNMENT

PBCSD Safety Committee Meeting

The Board received and reviewed the minutes of the February 22, 2018 Safety Committee meeting prepared by Principal Engineer/Safety Officer, Nick Becker.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

General Manager Niccum provided information on the CSDA Board of Directors call for nominations, Seat A. He reported that an item calling for the 2018 County election will be provided at the next board meeting: the terms of Directors Froke and McKee expire at the end of 2018.

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 Gebhart will attend the May 9, 2018 Reclamation Management Committee meeting in place of Director Verbanec.

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 12:05 p.m.

MOTION 18-03-05

M/S/C (unanimous) to adjourn to a regular Board meeting to be held on Friday, April 27, 2018 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.



Mike Niccum, Board Secretary