

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of June 29, 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 June 29, 2018. Board President Richard D. Verbanec called the meeting to order at 9:30 a.m.

ROLL CALL

Present: Directors Richard D. Verbanec, President, Leo M. Laska, and Peter B. McKee, Vice President

Absent: Directors Jeffrey B. Froke and Richard B. Gebhart

Others Present

Mike Niccum, General Manager

Suha Kilic, Deputy General Manager/CFO

Bob Rathie, Legal Counsel

Nick Becker, Principal Engineer

Marianna Pimentel, Senior Accountant

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

George Nunez, Battalion Chief, CAL FIRE

Mike Meddles, Battalion Chief, CAL FIRE

Josh Silveira, CAL FIRE

Curtis Rhodes, CAL FIRE

Brandon Phillips, CAL FIRE

Landon Sunia, CAL FIRE

John Trenner, Fire Inspector

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

Greg D'Ambrosio, Board Director, Carmel Area Wastewater District (CAWD)

Barbara Buikema, General Manager, CAWD

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

Hampton Stewart, Pebble Beach resident

Andrew Bolton, Insurance Services Office

Jim Hughes, Insurance Services Office

Laura Dadiw, Board Clerk

APPEARANCES AND ORDER OF BUSINESS AND ANNOUNCEMENTS

Presentation by the Insurance Services Office was moved to the top of the agenda.

FIRE DEPARTMENT

Insurance Services Office Presentation on Fire Department Class 1 Rating

Andrew Bolton and Jim Hughes of the Insurance Services Office (ISO) presented the steps involved in Pebble Beach Fire Department receiving a Class 1 fire suppression rating. Out of the 46,000 fire districts in the country, only 305 are Class 1 (out of 10 classes). Scoring above 90 out of 105.5 points achieves the rating. Scoring covers deployment operations, water supply system, communications, and community risk reduction (where PBCSD fire department scored highest in the State). Insurance companies may consider ISO rating when setting premium rates. District fire apparatus will proudly display Class 1 logos. Mr. Niccum recognized Chief Edria as the driving force behind the ISO review, and recognized Engineer Becker for his work on the water system element. Chief Edria recognized District firefighters including Josh Silveira; Curtis Rhodes; Brandon Phillips and Landon Sunia who were present at the meeting, and thanked PBCSD and Fire Department staff for effective cooperation in attaining the premier rating.

MINUTES AND FINANCIAL MATTERS

MOTION 18-06-01

Moved by Director Laska, seconded by Director McKee, and unanimously carried to approve, as presented, the minutes of the regular board meeting held May 25, 2018.

Statement of Receipts and Disbursements

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

Check Register

The Board received and reviewed the *Check Register* for May 2018 and Mr. Kilic highlighted certain items. Director McKee requested staff to look into newsletter design and editorial services from other providers for cost comparison.

MOTION 18-06-02

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

**FINANCIAL MATTERS
TIMED BUSINESS - PUBLIC HEARING**

FISCAL YEAR 2018-19 PBCSD FINAL BUDGET AND SERVICE FEES

The Board received and reviewed the Final Budget for Fiscal Year 2018-19 (7/1/18 through 6/30/19). Mr. Kilic reported that following the adoption of the preliminary budget, a summary of the user fees and the proposed budget has been mailed to property owners and a budget hearing notice has been published in the Pine Cone according to the timelines specified in the State Law. He gave a summary presentation and noted changes from the preliminary budget. The expenditures have been reduced by \$3,875,000 in the final budget. There are no changes in the Operating (O&M) expenditures. The majority of changes are reductions in the amount budgeted for the Undergrounding Utilities Phase II due to payments made in the current year and the amount budgeted for Reclamation Project due to postponement of certain capital projects. The corresponding revenues— Reclamation Project contributions and the amount appropriated from reserves— have been reduced by the same \$3,875,000.

Mr. Kilic presented the proposed Fiscal Year 2018-19 garbage and sewer service fees, including changes from the prior year, the basis for the adjustments and comparisons to neighbor jurisdictions. Garbage service fees are proposed to increase by 2.9% amounting to \$0.70 per month, from \$23.99 to \$24.69, for basic residential service. Sewer user fees are proposed to increase by 8.5% amounting to \$1.62 per month, from \$19.00 to \$20.62 for residential units. There is no change proposed for the annual single-family residential fire protection service assessment of \$51.20 and vacant lot assessment of \$25.60.

President Verbanec opened the public hearing at 10:29 a.m. There were no comments, protests and/or requests for clarification regarding adoption of service charges, and the hearing was closed.

There were no public comments received regarding the Final Budget.

Mr. Kilic presented background information and purposes of resolutions 18-10 through 18-16.

MOTION 18-06-03

Moved by Director Laska, seconded by Director McKee, and unanimously carried 3-0, to adopt the following resolutions:

***Resolution No. 18-10* 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 2018-19;**

***Resolution No. 18-11* 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 2018-19;**

Resolution No. 18-12 adopting the Final Budget for Fiscal Year 2018-19;

Resolution No. 18-13 approving positions, classifications and pay schedule for Fiscal Year 2018-19;

Resolution No. 18-14 determining the Appropriations Limit for FY 2018-19;

Resolution No. 18-15 approving sewer connection, inspection, and permit fees for FY 2018-19; and

Resolution No. 18-16 approving Amendment No.1 to the Solid Waste Franchise Agreement with Green Waste Recovery, Inc.

Mr. Kilic acknowledged District Senior Accountants Marianna Pimentel and Nancy Johnson who were instrumental in preparing the budget documents.

END OF TIMED BUSINESS

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for May 15, 2018 – June 14, 2018. Chief Meddles added to the report a small, quickly contained vegetation fire between Fire Road 5 and 7 off SFB Morse Road during the District open house on June 23 with the cause being investigated. Chief Meddles reviewed fire prevention and planning efforts during the period. The goats are performing fire fuel reduction at Congress Road near SFB Morse Gate.

Inspector Trenner reported on the District open house held June 23, with 1,100-1,200 meals served and 26 vendors/exhibitors participating. Goats R Us brought goats. The kid's corner was a great success. Michelle Warren and Chief Mancini were acknowledged for exemplary coordination of the event, and PBCSD and fire department staff were thanked for all their efforts.

Three-year Cooperative Fire Protection Agreement with CAL FIRE

The Board received and reviewed Resolution No. 18-17. There is a 5% increase per year factored in the costs. Agreement costs are conservative and based on the same number of staff as in the prior agreement while certain service levels have increased at minimum or no additional cost to the District, such as the water rescue program.

MOTION 18-06-04

Moved by Director Laska, seconded by Director McKee, and unanimously carried to adopt *Resolution No. 18-17* approving a three-year agreement with California Department of Forestry and Fire Protection to provide structural fire protection and emergency medical services.

Monterey County/PBCSD Paramedic Service Provider Agreement

The Board received and reviewed Resolution No. 18-18 to approve an 18-month agreement with the County of Monterey Emergency Medical Services (EMS) Agency, allowing the District Fire Department to continue to provide paramedic services.

MOTION 18-06-05

Moved by Director Laska, seconded by Director McKee, and unanimously carried to adopt *Resolution No. 18-18* approving Paramedic Service Provider Agreement between Pebble Beach Community Services District and County of Monterey Emergency Medical Services Agency.

Purchase of Mobile Data Computers (MDCs) for Fire Engines

The Board received and reviewed the Fire Department Staff Report. The total cost of the MDCs is \$6,895 above the \$20,000 included in the FY 2017-18 Budget and is based on the California State Contract price.

MOTION 18-06-06

Moved by Director Laska, seconded by Director McKee, and unanimously carried to approve the purchase of four MDCs for Medic Engine 22, Medic Truck 22, Engine 122, and Truck 122 in the amount of \$26,895.

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 17, 2018 – June 19, 2018. Forest Lake Reservoir water storage is currently 61% of capacity. Production at the CAWD plant is increasing from the 83% last reported due to CAWD staff continuing to tune the new sodium hypochlorite disinfection system to maximize production and control sodium levels.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* and Mr. Becker responded to questions.

CAWD Board Meeting

Director Verbanec attended the CAWD board meeting held June 28, 2018. Potentially hazardous chlorine gas used to disinfect wastewater has been replaced with safer sodium hypochlorite. The final budget and user fee rates were passed. The Final Initial Study/Mitigated Negative Declaration for Calle La Cruz Pipeline Replacement Project was approved. Drew Lander, CAWD engineer is leaving the District on June 29.

The City of Carmel-by-the-Sea is proposing two projects for possible storm water grant funding: collection of storm water from 4th Avenue being placed in the PBCSD interceptor line on San Antonio; and placing a large storm water collection cistern under Rio Park with the water conveyed to the CAWD interceptor line by collection lines installed by the City.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

Director Laska reported on the meeting of the Monterey Regional Waste Management District held on June 22, 2018. The final 2018-19 budget was passed and included an increase in tipping fees. China's increasingly limited acceptance of recycled materials due to excessive contamination has triggered a waste characterization study by the District.

GENERAL GOVERNMENT

California Special Districts Legislative Days Conference May 22-23, 2018

The Board received and reviewed the *General Manager Report* on the conference Mr. Niccum attended in Sacramento.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

The District annual employee picnic at Indian Village will be on August 3. The County election candidate filing period is July 16-August 10. As there are no pressing agenda items, the August PBCSD board meeting, the Reclamation Technical Advisory Committee meeting on August 1, and the Reclamation Management Committee meeting on August 8 may be cancelled.

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 to adjourn at 11:31 a.m.

MOTION 18-06-07

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



Mike Niccum, Board Secretary