

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of March 31, 2023**

MINUTES

CALL TO ORDER

A regular meeting of the Board of Directors of the Pebble Beach Community Services District (PBCSD) was held in the PBCSD board room on March 31, 2023. President Leo M. Laska called the meeting to order at 9:30 a.m.

ROLL CALL

Present: Leo M. Laska – President, Richard B. Gebhart – Vice President, Jeffrey B. Froke, Richard D. Verbanec, and Peter B. McKee

Directors Absent: None

Others Present:

Mike Niccum, General Manager

Rob Wellington, Legal Counsel

Nick Becker, Deputy General Manager/District Engineer

Chris Simmons, Associate Engineer

Marianna Pimentel, Finance Director

Yuriana Nuñez, Administrative Coordinator

Nijesh Sthapit, Accountant

Nic Faro, Maintenance Manager

Alayna Gocke, Environmental Compliance Coordinator*

George Nunez, Unit Chief, CAL FIRE San Benito-Monterey Unit (CAL FIRE)

Mike Meddles, Division Chief, CAL FIRE*

Josh Silveira, Fire Operations Chief, CAL FIRE

John Trenner, Fire Prevention and Planning, CAL FIRE

Greg Leonard, Captain, CAL FIRE

James Merryman, Captain, CAL FIRE

Thomas Headley, Captain, CAL FIRE

Anthony Rhoades, Captain, CAL FIRE

Michael Rachel, Board Director, Carmel Area Wastewater District (CAWD)*

Barbara Buikema, General Manager, CAWD*

Cheryl Burrell, Planning Manager, Pebble Beach Company (PBCo)

Vinod Badani, Vice President, E2 Consulting Engineers*

Jacqueline Fobes, Board Director, Del Monte Forest Property Owners (DMFPO)*

Hampton Stewart, Pebble Beach resident

Jerry Verhasselt, Pebble Beach resident

Mary Housel, Pebble Beach resident*

Laura Paxton, Board Clerk

**Signifies virtual attendance*

APPEARANCES, ORDER OF BUSINESS, & ANNOUNCEMENTS

President Laska and General Manager Niccum presented awards to board members and employees for their benchmark years of service to PBCSD: Yuriana Nuñez, 5+ years; Nijesh Sthapit, 5+ years; Marianna Pimentel, 15+ years; Director Gebhart, 10+ years; Director Laska, 20+ years.

AGENDA CHANGES

There were no requested changes to the agenda.

MINUTES AND FINANCIAL MATTERS

MOTION 23-03-01

Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried 5-0 to approve, as presented, the minutes of the regular board meeting held February 24, 2023.

Statement of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* for February 2023 and Finance Director Pimentel presented. The County anticipates District property tax revenues, budgeted at \$17.1 million, will total \$17.8 million.

Cash Basis Budget Report

The Board received and reviewed the February 2023 report. Ms. Pimentel presented.

Check Registers

MOTION 23-03-02

Moved by Director Froke, seconded by Director McKee, and unanimously carried 5-0 to approve the *Check Register* for February 2023.

Annual Update of the District Long-Term Capital Outlay Program

The Board received and reviewed the annual update of the 15-year Long-Term Capital Outlay Program (LTCOP). District Engineer Becker presented. The projected cost of capital responsibilities not including Reclamation has increased 9% from the previous year, mainly due to a 40% increase in Wastewater capital improvement annual allocations for sewer line replacement. Televising 60% of the wastewater lines found extensive terra cotta pipe replacement needed; more needs may be identified as the remaining 40% of the system is televised in the next 10 years. Capital improvement costs reimbursed by the Reclamation Project increased by 11%. Finance staff, department heads, and especially Associate Engineer Simmons as program update lead were thanked for preparing the annual update.

Annual Update of the District Long-Term Financial Plan

The Board received and reviewed the annual update of the Long-Term Financial Plan. Finance Director Pimentel gave a presentation on the financing of Long-Term Capital Outlay Program operating and capital expenses, reserves, and discretionary projects. Financial stability is expected to be maintained. The \$3 million per year for discretionary projects will fund the \$2 million per year undergrounding program and the \$1 million per year accelerated sewer line replacement program. At the request of Director Verbanec, Ms. Pimentel will research what factors—property sales, updated property valuations, etc.—led to the increase in property tax revenues.

MOTION 23-03-03

Moved by Director Froke, seconded by Director Gebhart, and unanimously carried 5-0 to approve the PBCSD Long-Term Capital Outlay Program and Long-Term Financial Plan.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed and Chief Silveira presented the *Monthly Fire Department Activity Report* for February 17 – March 24, 2023. Chief Silveira gave details of the state-standard-setting PBCSD Fire Department Drone Program. The program is adding two 6-1/2-foot wingspan 35lb payload all-weather search and rescue drones to the fleet. The six pilots carry small portable drones with thermal cameras that launch in 90 seconds. A cooperative agreement with Monterey Peninsula Airport District for PBCSD to upgrade, use, and broker regional use of the airport's command vehicle is in process. CAL FIRE Captain Greg Leonard joined Pebble Beach Fire Prevention Bureau on March 13th. Director McKee requested the community be made aware that fire personnel will inspect Knox Box or other immediate access systems on gates or residences to ensure proper functioning in a wet environment. Chief Silveira introduced CAL FIRE Captains James Merryman, Thomas Headley, and Anthony Rhoades.

2023 Fire Fuel Reduction Projects Summary

The Board received and reviewed and John Trenner presented slides on the *Fire Defense Plan Review*. Four hundred goats are due to arrive in the forest in the next two weeks. In addition to treating the areas listed, the goats will be used in the wooded area behind the old driving range at Forest Lake Road and Stevenson Drive. Maintenance of the Fire Safe Garden falls under the Plan and will be completed prior to the PBCSD Open House on July 29th. The District is a leader in the County and State for fire fuel reduction efforts.

MAINTENANCE, ENGINEERING AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Engineer's Report of Utilities Operations and Maintenance* for February 17 – March 23, 2023. Associate Engineer Simmons presented slides. Forest Lake Reservoir water storage remained at the 100% capacity achieved on January 23rd. There has been unusually low demand through March, a 10th of normal.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineer's Report*. District Engineer Becker presented slides. Utility lines from the Hwy 1 Gate to the PG&E substation at Forest Lake and Lopez Roads are being considered in the next phase of undergrounding.

2022 Sewer Line Replacement Project Change Order

The Board received and reviewed the *Engineer's Report*. Associate Engineer Simmons presented slides. Since the 2022 Sewer Replacement Project final cost came in approximately \$350,000 lower than engineer estimate, staff identified roughly 750 feet of additional terra cotta sewer main for replacement by the project contractor at a competitive unit price within project budget.

MOTION 23-03-04

Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried 5-0 to approve contract Change Order No. 1 for \$130,000 with D'Arcy & Harty Construction for additional sewer replacement work on Bird Rock Road and Stevenson Drive, increasing total contract cost to \$974,725.

Exterior & Interior Painting of District Building Facilities

The Board received and reviewed the *Engineer's Report* and Mr. Becker presented slides. The exterior painting will consist of repairing and painting trim on all facility buildings, and interior will consist of painting fire department living spaces and offices.

MOTION 23-03-05

Moved by Director McKee, seconded by Director Verbanec, and unanimously carried 5-0 to authorize General Manager to enter into contract with De La Flor Painting, Inc., to perform exterior and interior painting at District building facilities on a time and material basis for an amount not to exceed \$140,000.

CAWD Board Meeting

The Board received and reviewed the *Agenda Information* for the CAWD board meeting held March 30, 2023, attended by Director Laska. CAWD reached a tentative Memorandum of Agreement with the County on the use of grant funding for a component of the Carmel River FREE project that would reroute the treatment plant outfall pipeline that currently spans the lagoon underground. CAWD's portion of project funding is \$8 million of which PBCSD would have had to pay a third without the grant funding. Construction is anticipated to begin in 2025.

SOLID WASTE MANAGEMENT

ReGen Monterey Board Meeting

The Board received and reviewed the *Agenda Information* for the ReGen Monterey Regular Board meeting held March 24, 2023, attended by Director Laska. Module 7 construction funding was established. Use of drones for landfill operations is being considered.

GENERAL GOVERNMENT

Pebble Beach Company Community Advisory Board Meeting

The Board received and reviewed the minutes of the meeting held March 1, 2023, attended by Director Laska.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

Mr. Niccum announced that the CPI increase that will be built into personnel costs in the upcoming 2023/24 budget is 5.1%. The proposed budget will also include staff's suggestions for organizational improvements. Ms. Pimentel announced that Mark Sullivan has been hired by the District to fill the new accounting position; he begins on Monday.

CLOSED SESSION

It was determined that a closed session of the board was not required.

ADJOURNMENT

MOTION 23-03-06

M/S/C (unanimous) to adjourn at 11:45 a.m. to a regular Board meeting to be held on Friday, April 28, 2023 at 9:30 a.m., in person/virtual.



Mike Niccum, Board Secretary