



PEBBLE BEACH COMMUNITY SERVICES DISTRICT

3101 FOREST LAKE ROAD • PEBBLE BEACH, CALIFORNIA 93953 • (831) 373-1274

PEBBLE BEACH COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS Regular Meeting of August 25, 2006 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 August 25, 2006. Board President Gary D. Hornbuckle called the meeting to order at 9:35 a.m.

ROLL CALL

Present: Directors Gary D. Hornbuckle, Leo M. Laska, Richard Verbanec, Gerald Verhasselt, Jeffrey Froke

Others Present

Craig Anthony, General Manager
Laura Paxton, Board Clerk, Paxton Ad Hoc
Robert Wellington, Legal Counsel
Suha Kilic, Finance Officer
Michael Niccum, District Engineer
George Haines, Fire Chief, CDF, San Benito-Monterey Counties Unit
Dennis Carreiro, Fire Prevention Battalion Chief, CDF
Walter Hines, Westmed paramedic, Pebble Beach station
Captain Dell Wells, Fire Captain, CDF
Buddy Bloxham, Battalion Chief, CDF
Bob Taylor, acting Assistant Fire Chief, retired annuitant, CDF
Nancy McCullough, Member, DMFPO Traffic/Safety Committee
Mark Verbonich, V.P., Community Affairs, Pebble Beach Company ("PBCo")
John Tormey, Pebble Beach resident
Paul Jordan, Director, DMFPO
Spencer Thompson, Member, DMFPO Traffic/Safety Committee
Kim Caneer, Pebble Beach Resident
Joyce Stevens, Director, Carmel Area Wastewater District ("CAWD")

APPEARANCES AND ORDER OF BUSINESS

There were no appearances or changes to the agenda.

MINUTES

MOTION 08-06-01

Moved by Director Froke, seconded by Director Verhasselt, and unanimously carried, to approve the minutes of the regular Board meeting held July 28, 2006.

FINANCIAL MATTERS

Statement of Receipts and Disbursements and Budget Report

The Board received and reviewed the *Statement of Receipts and Disbursements* and *Budget Report* for July 2006. Mr. Kilic reviewed orally highlights of the report.

Check Register

The Board received and approved the *Check Register* for July 2006. Mr. Kilic responded to questions from the Board.

MOTION 08-06-02

Moved by Director Laska, seconded by Director Verbanec, and unanimously carried, to approve the *Check Register* for July 2006.

Monterey County Treasurer's Investment Report

The Board received and reviewed the *Monterey County Treasurer's Investment Report* for quarter ended 6/30/06. Mr. Kilic presented orally highlights of the report and District funds invested outside the County Treasurer's investment portfolio. He said currently \$2.5 million of the District money is invested in a 6-month Treasury Bill and proceeds from investments which matured earlier in August are invested back in the County portfolio. Mr. Kilic said authorized amounts may be re-invested outside the County potfolio, if and when the market conditions indicate higher returns. He responded to questions from the Board.

FIRE PROTECTION

Fire Chief's Monthly Report

Chief Haines introduced newly assigned or promoted District Fire Department/EMS personnel: Walter Hines, Westmed Ambulance personnel assigned to the Pebble Beach station as a paramedic; Captain Dell Wells, recently promoted to Fire Captain; Buddy Bloxham, promoted to Battalion Chief assigned to work with Battalion Chief Scoggins; and Bob Taylor, former CDF Fire Chief, retired, has returned to CDF employ as a retired annuitant with part-time assistant fire chief duties.

The Board received and reviewed the monthly fire department operations report for July 2006. Chief Haines reviewed the five vegetation fire incident responses that occurred during the reported month. No additional fires of this type have since been reported. The Board discussed the use of goats for fuel reduction.

Fire Defense Capabilities within Pescadero Canyon

Battalion Chief Carreiro reported orally on his recent meeting with PBCo staff regarding fire defense in Pescadero Canyon. He stated that it was determined that the fire defense project connecting Fire Road 20 to Fire Road 23 would have to be permitted through Monterey County and the Department of Fish and Game due to the Environmentally Sensitive Habitat designation of the area where fuel vegetation would be removed. Shaded fuel break standards include grass being cut to 4 inches and tree limbs and vegetation such as poison oak removed. Alternatives for project work would be to educate each of the owners of property at the urban/wild land interface on fuel modification, construction standards, and safety clearance. Battalion Chief Carreiro clarified for the Board the areas that would benefit by tying the two fire roads together. In response to Director Laska's question, Chief Carreiro stated that the Huckleberry Hill Vegetation Management Plan ("VMP") for the Los Altos Shaded Fuel Break under CDF direction with PBCo cooperation is a past example of an area permitted for fire fuel modification. The VMP remains the basis for continuing work in that area. The VMP does not extend to upper Pescadero Canyon.

Director Laska requested that the District move forward with the project. Director Verbanec stated that if CDF considers the urban/wild land interface a fire hazard, and if mitigation can be achieved without unduly disrupting the environment, and the element of education of interface property owners is included, then the project should not be abandoned. Bearing in mind that the project would not begin in the immediate future, Chief Haines requested direction from the Board on how to proceed, such as reporting possible alternatives to fuel reduction such as goats to reduce the likelihood of ESHA sensitivity. Chief Haines suggested the District demonstrate to the County and the Department of Fish and Game the effectiveness of a fire reduction project in one small area of the Forest to apply to other, larger areas targeted for treatment in the future. The Board concurred that the Fire Department should continue in due haste on the matter. If the CDF determination is that the project area falls within PBCo land, District Fire Department staff is to apply to PBCo for modifications to link Fire Road 20 and 23, and present feasible short-term or long-term alternatives. The Fire Department will report back to the Board with the response from PBCo.

Kim Caneer, Pebble Beach resident, asked for clarification of why the balance of Pescadero Canyon cannot have the same fuel modification treatment as the

Spruance area of the canyon. Battalion Chief Carreiro stated that the lay of the land is much more of a challenge throughout most of Pescadero Canyon than it is in the Spruance area.

MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater collection, treatment and disposal system

The Board received and reviewed the District Engineer's Report of Utilities Operations and Maintenance for 7/20/06 – 8/17/06. Mr. Niccum responded to a question from the Board.

PBCSD Capital Improvement Projects

Mr. Niccum reviewed orally his monthly status report on capital improvement projects and responded to questions from the Board.

Forest Lake Reservoir

District Engineer Niccum announced that the Forest Lake Reservoir dedication ceremony would be held Friday, September 15, at 11:00 a.m. The ceremony would be conducted at the reservoir, tentatively set for the wide spot next to the boat launch area, with parking at PBCSD. PBCo would cater the event and oversee logistics. A CDF firefighting helicopter, if available, would perform a demonstration draft of water from the lake. The District and CAWD will speak regarding the benefits of the reclamation project to reduced potable water usage and related environmental benefits. Mr. Anthony stated a press release of the event was being drafted and invitations were being sent out to all Board members and participants.

CAWD Board Meeting

Director Laska attended the Carmel Area Wastewater District Board meeting held August 24, 2006 and reviewed orally the highlights of the meeting. CAWD is proceeding at a rapid rate with the design phase of the MF/RO project to meet the October 1, 2006 construction date to install the building pilings. Most of the project coordination issues have been resolved. Charlotte Townsend, CAWD Board member, stated that CAWD Board members would continue to monitor PBCSD Board meetings. President Hornbuckle stated, in turn, that PBCSD Board members, or an appointed designate, would continue to monitor CAWD Board meetings.

CAWD Meeting Assignment

Director Verhasselt accepted the assignment to attend the CAWD regular Board meeting on Thursday, September 28, 2006 at 9:30 a.m. in the CAWD Boardroom at 3945 Rio Road, Carmel.

SOLID WASTE MANAGEMENT

Director Laska reviewed orally the submitted report of the meeting of the Monterey Regional Waste Management District ("MRWMD") held on August 18, 2006. Director Laska had nothing to add to the submitted report.

Alternatives for Disposal of Waste Material Not Collected at Curbside

Director Laska stated that he and District staff are continuing to work on alternatives for District residents.

GENERAL GOVERNMENT

Law Enforcement Program

Mr. Anthony reviewed orally the submitted General Manager's Report regarding an update on supplemental law enforcement services implementation. PBCo will pay for the installation of 10 to 15 radar display unit steel pole holders. Collected data will be processed by the General Manager and used to determine if the display units have any affect on drivers' speeds to determine if additional units will be purchased. A letter will be sent to residents by the District and DMFPO together or separately, to communicate the particulars of law enforcement implementation within the Forest and when to expect CHP patrol to begin.

Mr. Anthony stated that State approval of the proposed contract with CHP may allow services to begin in mid-October. If non-traffic related incidents increase, then a contract with Monterey County Sheriff's Office will be considered. Director Verbanec requested that representatives of the contracted services attend DMFPO Traffic and Safety Committee meetings.

Deferred Compensation Plan

The Board received and reviewed the Finance Officer's Report related to changes in Internal Revenue Service Code regarding deferred compensation plans.

MOTION 08-06-03

Moved by Director Laska, seconded by Director Verhasselt, and unanimously carried, to adopt *Resolution No. 06-19* amending and restating the District's Deferred Compensation Plan.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

Mr. Anthony presented orally to the Board the upcoming program review schedule in preparation for updating the District Strategic Plan. He intends to

bring before the Board areas for review at each Board meeting for the remainder of the year to evaluate methods, standards, and infrastructure maintenance related to each program. The September meeting will include a review of the wastewater and solid waste programs; in October, the fire and EMS programs; and in November revenues and reserves including the best use of funds. An administrative review will be included as well. Ultimately, the reviews will be used to update the Strategic Plan after the first of the year in preparation for next fiscal year's budget process.

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 Froke requested an item be placed on next month's Board meeting agenda to discuss with Battalion Chief Carreiro the fire-safe garden concept and design. The demonstration and education garden is proposed to assist residents with selection and design of residential landscape using native, water saving, low flame and fuel value plants, with the District and CDF as lead agencies in the project.

Mr. Anthony will represent the PBCSD Board at the next DMFPO Traffic and Safety Committee meeting to be held August 29, 2006. Director Froke is scheduled to attend but will be out of town.

Directors Hornbuckle and Verbanec will attend the CAWD/PBCSD Wastewater Reclamation Project Management Committee meeting on September 15, 2006, at 9:30 a.m. in the PBCSD Boardroom.

Director Verhasselt attended the second in a series of California Special District Association meetings in Santa Cruz on August 18, 2006 on leadership and strategic planning. He plans to attend the third and fourth meetings being held in Monterey in October and November on finance, budget, and human resources.

Directors Verbanec and Froke will be attending the California Special District Association Annual Conference being held in Squaw Creek in September 2006.

CLOSED SESSION

It was determined that no closed session was in order.

ADJOURNMENT

There being no further business at 11:12 a.m. a motion was made to adjourn.

MOTION 08-06-04

M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Friday, September 29, 2006 at 9:30 a.m. in the District Boardroom at Forest Lake and Lopez Roads.