

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
Regular Meeting of April 27, 2007  
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 April 27, 2007. Board President Richard D. Verbanec called the meeting to order at 9:33 a.m.

**ROLL CALL**

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

**Absent:** None

**Others Present**

Craig Anthony, General Manager

Laura Dadiw, Board Clerk, Dadiw Associates

Robert Wellington, Legal Counsel

Suha Kilic, Finance Officer

Michael Niccum, District Engineer

George Haines, Fire Chief, CAL FIRE, San Benito-Monterey Unit

Dennis Carreiro, Fire Prevention Battalion Chief, CAL FIRE

Vinod Badani, Vice President, E2 Consulting Engineers

Kim Caneer, Pebble Beach resident

Spencer Thompson, Pebble Beach resident

John Tormey, Pebble Beach resident

Mark Verbonich, Vice President, Pebble Beach Company

Al Budris, Director, Del Monte Forest Property Owners ("DMFPO")

William Englander, Director, Carmel Area Wastewater District ("CAWD")

**APPEARANCES AND ORDER OF BUSINESS**

There were no additions or changes to the agenda. Mr. John Tormey commended District staff for providing high quality Board packets and minutes.

## MINUTES

### MOTION 04-07-01

**Moved by Director Hornbuckle, seconded by Director Verhasselt, and unanimously carried, to approve the minutes of the regular Board meeting held March 30, 2007.**

## FINANCIAL MATTERS

### **Statement of Receipts and Disbursements**

The Board received and reviewed the *Statements of Receipts and Disbursements* and the *Cash Basis Budget Report* for March 2007. Finance Officer, Suha Kilic commented on the reports.

### **Check Register**

The Board received the *Check Register* for March 2007.

### MOTION 04-07-02

**Moved by Director Hornbuckle, seconded by Director Verhasselt, and unanimously carried, to approve the *Check Register* for March 2007.**

### **Third Quarter Budget Report for Fiscal Year 2006-07**

Mr. Kilic reviewed orally the *Third Quarter Budget Report for Fiscal Year 2006-07* for the Board. He stated that all approvals by the Board for changes throughout the fiscal year are incorporated into the third quarter report and staff recommends to the Board budget adjustments. In response to Mr. Tormey's question, Mr. Anthony stated that funds for new modular furniture for the Boardroom would be removed from the budget in the next fiscal year.

### MOTION 04-07-03

**Moved by Director Verhasselt, seconded by Director Laska, and unanimously carried, to approve the recommended adjusted budget based on the Fiscal Year 2006-07 Third Quarter Budget Report.**

### **PBCSD Long-Term Capital Outlay Program**

District Engineer, Mike Niccum, gave a presentation of the *PBCSD Long-Term Capital Outlay Program*. Staff will present to the Board for consideration at a future meeting, after televised inventory has been completed, a recommendation on the rate of sewer line replacement in the future.

CAWD currently has a five-year capital outlay plan: the District has estimated potential CAWD capital costs, allowing for unexpected expenses over the final ten years in the program presented.

The 600,000-gallon water tank proposed for construction above Spruance Road will provide additional storage capacity in the first lift zone of the water system to meet the fire flow needs for two hours. Domestic flows are currently adequate.

Mr. Niccum stated that the current District sewer system capacity would accommodate the Pebble Beach Company lot development as set forth in the Del Monte Forest Preservation and Development Plan.

### **PBCSD Long-Term Financial Plan**

Finance Officer Kilic gave a presentation of the *PBCSD Long-Term Financial Plan*. Property tax revenues currently subsidize 75 percent of wastewater collection and treatment costs. Mr. Anthony stated that, in the future, the Board could consider a cap on the subsidized portion of the sewer rates and review property tax subsidies being used to provide other District services.

### **MOTION 04-07-04**

**Moved by Director Laska, seconded by Director Verhasselt, and unanimously carried, to approve the updated 2007 PBCSD Long-Term Capital Outlay Program and the 2007 Long-Term Financial Plan, and authorize Staff to make necessary inter-fund transfers to implement the Plan.**

### **FIRE PROTECTION**

#### **Fire Chief's Monthly Report**

The Board received and reviewed the monthly fire department operations report for March 2007. Battalion Chief Carreiro presented slides of a fire that occurred at the Robert Louis Stevenson School headmaster's residence at 3152 Forest Lake Road at 8:40 p.m. the previous night. The fire department arrived on-scene within four minutes and found the structure fully engulfed. The residence was built in 1958 and had non-fire rated shake roof and skip sheeting. It was declared a total loss of approximately \$2 million. Improvements made to District potable water lines under the Water System Improvements for Fire Protection Project enabled water to be delivered at 100 pound pressure versus the minimum required 20.

Chief Carreiro also presented slides of the vegetation management work crew efforts in the Sunridge Pines area over the District's sewer siphon line. Tremendous amounts of brush and limbs were removed and dragged up the

steep hillside to the road above for hauling away. The use of California Department of Corrections and Rehabilitation ("CDCR") workers brought the cost of this segment of the project to \$3,000 for 1,100 person-hours whereas the use of private sector crews would have made the project cost prohibitive. The project has significant support by PBCo. Mrs. Kim Caneer, who resides on Sunset Lane, addressed the Board stating she was very pleased with the progress of the work in the canyon near her home.

## **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 3/22/07 – 4/18/07*. Mr. Niccum noted a correction to item 3: Total demand for the water year is 5% *above* (not *below*) the 12-year average usage of 209 acre-feet for this point in the water year.

### **PBCSD Capital Improvement Projects**

Mr. Niccum reviewed orally his monthly status report on capital improvement projects. He emphasized the need for continued hydrant testing even after the completion of the Fourth Priority Fire Protection Water Pipeline Replacement Project for quality control of maintenance performed on the system.

### **CAWD Board Meeting**

Director Hornbuckle attended the Carmel Area Wastewater District Board meeting held April 26, 2007 and submitted a written report to the Board. The District will announce to the public 45 days in advance of the Board's adoption of the increase in sewer fees. In June, PBCSD mails a notice of public hearing scheduled at its July regular Board meeting and invites public comment on the preliminary budget, including the user fees.

### **CAWD Meeting Assignment**

Director Froke accepted the assignment to attend the CAWD regular Board meeting on Thursday, May 24, 2007 at 9:30 a.m. in the CAWD Boardroom at 3945 Rio Road, Carmel.

## **SOLID WASTE MANAGEMENT**

Director Laska reviewed orally the submitted reports on meetings of the Monterey Regional Waste Management District ("MRWMD") held on March 16 and April 20, 2007. The MRWMD Strategic Planning Conference held April 18, 2007 established policies to implement processes to achieve increased diversion from the current 50% rate to 75% including research into related emerging technologies.

## **GENERAL GOVERNMENT**

### **Law Enforcement Program**

The Board reviewed the submitted data records from the radar speed display units as of April 27, 2007. CHP Sergeant Ray Faulk will give an update to the Board at the May 23<sup>rd</sup> meeting. One complaint has been received at the District within the last month; the complainant will most likely be attending the May Board meeting. Patrol has been requested and conducted at a school bus stop area on Stevenson by the Equestrian Center during morning hours in response to concerns received from a resident by the Del Monte Forest Property Owners. Enhanced law enforcement is being considered for Saturday mornings two weekends in May to alert bicyclist that the Vehicle Code also applies to their conduct on Forest roads. Monterey County Sheriff's Office is aware of and has stepped up interest in recent vandalism incidences involving mailbox and yard items being smashed. Al Budris, Chair of the DMFPO Traffic and Safety Committee, gave an overview of the recent vandalism and reported that representatives from CHP and Robert Louis Stevenson School ("RLS"), as well as concerned residents, attended the recent committee meeting to discuss the matter. The RLS representative stated that those responsible are not from his institution that he is aware of. PBCo has provided the Sheriff's Office with a list of current construction sites in the Forest to aid in its investigations. Director Verbanec reminded all crime victims to be sure to contact the Sheriff's Office to make a report.

### **Strategic Planning Study Session Progress Report on Issues**

Mr. Anthony stated that much effort is being undertaken at the staff level.

### **Web based Geographic Information System**

Mr. Kilic gave a demonstration of the system for the Board. Mr. Anthony reported future features of the system would include data terminals for fire department vehicles and hand-held units for District sewer maintenance inspectors. Data security will be addressed.

## **PBCSD Election**

### **MOTION 04-07-05**

**Moved by Director Verhasselt, seconded by Director Froke, and unanimously carried, to adopt *Resolution No. 07-07* calling for a general district election within PBCSD on November 6, 2007 to elect three directors for four-year terms of office and to set a limit of 400 words as the length of candidate statements to be included on the ballot at the District's cost.**

### **LAFCO 2007/08 Budget Consideration**

Mr. Anthony reviewed orally the submitted General Manager's Report regarding the issues related to the Local Agency Formation Commission 2007/08 budget. He stated that a look at how other counties are handling the issue would be informative, and that the upcoming California Special Districts Association meeting on July 17, 2007 would most likely cover the topic.

### **MISCELLANEOUS INFORMATION AND COMMUNICATIONS**

#### **Oral reports from General Manager**

Mr. Anthony stated that the General Managers Association is requesting that Boards be queried as to interest in establishing a housing trust for employees. The cost for each district would be \$50,000 per year for five years. He said as an alternative, the Board may choose to continue to allow staff to handle District recruitment issues on a case-by-case basis to address housing needs. Mr. Anthony will keep the Board current on the issue at upcoming Board meetings.

#### **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**

Mr. Anthony informed the Board that the District radio station, 1620AM, is experiencing interference from a Sacramento radio station on the same bandwidth. The staff is in search of alternatives to resolve the problem that may include switching to another frequency, and/or relocation or addition of the radio antennas.

### **CLOSED SESSION**

It was determined that no closed session was in order.

### **ADJOURNMENT**

There being no further business at 12:15 p.m. a motion was made to adjourn.

### **MOTION 04-07-06**

**M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Wednesday, May 23, 2007 at 9:30 a.m. in the District Board Room at Forest Lake and Lopez Roads.**