



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 June 25, 2010 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 25, 2010. Board President Jeffrey B. Froke called the meeting to order at 9:30 a.m.

ROLL CALL

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

Absent: None

Others Present

Michael Niccum, General Manager/District Engineer
Suha Kilic, Deputy General Manager/CFO
Robert Rathie, Legal Counsel
J.T. Rethke, Associate Engineer, PBCSD
Christina Baca, Assistant Engineer, PBCSD
Dennis Carreiro, Assistant Chief, CAL FIRE San Benito-Monterey Unit
Robin Hamelin, Fire Prevention Chief, CAL FIRE San Benito-Monterey Unit
Jude Acosta, Fire Operations Chief, CAL FIRE San Benito-Monterey Unit
John Tormey, Pebble Beach resident
Richard Gebhart, Del Monte Forest Property Owners ("DMFPO")
Spencer Thompson, DMFPO Traffic and Safety Committee member
Mark Verbonich, Vice President Community Affairs, Pebble Beach Co. ("PBCo")
Mark Stilwell, Executive Vice President, PBCo
Greg D'Ambrosia, Director, Carmel Area Wastewater District ("CAWD")
Ray von Dohren, General Manager, CAWD
Vinod Badani, President, E2 Consulting Engineers
Laura Dadiw, Board Clerk, Dadiw Associates

APPEARANCES AND ORDER OF BUSINESS

There were no appearances or changes to the agenda requested.

MINUTES

MOTION 10-06-01

Moved by Director Verhasselt, seconded by Director Hornbuckle, and carried, to approve the minutes of the regular Board meeting held on May 28, 2010. Director Laska abstained due to not being present at the last meeting.

FINANCIAL MATTERS

Statement of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* for May 2010. Mr. Kilic noted that in May the District received \$404,000 from the Proposition 1A Securitization Program. The amount received is equal to the amount of property tax loaned to the State. Cash balances were higher at the end of May than at the same point last year. In response to Director Verhasselt's question, Mr. Kilic stated that Proposition 172 fund revenue represents the allocation received from ½ cent sales tax collected in Monterey County for public safety purposes. He said Monterey is the only county in the State which allocates a portion of that revenue to fire protection districts.

Cash Basis Budget Report

The Board received the *Cash Basis Budget Report* for May 2010.

Check Register

The Board received the *Check Register* for May 2010.

MOTION 10-06-02

Moved by Director Hornbuckle, seconded by Director Verbanec, and unanimously carried, to approve the *Check Register* for May 2010.

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for May 15 – June 14, 2010. Chief Carreiro responded to Director Froke's inquiry from last meeting regarding the status of the bicycle rider that suffered an injury near Fan Shell beach, stating that the rider had sustained minor to moderate injuries.

Chief Hamelin reported that all was ready for the Open House and Public Safety Day scheduled for tomorrow, June 26th from 10am to 2pm. The format was basically the same as previous years. There would be two guides at the Fire-safe Demonstration Garden to lead tours and answer questions.

Chief Carreiro gave an overhead presentation of the US Open tournament planning, operations, and coordination of agencies. Mark Stilwell thanked all agencies including PBCSD and CAL FIRE for extraordinary efforts and results. The tournament was very successful with a few minor issues arising under the purview of the USGA and minimal security issues. A phenomenal number of attendees used the CSUMB parking area and shuttle services provided by PBCo to enter the grounds and with the assistance of well trained CHP officers traffic flowed smoothly throughout the week. General Manager Niccum thanked fire department personnel for a job well done and for working 12-16 hour days during the event. Chief Carreiro commended Deputy General Manager Kilic and the District's IT Consultant, Yavuz Atila for exemplary work coordinating the communications technology at the District offices which served as the command center during the event.

MAINTENANCE, ENGINEERING, AND CONSTRUCTION

Wastewater Collection, Treatment and Disposal System

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance for 5/22/10 – 6/24/10* prepared by Associate Engineer, J.T. Rethke, who noted that during the US Open, the maintenance staff inspected wastewater facilities located within Pebble Beach Golf Links each morning from 5am to 6am without incurring overtime.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. Assistant Engineer Christina Baca stated that the consultant performing the underground feasibility study had collected data and would give initial suggestions to staff that would be provided as an update at the next board meeting.

CAWD Board Meeting

Director Froke deferred to General Manager Niccum who gave an oral report on the CAWD board meeting held June 24, 2010. The CAWD board had adopted the proposed budget that included a 5% increase in sewer fees. Only one question had been received during the comment period and it had to do with noticing requirements.

CAWD staff met recently with Siemens, the manufacturer of the microfiltration/reverse osmosis system at the CAWD treatment plant. Discussion centered on the microfilter system which failed last year and what appeared to be signs of a similar failure in the new microfilters. Chloramine and chlorine levels were being adjusted in an attempt to stop the failures while continuing to meet health standards and operations requirements. A special CAWD Board meeting was held after the regular meeting yesterday regarding policy direction related to the District's 25 year long-term capital plan similar to PBCSD's 15-year plan. CAWD currently uses sewer fees to cover the costs of operations and maintenance activities and property tax revenue is used to fund capital outlays. Incoming General Manager, Barbara Buikema suggested increasing

sewer fees incrementally to cover capital replacement costs in case property tax revenues declined in the future. The District's policy with respect to pay-as-you-go versus debt financing was also discussed. Ms. Buikema will develop the specifics of a policy to bring back to the board. Mr. Niccum stated that it would be prudent for both districts to be prepared for the day when PBCo will no longer be the financial guarantor of the Reclamation Project, a maximum of twelve years in the future, and CAWD/PBCSD would become a true utility responsible for all of the operations, maintenance, and capital costs.

Mr. John Tormey inquired as to the quality monitoring requirements for the tertiary treatment plant water released to PBCSD. Mr. Rethke stated that the reclaimed water was regulated by the Regional Water Quality Control Board including Title 22 public health requirements, as well as 5 main requirements identified in the agreements with the golf course users: sodium absorption ratio, adjusted sodium absorption ratio, sodium, electric conductivity, and pH. PBCSD and CAWD sample and test the water on a regular basis at various locations in the system. Mr. Tormey inquired if CAWD would add the test results of the 5 key values to its monthly Wastewater Treatment Facility Operations Report. Director Verbanec suggested having CAWD add a statement to the report if the range of allowable limits of the 5 key values was exceeded.

CAWD General Manager, Ray von Dohren stated that this would be the last PBCSD board meeting he would be attending as he would be retiring effective August 1st. Mr. Niccum stated that he and Mr. von Dohren both started working here about 15 years ago within six months of each other.. Relations between the two Districts had been very good in large part due to Mr. von Dohren's involvement. Mr. Niccum thanked Mr. von Dohren for all his efforts over the years. President Froke thanked Mr. von Dohren on behalf of the board and District for seeing plans become reality during his tenure.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District Board Meeting

The Board received and reviewed the *Memorandum* from Director Laska on the highlights of the meeting of the Monterey Regional Waste Management District ("MRWMD") held on June 18, 2010. Director Laska detailed discussions regarding the public hearing and approval of an increase in tipping fees. He stated that the amount of tonnage received seemed to have stopped declining. Director Verhasselt inquired whether there were enough landfills in the area to consider consolidating operations. Director Laska stated that was absolutely an option however other facilities in the area were not open to discussing the possibility. Director Laska reported that he and Mayor McCloud had been appointed to continue as president and vice president respectively for the upcoming year.

Director Verbanec noted that he had visited the recycling facility during the MRWMD open house two weeks past and found it informative. The falcon being used to deter seagulls from the landfill was working very effectively.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

Mr. Niccum reported that an intern had been hired to organize engineering department maps, plans and records. Danielle Katen, in her second year at Cal Poly, will be working for the district through the end of September.

Questions from Directors or staff seeking clarification of matters within the purview of the District

There were no comments from directors or staff.

Oral reports or announcements from Board President, directors or staff

There were no reports or announcements from president, directors or staff.

CLOSED SESSION

It was determined that no closed session was in order.

ADJOURNMENT

There being no further business at 10:42 a.m. a motion was made to adjourn.

MOTION 10-6-03

M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Friday, July 30, 2010 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.

