



**PEBBLE BEACH**

**COMMUNITY SERVICES DISTRICT**

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**PEBBLE BEACH COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
Regular Meeting of July 30, 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 July 30, 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 Wellington, Legal Counsel  
J.T. Rethke, Associate Engineer, PBCSD  
Christina Baca, Associate Engineer, PBCSD  
Dennis Carreiro, Assistant Chief, CAL FIRE San Benito-Monterey Unit  
Robin Hamelin, Fire Prevention Chief, CAL FIRE San Benito-Monterey Unit  
John Tormey, Pebble Beach resident  
Richard Gebhart, Del Monte Forest Property Owners ("DMFPO")  
Hal Jordan, DMFPO member  
Sergeant Ray Faulk, California Highway Patrol  
Mark Verbonich, Vice President Community Affairs, Pebble Beach Co. ("PBCo")  
Robert Siegfried, Director, Carmel Area Wastewater District ("CAWD")  
Barbara Buikema, General Manager, CAWD  
Vinod Badani, President, E2 Consulting Engineers  
Laura Dadiw, Board Clerk, Dadiw Associates  
Becky Reisdorf, Dadiw Associates

**APPEARANCES AND ORDER OF BUSINESS**

There were no appearances or requested changes to the agenda.

## **MINUTES**

### **MOTION 10-07-01**

**Moved by Director Verhasselt, seconded by Director Hornbuckle, and unanimously carried, to approve the minutes of the regular Board meeting held on June 25, 2010.**

## **FINANCIAL MATTERS**

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

The Board received and reviewed the *Statement of Receipts and Disbursements* for June 2010. Mr. Kilic noted that the final Cal Fire Payment for fourth quarter FY 2009/10 had been made in advance in April based on an estimate. An adjusting invoice is expected in the next few months that would finalize Cal Fire payments for the last fiscal year. Payment was also made for the fourth quarter of FY 2009/10 to Carmel Marina Corporation for basic residential garbage services. At the end of June, the cash balance was higher than the prior year at the same point in time, and the fiscal year ended with strong positive results for both revenues and expenditures.

**Director Verbanec arrived at 9:38 a.m.**

### **Check Register**

The Board received the *Check Register* for June 2010. Regarding the sewer easement vegetation clearance payment of \$9,500, General Manager Niccum said the District performs fire hazard clearance work along its sewer easement at Macomber subdivision and around the perimeter of Forest Lake Reservoir. Mr. Kilic said Reclamation Project will reimburse the District for \$4,200 of the costs. Directors discussed the cost of the District newsletter that staff would continue to monitor.

### **MOTION 10-07-02**

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

### **Fiscal Year 2010/11 PBCSD Final Budget and Service Fees**

The Board received and reviewed the *Final Budget for Fiscal Year 2010-11* and Mr. Kilic gave a summary and presentation of the changes since approval of the preliminary budget at the May 2010 board meeting. Mr. Kilic also gave an overview of the submitted report on the history of PBCSD wastewater operations and

maintenance costs and comparative wastewater fees in neighboring cities.

### **TIMED BUSINESS**

President Froke opened the public hearing at 10:07 a.m.

Director Verhasselt requested that the board consider reducing the \$195,000 annual fire tax levied on property owners to zero. He provided background on the issue, stating that originally the tax was collected by the County Service Area, a predecessor of the District, to fund the fire service and the annual \$195,000 back then covered the bulk of the budgeted costs. He acknowledged that the District could continue to collect the tax due to it being grandfathered under Proposition 218, however he felt the tax, which now amounted to less than 5% of the cost of the District's fire services, was a double tax and the District should discontinue collecting it. He cited a section of Proposition 218 that required special taxes not be used for public services and felt that property owners had not been fully informed on the issue. Director Verbanec felt that fire tax did not constitute a double-tax; the District was apportioning the revenue for different purposes and that there was a distinction. Director Laska noted that the passing of Proposition 218 specified that establishment of new taxes or increase in existing taxes require 2/3 votes; and the District's fire tax met that current requirement. Director Laska felt that the District was already indirectly returning a large amount of property taxes to the residents by subsidizing sewer service fees. Attorney Wellington answered questions from the Board.

Mr. John Tormey viewed the budget as rich but nonetheless honest and intelligent and, as a member of the public, approved of it.

President Froke closed the public hearing at 10:25 a.m.

### **END OF TIMED BUSINESS**

#### **MOTION 10-07-03**

**Moved by Director Laska seconded by Director Verbanec, and carried, to adopt *Resolution 10-09* approving service charges for garbage collection and disposal; sewer treatment and disposal services; and special tax for fire protection services for Fiscal Year 2010-11. Director Verhasselt voted no.**

**MOTION 10-07-04**

**Moved by Director Laska seconded by Director Verbanec, and carried, to adopt *Resolution No. 10-10* certifying compliance with State law for levying general and special taxes, assessments, and property related fees and charges. Director Verhasselt voted no.**

**MOTION 10-07-05**

**Moved by Director Laska seconded by Director Verbanec, and carried, to adopt *Resolution No. 10-11* adopting the Final Budget for FY 2010-11. Director Verhasselt voted no.**

**MOTION 10-07-06**

**Moved by Director Laska seconded by Director Hornbuckle and unanimously carried, to adopt *Resolution 10-12* approving positions, classifications and pay schedule for FY 2010-11.**

**MOTION 10-07-07**

**Moved by Director Laska seconded by Director Hornbuckle, and unanimously carried, to adopt *Resolution 10-13* approving the sewer connection fee for FY 2010-11.**

**FIRE DEPARTMENT**

**Fire Chief's Monthly Report**

The Board received and reviewed the *Monthly Fire Department Activity Report for June 15 – July 14, 2010*. Chief Carreiro relayed greetings from fire chief emeritus George Haines, who was now working part-time for Cal Fire. Chief Carreiro thanked the District board and staff for their support of Captain Dell Wells who recently lost his wife.

Chief Carreiro reported that Cal Fire was at full staffing levels. Crews had responded to fires in Butte, Lassen, and Siskiyou Counties, as well as Altamont and Pacheco Passes.

Chief Carreiro gave an overview of the monthly report. He noted that, due to the efforts of Captain Jennifer Valdez, the Pebble Beach Community

Emergency Response Team was the most active in the State and members had recently learned skills in the use of global positioning system units for mapping area trails to assist the Fire Department.

General Manager Niccum apprised the board of the Every Fifteen Minutes program slated for Pacific Grove High School this school year, stating that District staff was considering participation in the program that educates youth on the hazards of driving while intoxicated. The City of Pacific Grove Police and Fire Departments, the Pacific Grove Unified School District and the area youth prevention program "Impact for Youth" were coordinating the program. Since many Pacific Grove High School students reside in Pebble Beach, the fire department is evaluating how it might assist.

Fire Prevention Chief Hamelin extended an invitation to those interested in touring areas of the Forest related to forest health and fuel reduction efforts including work performed by a machine called masticator.

### **PBCSD Open House and Public Safety Day**

The Board received and reviewed the *Staff Report* regarding the recent 2010 Open House and Public Safety Day held June 26, 2010. Chief Hamelin estimated that 780-800 attended. He welcomed suggestions for next years' event. Mr. Tormey encouraged board members to "work the crowd" more at the next event since residents appreciate that interaction.

## **GENERAL GOVERNMENT**

### **Receive Law Enforcement Status Update**

The Board received and reviewed the *Informational Report* regarding the Supplemental Traffic Enforcement Program status for quarter ended June 30, 2010. Sergeant Faulk reported that patrol had focused more on citizen assistance in the last quarter. An area on Colton had been more closely monitored since a citizen called in with concerns of speeding and crime in the area.

## **MAINTENANCE, ENGINEERING, AND CONSTRUCTION**

### **Wastewater Collection, Treatment and Disposal System**

The Board received and reviewed the *Engineering Report of Utilities Operations and Maintenance for 6/25/10 – 7/23/10* prepared by Associate Engineer, J.T. Rethke, who gave an overview of the report. He noted that the leak in the reclamation water pipeline had not occurred in the newer section of pipeline installed several years ago at the four corners intersection of Sloat Road and 17 Mile Drive.

### **PBCSD Capital Improvement Projects**

The Board received and reviewed the *Engineering Report* on the status of *Capital Improvement Program* projects. Associate Engineer Christina Baca stated that the proposed Spruance Water Storage Tank Project would improve storage capacity only for the first lift zone; the alternative Huckleberry Hill project would improve first, second and third lift zones including the CHOMP that required increased storage for fire defense purposes. A more definite project schedule would be provided once plans were submitted to the County and Coastal Commission for approval. A larger tank at Huckleberry Hill will likely be the preferred project due to less impact on the environment, however, the tank being located in a residential area might be an aesthetic issue for neighbors. The proposed tank would be installed on the vacant lot adjacent to the two lots that the existing tank straddles.

### **2010 Sewer Line Replacement Project**

#### **MOTION 10-07-08**

**Moved by Director Verhasselt, seconded by Director Hornbuckle, and unanimously carried, to adopt *Resolution 10-14* declaring the bid from D'Arcy & Harty as the lowest responsible bid and authorize award of a contract in the amount of \$467,575 for the construction of the 2010 Sewer Line Replacement Project.**

### **CAWD Board Meeting**

Director Laska reported on the CAWD board meeting held July 27, 2010. He noted that the meeting had been the last for General Manager Ray von Dohren and that Barbara Buikema was welcomed as the new manager. A recent inspection of the outfall line to Carmel Bay indicated a diffuser had broken off allowing sand to fill the rest of the line. Repairs were underway to replace the diffuser and dredge the sand from the line. The upper end of the estimated costs is \$250,000. The level of chlorine injected to the microfiltration process is being dialed down as much as possible without fouling the reverse osmosis system in an attempt to avoid future failure of the microfilter units.

### **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 July 16, 2010. He noted that the use of falcons by MRWMD

to ward off seagulls at the landfill was working very well.

### **GENERAL GOVERNMENT**

#### **Special District Association of Monterey County Meeting**

The Board received and reviewed the *General Manager Report* regarding the Special District Association of Monterey County meeting held July 20, 2010 attended by Directors Verbanec and Verhasselt.

#### **Undergrounding Overhead Utility Lines**

The Board received and reviewed the *Engineering Report* regarding the status of the undergrounding overhead utility lines feasibility study. Associate Engineer Baca suggested that if a special meeting with board members, staff, consultants, and the public was conducted, that it be scheduled after completion of the draft feasibility report and prior to issuance of final report. Mr. Niccum suggested that other issues to consider at a special meeting would be the process for the Local Agency Formation Commission approval regarding District authority to undertake undergrounding projects and a process for community outreach and input. The objective of the feasibility study is to provide a simple starting point for consideration if there should be any project at all.

Mr. Hal Jordan expressed his concern that power lines seemed to hang very low off poles close to traffic and dead limbs. President Froke suggested Mr. Jordan speak with Mr. Niccum to find out how that issue was currently being addressed.

#### **Amended and Restated ACWA Health Benefits Authority Bylaws and Joint Powers Agreement; Designation of PBCSD Representatives**

The Board received and reviewed the *DGM/CFO Report* regarding the ACWA Health Benefits Authority bylaws and Joint Powers Agreement and membership representatives.

### **MOTION 10-07-09**

**Moved by Director Laska, seconded by Director Verbanec, and unanimously carried, to adopt *Resolution No. 10-15* ratifying Amended and Restated ACWA Health Benefits Authority Bylaws and Joint Powers Agreement, and designating the PBCSD general manager and chief financial officer as regular and alternative membership representatives.**

**Monterey Bay Regional Water Project**

The Board received and reviewed the *General Manager Report* on the Regional Water Project. General Manager Niccum and Director Froke were staying informed on the subject and would furnish updates to the Board.

**Safety Committee Meeting**

The Board received and reviewed the minutes of the Safety Committee meeting held June 24, 2010 prepared by Associate Engineer J.T. Rethke.

**MISCELLANEOUS INFORMATION AND COMMUNICATIONS**

**Oral reports from General Manager**

Mr. Niccum had nothing to report.

**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 11:55 a.m. a motion was made to adjourn.

**MOTION 10-07-10**

**M/S/C (unanimous) to adjourn to the next regular Board meeting to be held on Friday, August 27, 2010 at 9:30 a.m. in the District Board Room at 3101 Forest Lake Road.**