

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of December 9, 2022**

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 December 9, 2022. President Jeffrey B. Froke called the meeting to order at 9:30 a.m.

ROLL CALL

Present: Jeffrey B. Froke – President, Leo M. Laska – Vice President, Richard B. Gebhart, 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

Nic Faro, Maintenance Manager

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

Mike Meddles, Division Chief, CAL FIRE

Frank Espinoza, Fire Prevention and Planning Battalion Chief, CAL FIRE

Josh Silveira, Operations Battalion Chief, CAL FIRE*

Curtis Rhodes, Fire Prevention Captain, CAL FIRE

Robert Siegfried, Board Director, Carmel Area Wastewater District (CAWD)*

Barbara Buikema, General Manager, CAWD*

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

Shawn Casey, Vice President Resource Management, PBCo

Vinod Badani, Vice President, E2 Consulting Engineers*

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

Hampton Stewart, Pebble Beach resident

Sofyan Karim, Pebble Beach resident

Persia Mumtaz, Pebble Beach resident

Laura Paxton, Board Clerk

**Signifies virtual attendance*

APPEARANCES, ORDER OF BUSINESS, & ANNOUNCEMENTS

The execution of Oath of Office by Jeffrey B. Froke and Peter B. McKee as directors of the Pebble Beach Community Services District was conducted by General Manager Niccum.

Mr. Niccum announced the passing of 42-year CAWD board member Charlotte Townsend and recognized her contributions to public service including as former mayor of the City of Carmel, as former president of CA Association of Sanitation Agencies, and as a member of the CAWD/PBCSD/PBCo Reclamation Project Management Committee. CAWD has named its board room the Townsend Room in honor of Charlotte and in honor of her father who also served on the CAWD board.

AGENDA CHANGES

Item 7, Receive PBCSD Annual Comprehensive Financial Report including Independent Audit Report for Fiscal Year ended June 30, 2022, has been postponed to the next board meeting.

MINUTES AND FINANCIAL MATTERS

MOTION 22-12-01

Moved by Director Verbanec, seconded by Director Laska, and unanimously carried 5-0 to approve, as presented, the minutes of the regular board meeting held October 28, 2022.

Statements of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* for October 2022 and Finance Director Pimentel presented.

Cash Basis Budget Report

The Board received and reviewed the October 2022 report. Finance Director Pimentel presented slides.

Check Registers

MOTION 22-12-02

Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried 5-0 to approve the *Check Register* for October 2022.

Monterey County Treasurer's Investment Report

The Board received and reviewed the *Monterey County Treasurer's Investment Report* for quarter ending September 30, 2022. Ms. Pimentel reported the rate of return for the quarter was 1.06%, apportioned at 0.99%. In comparison, the Local Agency Investment Fund for the quarter was 1.35%. Ms. Pimentel also provided an 8-year chart of days-to-maturity and yields. Interest received by the District year-to-date is 41% of the budgeted amount.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed and Chief Espinoza presented the *Monthly Fire Department Activity Report* for October 21 – December 1, 2022. There are significant instances of fires originating from batteries charging in vehicles and golf carts, and in garbage trucks from lithium batteries collected within waste and subsequently fires at landfills; there is an article on the issue in the current PBCSD newsletter. A live drone demonstration is planned for a future board meeting.

Zombie Run and Emergency Preparedness Fair

Captain Rhodes presented a slideshow and reported on the Zombie Run and Emergency Preparedness Fair held October 29th, thanking the PBCSD Board for its support and sponsorship. Approximately 450 racers, 100 volunteers, 18 vendors, and cooperating agencies attended. Other districts and agencies are considering hosting such an impactful event. The 2023 event will be October 28th.

Donation of Engine 122

The Board received and reviewed the *Fire Department Staff Report* highlighted by Chief Espinoza.

MOTION 22-12-03

Moved by Director McKee, seconded by Director Gebhart, and unanimously carried 5-0 to declare Reserve 1999 E-One Engine 122 to be surplus and authorize donation to the Monterey Peninsula College Fire Academy.

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 October 22 – November 30, 2022. Associate Engineer Simmons presented slides. Forest Lake Reservoir water storage was at 51% capacity, above the 5-year average.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineer's Report*. District Engineer Becker presented slides. PBCSD has submitted a nomination for APWA award the Forest Lake Road cold in-place-recycling repaving as a public/private partnership project with PBCo. Mr. Becker will present undergrounding Phase III costs at a future board meeting prior to development of the Phase IV project scope. Staff will be monitoring any impact to Seal Rock Creek by Bird Rock Well No. 02.

Wastewater Reclamation Project Management Committee Meeting

The Board received / reviewed *Draft Minutes* of the November 15, 2022 meeting.

Pump Station P1 & P2 Rehabilitation Project Contracts

The Board received / reviewed the *Engineer's Report* by District Engineer Becker who presented slides. The proposed amendment is on a time-and-materials basis.

MOTION 22-12-04

Moved by Director Laska, seconded by Director Gebhart, and unanimously carried 5-0 to adopt *Resolution 22-22* approving Construction Contract with Monterey Peninsula Engineering for a total amount not to exceed \$940,000; and approve Amendment No.03 to Project Assignment No.47 to the Master Agreement with E2 Consulting Engineers increasing contract value by \$167,000 to an amount not to exceed \$467,000 for the Pump Station P1 (Cypress Grove) & P2 (Fan Shell Beach) Rehabilitation Project.

2022 Sewer Replacement Project

The Board received and reviewed the *Engineer's Report* by Associate Engineer Simmons who presented schematics of lines identified for replacement. Contingency funds might be used for additional work at the same D'Arcy & Harty contracted unit price.

MOTION 22-12-05

Moved by Director McKee, seconded by Director Gebhart, and unanimously carried 5-0 to adopt *Resolution 22-23* declaring the bid from D'Arcy & Harty Construction, Inc. as the lowest responsible bid and authorize General Manager to enter contract for an amount of \$844,725 for the construction of 2022 Sewer Replacement Project.

Reclamation Metering Equipment Upgrade

The Board received and reviewed the *Engineer's Report* by Associate Engineer Simmons.

MOTION 22-12-06

Moved by Director Laska, seconded by Director Verbanec, and unanimously carried 5-0 to authorize General Manager to purchase new metering equipment for the Reclamation Distribution System for an amount not to exceed \$35,000.

Relinquish Interest in Sanitary Sewer Main #2536

The Board received and reviewed the *Engineer's Report* by District Engineer Becker.

MOTION 22-12-07

Moved by Director McKee, seconded by Director Verbanec, and unanimously carried 5-0 to adopt *Resolution 22-24* authorizing the General Manager to execute Quitclaim Deed to relinquish sanitary sewer main located on 1552 Cypress Dr.

CAWD Board Meeting

The Board received and reviewed the *Agenda Information* for the CAWD board meeting held December 8, 2022, attended by Director Froke. The board room was named the Townsend Room in Charlotte and her father's honor. A biosolids hauling contract was awarded. Management policies are being gathered into a unified document.

SOLID WASTE MANAGEMENT

ReGen Monterey Board Meeting

The Board received and reviewed the *Agenda Information* for the ReGen Monterey Board meeting held November 18, 2022, attended by Director Laska. ReGen Monterey received a "clean" financial audit for year ending June 30, 2022. The \$2.85 million purchase of a D-9 Dozer was approved; the purchase was planned for next year however the long lead time in delivery pushed the request to this year.

GENERAL GOVERNMENT

Del Monte Forest Property Owners Roads and Traffic Committee Meeting

The Board received a report for the routine meeting held November 17th.

Revise Vesting Requirement for District Retirement Health Savings Plan

The Board received and reviewed the *Finance Director's Report* and Ms. Pimentel presented.

MOTION 22-12-08

Moved by Director Gebhart, seconded by Director Verbanec, and unanimously carried 5-0 to adopt *Resolution 22-25* amending the PBCSD retirement health savings (RHS) plan to revise the plan's vesting requirement.

2023 Calendar of Board Meetings

MOTION 22-12-09

It was moved by Director Verbanec, seconded by Director Laska, and unanimously carried 5-0 to approve the 2023 Board meeting calendar.

Election of District Officers

MOTION 22-12-10

It was moved by Director McKee, seconded by Director Verbanec, and unanimously carried 5-0 to adopt *Resolution No. 22-26* electing Board President Leo M. Laska, Vice President Richard B. Gebhart, General Manager Mike Niccum to serve as Secretary, Deputy General Manager Nick Becker to serve as Secretary Pro Tem, and Finance Director Marianna Pimentel to serve as Treasurer for the 2023 calendar year.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

Mr. Niccum provided recognition from ACWA JPIA for an insurance loss ratio of 20% or less, and provided the latest issue of the PBCSD newsletter. Board members were invited to the PBCSD Holiday Party on December 22nd at 11:30 a.m. in the fire bays.

CLOSED SESSION

The board convened closed session at 11:47 a.m. Open session reconvened at 12:25 p.m. and Legal Counsel announced that in the closed session the Board took up two performance evaluation matters listed on the meeting agenda, discussed and completed both evaluations, and that no reportable action was taken in the closed session.

Following up on some general discussion in the closed session, concerning the compensation of the General Manager, and a recommendation made in that regard.

MOTION 22-12-11

Moved by Director Laska, seconded by Director Gebhart, and unanimously carried 5-0 to approve an increase of 4.7% in General Manager annual compensation to \$258,000 per year retroactive to July 1, 2022.

ADJOURNMENT

MOTION 22-12-12

M/S/C (unanimous) to adjourn at 12:26 p.m. in honor of Charlotte Townsend to a regular Board meeting to be held on Friday, January 27, 2023 at 9:30 a.m., in person/virtual.



Mike Niccum, Board Secretary