

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of March 29, 2024**

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 March 29, 2024. President Leo M. Laska called the meeting to order at 9:30 a.m.

ROLL CALL

Directors Present: Leo M. Laska – President, Jeffrey B. Froke, Peter B. McKee, and Richard D. Verbanec

Directors Absent: Richard B. Gebhart – Vice President

Others Present:

Mike Niccum, General Manager
Nick Becker, Deputy General Manager (DGM)/District Engineer
Rob Wellington, Legal Counsel
Chris Simmons, Associate Engineer
Marianna Pimentel, Chief Financial Officer (CFO)
Yuriana Nuñez, Administrative Coordinator
Alayna Paxton, Environmental Compliance Coordinator*
Nijesh Sthapit, Accountant*
Nic Faro, Maintenance Manager
George Nunez, Unit Chief, CAL FIRE San Benito-Monterey Unit (CAL FIRE)
Mike Meddles, Division Chief, CAL FIRE
John Trenner, Fire Prevention, CAL FIRE
Matt Stanford, Battalion Chief, CAL FIRE
Shawn Casey, VP Resource Management, Pebble Beach Company (PBCo)*
Barbara Buikema, General Manager, Carmel Area Wastewater District (CAWD)*
Michael Rachel, Board Director, CAWD
Vinod Badani, E2 Consulting Engineers*
Charles DeWitt, Board Director, Del Monte Forest Property Owners (DMFPO)*
Jerry Verhasselt, Pebble Beach resident
Hampton Stewart, Pebble Beach resident
Mary Ann Leffel, Monterey Regional Airport District
Laura Paxton, Board Clerk

**Signifies virtual attendance*

APPEARANCES, ORDER OF BUSINESS, & ANNOUNCEMENTS

Administrative Coordinator Nuñez presented board members with personalized coffee mugs to replace disposable cups in support of ReGen Monterey championing “reduce-reuse-recycle.” Mug artwork was designed by CAL FIRE Chief Silviera. The board concurred to move Item 17 election of LAFCO member to first on the agenda.

GENERAL GOVERNMENT

Local Agency Formation Commission (LAFCO) of Monterey Election

The Board received and reviewed the Memorandum from LAFCO Executive Officer Kate McKenna regarding the ballot due by April 26th for election of LAFCO commissioner – Special District Regular Member for a 4-year term. LAFCO Commissioner Mary Ann Leffel spoke in support of candidate Chad M. Lindley, Monterey County Regional Fire District.

Motion 24-03-01

Moved by Director McKee, seconded by Director Verbanec, and unanimously carried 4-0 directing General Manager to cast a ballot for Chad Lindley to serve as Special District Regular Member of LAFCO for a 4-year term.

MINUTES AND FINANCIAL MATTERS

MOTION 24-03-02

Moved by Director Verbanec, seconded by Director McKee, and unanimously carried 4-0 to approve, as presented, the *Minutes* of the Regular Board meeting held February 23, 2024.

Statement of Receipts and Disbursements

The Board received and reviewed the *Statement of Receipts and Disbursements* for February 2024 and CFO Pimentel presented.

Cash Basis Budget Report

The Board received and reviewed the *Cash Basis Budget Report* for February 2024 and CFO Pimentel presented.

Check Register

MOTION 24-03-03

Moved by Director Froke, seconded by Director Verbanec, and unanimously carried 4-0 to approve the *Check Register* for February 2024.

Annual Update of the District Long-Term Capital Outlay Program

The Board received and reviewed the annual update of the 15-year Long-Term Capital Outlay Program (LTCOP). Associate Engineer Simmons presented. The wastewater department capital responsibilities not including Reclamation has decreased 7% from the previous year, mainly due to the completion of rehabilitation projects at District pump stations, portions of CCTV projects now planned to be performed in-house, and purchases of capital equipment in the current fiscal year. CAWD's projected capital costs decreased by 12% and capital improvement costs reimbursed by the Reclamation Project increased by 9%. Undergrounding Overhead Utilities Project (UOU) costs increased 30% due to allocating enough funds from special projects

reserves to complete the remaining two phases within nine years and spreading \$2.6 million annually over the last six years of the plan. Director Verbanec felt a special planning session was warranted to develop alternative projects/uses for the special projects reserves that are being designated as UOU funding the last six years of the plan; General Manager Niccum suggested a District-wide program review be presented leading up to a strategic planning session with the next general manager.

Annual Update of the District Long-Term Financial Plan

The Board received and reviewed the annual update of the Long-Term Financial Plan. CFO Pimentel presented on the financing of Long-Term Capital Outlay Program capital expenses, reserves, and discretionary projects. She thanked Nancy Johnson as lead and all staff and department heads that assisted in preparing the plan update.

MOTION 24-03-04

Moved by Director Verbanec, seconded by Director McKee, and unanimously carried 4-0 to approve the PBCSD Long-Term Capital Outlay Program and Long-Term Financial Plan.

California Public Employee Retirement System (CalPERS) Unfunded Liability

The Board received and reviewed *Resolution No. 24-06* and *CFO's Report* on CalPERS unfunded liability and Public Agency Retirement Services (PARS) updates.

MOTION 24-03-05

Moved by Director Froke, seconded by Director Verbanec, and unanimously carried 4-0 to adopt *Resolution No. 24-06* approving a \$500,000 payment to CalPERS for the District's Unfunded Accrued Liability.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed and Chief Meddles presented the *Monthly Fire Department Activity Report for February 16 – March 22, 2024*. Chief Meddles responded to questions regarding the Pebble Beach Fire Department Drone Program. The Fire Department Open House and Safety Day is scheduled for June 29, 2024. Director Verbanec will forward "fire-wise" type information he received for the Reno area to Chief Meddles to consider revising for public outreach use in this area.

2024 Pebble Beach Fuel Reduction Projects Summary

John Trenner presented slides on PBCSD/CAL FIRE/PBCo/DMFC 2024/2025 fire fuel reduction projects and included a review of 2023/2024 work accomplished. Informational signs with sponsors listed will be on display in areas of goat treatment. Fire road clearing work planned in bordering jurisdictions, although not within District bounds, will be of benefit by providing fire prevention treatments in open spaces that could be a threat to the greater area including Pebble Beach. Trenner lauded partner Captain Leonard for his exemplary fire prevention efforts.

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 February 16 – March 21, 2024*. Associate Engineer Simmons presented slides including CCTV footage of a section of sewer line. The reservoir remained at 100% capacity. DGM/District Engineer Becker reported on an incident that occurred the previous day involving a family of mom, dad, and three children from San Diego traveling in their minivan on Cypress Drive and 17 Mile Drive, when it appears a sewer line being cleaned by PBCSD maintenance crew using pressurized water forced a 26" diameter 80lb cast iron cover on a manhole down-road from the crew and just under the family's vehicle at the time to lift slightly and lodge in the undercarriage of the minivan, rupturing the fuel tank and causing significant damage to the frame and body. The maintenance crew assisted the family in vacating the vehicle and summoned emergency services. The family was tended to at the PBCSD offices, their vehicle towed to a dealership, and a rental car provided to them. The District is conducting an in-depth investigation into exactly what transpired and will keep in close contact with the family regarding reparations.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineer's Report* and Associate Engineer Simmons presented slides of Pump Stations P-1 Crocker Grove and P-2 Fanshell Beach rehabilitation. DGM/District Engineer Becker thanked Mr. Simmons for his adept management of the rehabilitation projects, bringing them to completion on budget.

DGM/District Engineer Becker presented slides of an alternative alignment proposed by the utility companies to undergrounding utility lines along Fire Road 20. They instead requested routing along Spruance Road right-of-way for line maintenance access to be on paved roads rather than fire roads; Mr. Becker felt it was a suitable alternative to consider in Phase IV design. He will report next month on efforts to expedite completion of undergrounding phases by having the District instead of PG&E design the phases, or having PBCSD fund PG&E hiring an outside design firm.

DGM/District Engineer Becker presented slides of the Administration Office/Maintenance Shop/Fire Prevention Office Facility Improvement Project floor plans. The new carpet will match existing, and bathrooms will be modernized.

CAWD/PBCSD Agreement for Wastewater Treatment Facilities

The Board received and reviewed the *General Manager Report* regarding the need for an agreement update. General Manager Niccum detailed the listing contained in his report of issues that might need to be addressed in the agreement that has not been updated in 30 years. He emphasized that the request is not financially motivated but rather an attempt at fairness, good partnership, and a mutual understanding of each parties' position in the operations of the CAWD wastewater

treatment plant. He felt the agencies' staffs work well together; however, he recommended review of the agreement by the agencies' boards to insure they are familiar with how it works, where there may be inequities, and if it can be simplified. Director Rachel, CAWD board member stated he agreed there may be issues that should be reviewed. He expressed full support of the partnering concept, valuing the current relationship, and removing any inequities. He requested a letter submitted to CAWD by PBCSD include three salient bullet points.

MOTION 24-03-06

Moved by Director Laska, seconded by Director Froke, and unanimously carried 4-0 directing General Manager, with President Laska, to draft a letter to the CAWD Board of Directors requesting a joint meeting between the PBCSD and CAWD boards of directors to review the *Agreement for Use of Wastewater Treatment Facilities Between the Carmel Area Wastewater District and the Pebble Beach Community Services District* dated February 22, 1994.

CAWD Board Meeting

The Board received and reviewed the Agenda Information for the CAWD board meeting attended by Director Laska on February 29, 2024 where labor negotiations was the main topic. The meeting attended by Director Verbanec on March 28, 2024, announced Jeff Bandy as new principal engineer. The rate model structure has been revised; however, rates remain the same this year. A clean audit was received. Superintendent Waggoner presented the CAWD student internship program, partnering with Carmel High School and potentially Monterey Peninsula College, CSUMB, and Rancho Cielo; DGM/District Engineer Becker offered to participate on the program interview panel. The status of Carmel Lagoon Projects was discussed.

DGM/District Engineer Becker reviewed a March 19, 2024 letter he submitted to Monterey County Housing and Community Development regarding the January 2024 revised Draft Environmental Impact Report (DEIR) for the Lagoon projects, stating that the comments PBCSD submitted in response to the 2017 DEIR have not been addressed. The revised DEIR still does not address the negative impacts on the CAWD treatment plant created by not mechanically breaching the Carmel Lagoon Sandbar.

SOLID WASTE MANAGEMENT

ReGen Monterey Board Meeting

The Board received and reviewed the *Agenda Information* for the ReGen Monterey Regular Board meeting held March 22, 2024, attended by Director McKee. Board Vice Chair Delgado received a 15-year service award. The board cast a ballot for LAFCO

candidate Jeffries. A program review workshop was held on March 6th to set the table for policy decisions on the continued disposal of out-of-county waste.

GENERAL GOVERNMENT

PBCSD Conflict of Interest Code

The Board received and reviewed the *General Manager Report*. There is one correction to be made: Chief Financial Officer to replace Finance Director.

MOTION 24-03-07

Moved by Director Verbanec, seconded by Director Froke, and unanimously carried 4-0 to adopt *Resolution No. 24-07* approving revisions to the District Conflict of Interest Code due to changes in personnel assignments.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

General Manager Niccum stated the 2024/25 draft budget will be presented at the next board meeting. Senior Accountant Nancy Johnson's son, Ray, received a scholarship through the American Public Works Association to study engineering at San Jose State University; Mr. Niccum presented the award to Ray at the APWA ceremony.

CLOSED SESSION

The board convened in closed session at 12:27 p.m. The Board came back in to open session at 12:45 p.m. Legal Counsel announced that in the closed session the Board took up and discussed each of the items listed on the Closed Session agenda, and the report-out on same was as follows: 1) Performance review of Legal Counsel – was completed; 2) Personnel Matter – two board members were appointed to meet with the incoming (in July) General Manager for any appropriate negotiations; and 3) Real Property Negotiations – No reportable action was taken.

ADJOURNMENT

MOTION 24-03-08

M/S/C (unanimous) to adjourn at 12:46 p.m. to a regular Board meeting to be held on Friday, April 26, 2024, at 9:30 a.m., in person and virtually.



Mike Niccum, Board Secretary