

**PEBBLE BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Regular Meeting of April 29, 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 April 29, 2022. Board 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, District Engineer

Chris Simmons, Assistant Engineer

Marianna Pimentel, Finance Director

Yuriana Nuñez, Administrative Coordinator

Nijesh Sthapit, Accountant*

Kelvin Ellison, Maintenance Technician

Jesse Huddleson, Maintenance Worker II

Ryan Casey, Maintenance Worker

Nic Faro, Maintenance Technician

Luis Martinez Gutierrez, Maintenance Technician

Michael Meddles, Division Chief, CAL FIRE San Benito-Monterey Unit (CAL FIRE)

Tom Bolyard, Battalion Chief, CAL FIRE

Thomas Headley, Captain, CAL FIRE

Roger Rinehart, EMS Coordinator Battalion Chief, CAL FIRE*

John Trenner, Fire Prevention Inspector, CAL FIRE

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

Barbara Buikema, General Manager, CAWD*

Peter Brown, Director of Security, Pebble Beach Company (PBCo)

Shawn Casey, Vice President Resource Management, PBCo

Cheryl Burrell, Planning Manager, PBCo

Vinod Badani, E2 Consulting Engineers*

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

Hampton Stewart, Pebble Beach resident

Jerry Verhasselt, Pebble Beach resident

Kathy Palazzolo, Investigations Commander, Monterey County Sheriff's Office
Gail Morton, Director, Marina Coast Water District*
Laura Paxton, Board Clerk

**Signifies virtual attendance*

APPEARANCES, ORDER OF BUSINESS, & ANNOUNCEMENTS

There were no appearances or announcements.

AGENDA CHANGES

General Manager Niccum requested Item 17 then Item 9 be moved after Item 3.

Employee Recognition

Engineer Becker recognized Maintenance Technician Kelvin Ellison, 27-year employee of the District, for receiving the statewide Collection System Person of the Year Award from the California Water Environment Association (CWEA). He also was honored by CWEA for 25 years of service to the industry at a recent conference. Mr. Ellison expressed how much he enjoys working for the District with the maintenance team and his appreciation to his coworker Jesse Huddleson for nominating him for the CWEA awards.

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 May 13th for election of LAFCO Special District Alternate Member for a 4-year term. Candidate for the position, Gail Morton was present virtually and gave her presentation.

MOTION 22-04-01

It was moved by Director Laska, seconded by Director Verbanec, and unanimously carried 5-0 directing General Manager to cast a ballot for David Kong to serve as Special District Alternate Member of LAFCO for a 4-year term.

LAW ENFORCEMENT

Pebble Beach Area Crime Statistics and Traffic Enforcement Status Report

The Board received the Law Enforcement Program Status Report for the quarter ending March 31, 2022 and Administrative Coordinator Nuñez reviewed. Director McKee requested Crespi Lane be reevaluated to determine if there are enough driveways to allow a posted speed limit. President Froke requested Sgt. Pia attend the July board meeting and give enforcement specifics regarding the basic speed law versus posted speed. Mr. Niccum will remove the speed limit column from the Higher Speeds Location chart.

Mr. Niccum noted the new Crime Data Summary Report feature. Commander Palazzolo, Monterey County Sheriff's Office briefed the board on crime trends and encouraged reporting any questionable activity.

MINUTES AND FINANCIAL MATTERS

MOTION 22-04-02

Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried 5-0 to approve, as presented, the minutes of the regular board meeting held March 25, 2022.

Statement of Receipts and Disbursements

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

Check Register

MOTION 22-04-03

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

Preliminary Budget for Fiscal Year 2022-23 and Set Public Hearing

The Board received and reviewed the PBCSD 2022-23 Preliminary Budget and Finance Director Pimentel gave a presentation. Estimated revenue of \$20,380,000, excluding Reclamation Project reimbursements, is 5.0% higher than prior year's budget. Sewer user fees are proposed to increase by 9.0% or \$2.40 per month from \$26.70 to \$29.10 for residential units effective July 1, 2022. The fees for garbage and recyclable material collection services are proposed to increase by 8.5% also effective July 1st, equivalent to \$2.42 per month from \$28.50 to \$30.92 for basic residential services.

Operations & Maintenance (O&M) expenses increased by 10.0% to \$16,340,000 excluding \$580,000 for recycled water distribution system O&M expenses reimbursed by the Reclamation Project. Total budgeted expenses, including capital outlays, reserve contributions, and carryover appropriations are \$29,030,000.

District property owners will receive a notice by mail setting a public hearing for the adoption of the final budget and user fees at the June Board meeting. There were no comments from the public. Mr. Niccum complimented Ms. Pimentel on her first

District budget presentation, and she thanked Senior Accountant Nancy Johnson and Accountant Nijesh Sthapit for their support.

MOTION 22-04-04

Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried 5-0 to adopt *Resolution No. 22-07* approving the Preliminary Budget for fiscal year 2022-23 and setting Final Budget Hearing on June 24, 2022 at 9:40 a.m.

Financial Auditing Services

The Board received and reviewed the *Finance Director Report* regarding selection of independent auditors.

MOTION 22-04-05

Moved by Director Laska, seconded by Director McKee, and unanimously carried 5-0 to adopt *Resolution 22-08* authorizing execution of agreement with Eide Bailly, LLP to perform audits of the District's financial transactions for a period of three years, covering fiscal years 2021-22, 2022-23, and 2023-24.

FIRE DEPARTMENT

Fire Chief's Monthly Report

The Board received and reviewed the *Monthly Fire Department Activity Report* for March 19 – April 21, 2022 and Chief Bolyard presented operations efforts. Report correction: there were two Code 3 responses over 8 minutes, one due to equipment being out of position on training and the other due to an initially Code 2 call being upgraded to Code 3. Chief Bolyard introduced Fire Captain Thomas Headley, recipient of the 2021 Firefighter of the Year Award. Inspector Trenner covered fire prevention and training.

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 March 17 – April 20, 2022. District Engineer Becker presented slides. Forest Lake Reservoir water storage is at 97% capacity, slightly above the 5-year average. Total demand remains equal to production with minimal effect in reservoir storage so far this irrigation season. Production from the five alternative source water projects is approximately 94,000 gallons per day. A sanitary sewer overflow of 22 gallons occurred March 20th on Circle Road; maintenance staff quickly removed roots and restored flow.

PBCSD Capital Improvement Projects

The Board received and reviewed the *Engineer's Report*. Mr. Becker presented slides. Mr. Becker described Cold In-Place Recycling (CIR) that reuses the top 3-6 inches of existing asphalt surface, grinding and mixing it with a recycling agent and/or binder and spreading it on the same road. CIR provides the foundation for asphalt overlay. The process is being considered for Forest Lake Road.

CAWD Board Meeting

The Board received and reviewed the Agenda Information for the CAWD board meetings held March 31, 2022, attended by Director Laska, and April 28, 2022, attended by Director Froke, with both attended by General Manager Niccum. At the March meeting, the CAWD board approved contracting for assistance with long-term sea level rise mitigation planning. The CAWD board held a strategic planning session primarily focused on sea level rise. General Manager Niccum supports PBCSD sharing the cost of the sea level rise planning since the Coastal Commission requires it as a CAWD permit condition. CAWD also approved the preliminary rate model that is sent out with the budget public hearing notice. At the April meeting the board discussed sewer connection fee policy for accessory dwelling units (ADUs) to comport with State law.

SOLID WASTE MANAGEMENT

Monterey Regional Waste Management District (MRWMD) Board Meeting

The Board received and reviewed the *Agenda Information* for the MRWMD Board meeting held April 22nd. Director Laska reported the Board authorized a 7% increase in tipping fees and \$9/ton increase in clean yard waste and food scraps disposal.

Administrative Coordinator Nuñez announced the annual PBCSD Household Hazardous Waste and e-Waste Collection Event is scheduled for Saturday, September 17, 2022 from 9:00 a.m. to 2:00 p.m.

GENERAL GOVERNMENT

PBCSD Election on November 8, 2022

The Board received and reviewed the *General Manager Report and Resolution No. 22-09* that sets the maximum length of candidate statements at 400 words and provides for District payment of costs.

MOTION 22-04-06

Moved by Director McKee, seconded by Director Laska, and unanimously carried 5-0 to adopt *Resolution 22-09* calling for a general district election within PBCSD on November 8, 2022 to elect two Directors to four-year terms of office.

Meeting of the Special Districts Association of Monterey County

The Board received and reviewed the *General Manager Report* on the April 19, 2022 Special Districts Association Meeting. Director Verbanec gave highlights.

Deputy General Manager Position Job Description

The Board received and reviewed the *Job Description*.

MOTION 22-04-07

Moved by Director Verbanec, seconded by Director Gebhart, and unanimously carried 5-0 to approve the Deputy General Manager job description.

MISCELLANEOUS INFORMATION AND COMMUNICATIONS

Oral reports from General Manager

General Manager Niccum had nothing further.

Director Gebhart will attend the May 10th Reclamation Management Committee meeting in place of Directors Verbanec and McKee.

CLOSED SESSION

The Board met in closed session at 11:59 a.m. to review a personnel matter related to appointment of Deputy General Manager position. The Board reconvened open session at 12:30 p.m. after taking up the closed session item as listed. No reportable action was taken.

ADJOURNMENT

MOTION 22-04-08

M/S/C (unanimous) to adjourn at 12:31 p.m. to a regular Board meeting to be held on Friday, May 27, 2022 at 9:30 a.m., in person/virtual.



Mike Niccum, Board Secretary