

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
SANTA LUCIA COMMUNITY SERVICES DISTRICT
January 28, 2020

The regular meeting of the Board of Directors of the SANTA LUCIA COMMUNITY SERVICES DISTRICT was held at the New Corporation Yard, Santa Lucia Preserve, 121 Rancho San Carlos Road, Carmel, California, at 9:00 A.M. on Tuesday, January 28, 2020.

Call to Order. The meeting was called to order at 9:00 A.M. by Board Chairman, Mark BOITANO.

Roll Call. The following Directors were present: Mark BOITANO, Barbara SANTRY, Allen FINLEY (via teleconference), Carl EKLUND, and Melissa THORME. Also present were Forrest ARTHUR, District General Manager; Rich SPECIALE, Director of Security; David RINALDO, Advisory Member; Scot SMYTHE, Advisory Member; Bill DOREY, Advisory Member (joined at 9:19 a.m.); Robert WELLINGTON, Legal Counsel for the District; Roberta CLATTERBUCK, District Accounting Manager; and Aimee DAHLE, District Executive Assistant.

Public Comment. None.

Approval of Minutes. After review of the November 18, 2019 minutes, a motion by Director SANTRY and second by Director EKLUND, the minutes, with minor corrections, were unanimously approved.

General Manager's Report.

Financial Report. Mr. ARTHUR introduced Ms. CLATTERBUCK, who prepared the financial documentation for the Board. Mr. ARTHUR briefly addressed the financial report, which included a Balance Sheet, a Statement of Cash Flow, and a Statement of Revenues & Expenses, all through the end of November 2019. Mr. ARTHUR noted that revenues for Operations were higher than budgeted due to the increased Fuel Management mowing on vacant lots. Ms. CLATTERBUCK left at 9:14 a.m.

Business Matters. Mr. ARTHUR opened discussion on the water report, stating that overall water usage was comparable to the prior year. Conservation efforts by the Preserve community were noted. Ongoing communications with the residential owners regarding their monthly water usage has proven to be effective and will continue.

Mr. ARTHUR presented the proposed Waste Management rate schedule and noted that starting January 1st, 2020, Waste Management was proposing a 3.54% increase, which would raise the monthly charge from \$76.09 to \$78.78. Mr. ARTHUR informed the Board that staff is working with Waste Management on a new and improved recycling program. The Board was informed the contract with

Waste Management is set to expire on June 23rd, 2020. After a brief discussion, the Board agreed by motion to accept the proposed increase for 2020.

Mr. ARTHUR then presented a series of illustrations relating to the potential for increased cell coverage on the Preserve. Mr. ARTHUR explained the two existing sites currently provide approximately 32% of cell coverage (able to hold a call) on the Preserve. With the advent of 12-14 new micro-cell sites, models predicted coverage to increase to 80- 85 %. Repeated Signal Solutions (RSS), the District's consultant on the project, estimated the design and construction costs to be \$3.3 – \$6.3 million depending on the involvement level of the carrier. RSS has been involved in preliminary discussions with AT&T and Verizon. Mr. ARTHUR stated that a presentation to the Preserve Board was forthcoming. Mr. ARTHUR finished his presentation on cell coverage by informing the Board that PG&E is aggressively looking for locations to install infrared technology for early fire detection. More information would be provided at a future meeting.

Mr. ARTHUR next presented a preliminary design concept for living quarters for fire and medical response personnel. Following the description of the design, staff made a recommendation to move forward with construction plans in order to develop cost estimates. The Board provided necessary approval to move forward with the design phase of the project.

CEO/Preserve Board Liaison Update. Mr. EKLUND presented a recap of the Preserve Board meeting held in November, 2019. Ms. BAXTER included that the new marketing program was approved and would launch immediately. Ms. BAXTER also stated that membership sales were doing well with the new offering related to Legacy Membership offering. Currently, 30 new membership applications were in the queue. Ms. BAXTER also stated that Andy SIMER resigned his position as Chief Financial Officer, effective December 31, 2019. Ms. Baxter introduced Joe KONTUR (joining at 10:35 a.m.), as the interim CFO. Mr. KONTUR provided a brief background of his work experience before leaving at 10:39 a.m.

Business Matters (continued). Mr. ARTHUR next presented the Board with information detailing current staffing levels, market rate data, classification levels and succession planning for the District. Mr. ARTHUR then advised a similar study was recently conducted within both the Ranch and Golf Clubs, and Preserve Association. After review of the new staffing classifications and succession plan, Mr. ARTHUR presented the Board with Resolution 20-01, a resolution to amend the current budget FY 2019-2020, by additional \$50,000 in salaries and wages. After a brief discussion by the Board, a motion was made by Ms. THROME, and seconded by Ms. SANTRY, followed by a unanimous vote to approve. Mr. BOITANO discussed the possibility of having a quarterly or annual compensation/benefit report given to each employee.

Mr. ARTHUR next went on to state the next Board Meeting, scheduled for April 28th, 2020.

Ms. DAHLE next informed the Board that there was a new State mandate requiring that governmental entities host a public website that is ADA compliant and available to the public. Ms. DAHLE presented the new website and functionality, as well as background on the host company. Ms. DAHLE also stated the newly created domain of www.santaluciacs.org has been purchased and access to the webpage is linked from the main Preserve website.

Citizen Advisory. None.

Adjournment. There being no further business to come before the Board, upon motion and second by Directors SANTRY and THORME, and a subsequent unanimous vote, the meeting was adjourned at 11:42 A.M.