

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
SANTA LUCIA COMMUNITY SERVICES DISTRICT
December 1, 2020

The regular meeting of the Board of Directors of the SANTA LUCIA COMMUNITY SERVICES DISTRICT was held at 9:00 A.M. on Tuesday, December 1, 2020. Pursuant to Executive Order N-25-20, by the State of California, this meeting was held via video conferencing.

Call to Order. The meeting was called to order at 8:59 A.M. by Board President Mark BOITANO.

Roll Call. The following Directors were present: Mark BOITANO, Carl EKLUND, Melissa THORME, Barbara SANTRY, and Scot SMYTHE. Also present were Bill DOREY, Advisory Member; Forrest ARTHUR, District General Manager; Aimee DAHLE, District Executive Assistant; Mike SAEIDI, District Finance Officer; Karen BAXTER, Preserve Company Chief Executive Officer; Felipe MELICOR, Waste Management; Kristin SKROMME, Waste Management; and Rob WELLINGTON, District Legal Counsel.

Public Comment. None.

General Manager's Report.

Waste Management. Mr. ARTHUR introduced Felipe MELCOR and Kristin SKROMME to the Board, asking that their presentation be moved up to accommodate their time. After Board approval, Mr. MELCOR and Ms. SKROMME presented a new proposal of services to the Board. After the presentation, a brief discussion was held regarding potential future costs and questions were answered by the Waste Management team. Mr. MELCOR and Ms. SKROMME left at 10:01 a.m. Further discussion ensued and staff was directed to return to the Board regarding a contract extension and requested that an internal cost analysis be completed.

Approval of Minutes. Meeting minutes for July 28, 2020 and the Special Meeting of September 29, 2020, were presented and discussed. With corrections to the September meeting minutes, a motion was made by Director SANTRY and seconded by Director THORME. After a roll call and by unanimous vote, the Board Meeting Minutes were approved as amended to the September minutes and as presented for the July minutes.

General Manager's Report Continued.

Financial Report. Mr. SAEIDI discussed the Balance Sheet and variance reports with attention being brought to the Admin Reimbursement which came in at higher than budgeted through November. After a brief discussion on costs, the Board gave direction

to review the current Budget as approved against the increased costs to see if any budget amendments needed to be discussed.

Business Matters. Mr. ARTHUR informed the Board that Ms. SANTRY had her Board position confirmed by the Board of Supervisors for Monterey County and that there were two remaining seats which needed appointment. Mr. ARTHUR presented the Board with Resolution 20-13, a Resolution appointing Melissa THORME to a Board position. A motion was made by Director SANTRY and seconded by Director EKLUND. Following roll call, the Resolution passed unanimously. Mr. ARTHUR next presented the Board with Resolution 20-14, a Resolution to appoint Scot SMYTHE to a Board position. A motion was made by Director THORME and seconded by Director SANTRY. Following roll call, the Resolution Passed unanimously.

Mr. ARTHUR next presented the Board with a Water Vulnerability Test/Scan that was completed by Alverez Technologies. The scan was completed in October and discovered five vulnerabilities which have since been corrected. Mr. ARTUR made note that moving forward, the Water Department will conduct these scans in the Spring and Fall to help ensure the safety of the system. Mr. Arthur next informed the Board that due to COVID impacts, the FYE 2020 audit report will not be available until January.

Mr. ARTHUR next presented the 2021 meeting dates as January 26, April 27, July 20, and November 9. After a brief discussion, the dates were approved as proposed.

CEO/Preserve Board Liaison Report Ms. BAXTER informed the Board that Real Estate sales will finish at approximately \$95 million which far exceeded the original budget expectations. She also informed the Board as to status of the State of The Preserve presentation, mentioning that it will be recorded and placed on the website for viewing on December 5th, allowing for a question period through December 12th. Director EKLUND updated the Board on the Preserve Board meeting, stating that there were has not been any movement with the County regarding Inclusionary Housing, property liability insurance going out to market, increase in revenues even with the COVID restrictions, and the employment of a new Conservancy Director, Jamison Watts.

Additional Items. Mr. ARTHUR updated the Board to the status of the water holding ponds, stating they currently held approximately 8 million gallons of water.

Citizen's Advisory Committee Comments. None.

Adjournment. With no further business being brought before the Board, upon motion and second (SANTRY/EKLUND), the meeting was adjourned at 11:42 a.m.