

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
SANTA LUCIA COMMUNITY SERVICES DISTRICT
November 19, 2025

The regular meeting of the Board of Directors of the SANTA LUCIA COMMUNITY SERVICES DISTRICT was held in person at the Forrest Park Corporate Yard at the Santa Lucia Preserve, 121 Rancho San Carlos Road, Carmel, California, at 9:00 A.M. on Tuesday, November 19, 2025.

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

Roll Call. The following Directors were present: Mark BOITANO, Cary WHITFIELD, Jack PEAT, and Melissa THORME (joining via ZOOM). Also present were Bob LATTA, Advisory Member; John SHUPE, Advisory Member; Carl SCHACHTER, Advisory Member; Shaw PICK, District General Manager; Karen BAXTER, Preserve Company Chief Executive Officer; Nick SANTY, Preserve Company Controller; Aimee DAHLE, District Executive Assistant (joining via ZOOM); Brian PIERIK, District Legal Counsel; Phil PENKO, District Director of Security; and Aaron DULA, Director of Public Works.

Public Comment. None.

Approval of Minutes. Meeting minutes for the July 22, 2025, regular meeting and September 17, 2025, special meeting were presented noting that an attendance correction was made on the July minutes. With no further corrections needed, a motion was made by Director PEAT and seconded by Director WHITFIELD to approve both sets of minutes as presented. After a roll call and vote, the minutes were approved unanimously.

General Manager's Report

Financial Report. Mr. SANTY presented the financial reports along with the Statement of Net Position. With no questions regarding the financials, Mr. SANTY proceeded to present the CSD projected allocation of SLPCO expenses, as proposed in the FY 2025-2026 budget. Mr. SANTY pointed out that the revised SLPCO allocation had increased primarily due to the addition of a Fire Prevention Specialist and housing. Mr. SANTY stated that the final budget still requires approval at the SLPCO Board's next meeting. Director THORME requested information on the District's need to fund employee housing units. Mr. PICK discussed the District having a significant interest in on-property employee housing given the 24/7 nature of many CSD services. Ms. BAXTER informed the Board of discussions regarding future building with Shibusa Systems to which the Board requested an information briefing from the company at a future meeting.

Security Report. Mr. PENKO presented the Security Report and answered questions regarding the alarm responses and various reported events, noting that staff will be expanding the radar unit placement. After discussing recent security breaches involved unauthorized entry via tailgating and residents letting in strangers, Mr. PENKO stated that plans to modernize gate motor systems and infrastructure for more secure, single-sided gate openings are being discussed. Mr. PICK added that Future upgrades may include a satellite SLP system and expanded camera arrays at key intersections to monitor movement inside the district with negotiations underway with T-Mobile to install a cell tower on Hall's Ridge at no cost, potentially improving coverage and offering bundled Starlink services, which would support security and communications. Staff is preparing community messaging urging residents to avoid "Good Samaritan" gate openings and to call gatehouse for assistance, reinforcing collective responsibility for safety.

Business Matters. Mr. PICK informed the Board that staff is preparing two distinct elections in 2026: a mandatory five-year renewal for the Fire and Brush Department fee and a discretionary Mello-Roos tax for road repairs, with clear sequencing to avoid voter fatigue. Plans are to start community communications in early January 2026 about renewing the Fire and Brush Department fee, aiming for an April 2026 election requiring a simple majority for approval. The road repair Mello-Roos election, running April through November 2026, requires a two-thirds majority of approximately 100 registered voters and will be a more complex and lengthy process involving public hearings and community education. Discussion was held on the need to clearly explain the difference between the Prop 218 election for fire services and the Mello-Roos election for roads to avoid confusion and maintain trust.

Mr. PICK next discussed the Fee Allocation Committee stating that the committee examined fair cost allocation for road maintenance and presented for consideration a usage-based fee structure that charges clubs proportionally more than residential parcels, with clubs responsible for about 7% of the \$1.5 million annual paving budget. Data was drawn from rounds of golf, wedding attendance, and similar metrics, excluding guest visits, with gate data confirming about 7% non-resident use of roads. The committee acknowledged difficulties in fairly accounting for construction traffic, which is a major contributor to road wear, but data was insufficient to include it in the model without risking arbitrary and capricious assessments with municipal counsel advising against imposing impact fees on large trucks or construction vehicles due to ongoing litigation and legal risks.

Preserve Board Liaison/COO Report Ms. BAXTER stated that several committees and organizational functions are evolving to improve coordination and governance across The Preserve. The Fire Prevention & Protection committee produced an interim report recommending hiring a full-time coordinator to unify efforts among the Conservancy, District, fire agencies, and homeowners for better wildfire risk management. The compensation committee is normalizing pay and benefits across multiple entities, with plans to include a District member for smoother operations, though scheduling and leadership changes remain in flux. The Preserve Company adopted a formal flag policy after recent controversies, standardizing when and how flags are flown at half-staff to reduce conflicts.

Conservancy. Director THORME updated the Board that the Conservancy is working on a preserve-wide drone policy to clarify authorized use, especially limiting drones for enforcement purposes while accommodating inspection needs by groups like the DRB and discussed joint board tour of Monterey One Water's award-winning advanced water treatment plant that was scheduled later in the day, providing a key opportunity for cross-board engagement on sustainability initiatives.

Board Dates. The Board reviewed the 2026 calendar dates as presented. The January 20, 2026, date for audit review was approved with the remaining dates to be decided at the January meeting.

Closed Session. The board prepared for a closed session to discuss the General Manager's performance evaluation and labor negotiations, following legal requirements to separate discussions of performance and compensation.

Open Session. Open session resumed at 11:20 a.m. with Mr. PIERLIK stating there was no reportable action.

Adjournment. With no further business being brought before the Board, upon motion and second (WHITFIELD/PEAT), the meeting was adjourned at 11:21 a.m.