

PAJARO/SUNNY MESA
COMMUNITY SERVICES DISTRICT
136 San Juan Road, Royal Oaks, CA 95076
O (831) 722-1389 | Fax (831) 722-2137
www.pajarosunnymesa.com

P. 1

AGENDA

SPECIAL MEETING OF THE BOARD OF DIRECTORS
DISTRICT CONFERENCE BOARD ROOM
136 SAN JUAN ROAD, ROYAL OAKS, CA 95076

SEPTEMBER 9, 2020

5:30 P.M.

“Notice of Teleconferenced Meeting”

Pursuant to Governor Newsom’s March 17, 2020 Executive Order [N-29-20](#) regarding COVID-19, members of the Pajaro/Sunny Mesa Community Services District Board of Directors and staff may participate in this meeting by teleconference.

To reduce the spread of COVID-19, members of the public may listen to the meeting via teleconference by calling **1-425-436-6355** and entering passcode **407147** and then the pound sign (“#”). There will be no in-person participation in the meeting under the authority of Governor Newsom’s Executive Order [N-29-20](#). You may also submit written comments in writing either at District Offices in person or by email by 2:00 pm on September 9, 2020.

To submit a comment by email, please send to info@pajarosunnymesa.com and write “Public Comment” in the subject line. Include the item number and/or title of the item in the body of the email and your comments. All comments received by 2:00 pm will be emailed to the Board members and included as an “Add to Packet” on the District’s website before the meeting. Those comments received after 2:00 pm will be added to the record of the meeting and shared with Board members at the meeting.”

The Pajaro/Sunny Mesa Community Services District welcomes you to its meetings regularly scheduled on the fourth Thursday of each month, and your interest and participation is encouraged and appreciated.

Contact the District office at the email address or telephone number above if you believe you require any modification or accommodation for any disability which might impair your ability to participate in the meeting.

Documents provided to the District after the agenda has been published will be available at the District office and available for photocopying during ordinary business hours as Public Records at the cost set by resolution by the Board from time to time. This is ordinarily \$.25 per page. Documents provided to the Board for agenda items will ordinarily be placed on the District website if time permits. Otherwise, late documents will be provided to the Board at the meeting and a copy placed with the agendas available to the Public at Board meetings.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Pajaro Sunny Mesa Community Services District at (831) 722-1389 before the meeting to allow the District to make reasonable accommodations.

1. PLEDGE OF ALLEGIANCE

2. CALL TO ORDER AND ROLL CALL

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lambolely _____
- o (11/21) Treasurer Michael Moore _____

<u>ADMINISTRATIVE STAFF:</u>	General Manager Don Rosa _____
	Recorder Judy Vazquez-Varela _____
<u>DISTRICT COUNSEL:</u>	Attorney Alan Smith _____

3. ADDITIONS TO AGENDA [SUBDIVISION (b), GOVERNMENT CODE § 54954.2]

The Board may act on items of business not appearing on the posted agenda if (1) three members determine that an emergency (as defined in Section 54956.5 exists), (2) two-thirds vote of the members present, or, if less than two-thirds of the members are present, a unanimous vote of those members present, determine that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was being or (3) the item was posted for a prior Board meeting not more than five calendar days before the date action is taken, and at the prior meeting the item was continued to the meeting at which action is taken. Before discussing any item pursuant to this subdivision, the Board will publicly identify the item.

4. COMMENTS FROM PUBLIC OR MEMBERS OF BOARD ON ITEMS NOT ON AGENDA

Any person may address the Board on any item not on the agenda when recognized by the Board President.

Any Board member may comment on any item not on the agenda.

ACTION ITEMS

Consent Agenda

Any person may comment on any item on the consent agenda.

1. NONE

Old Business:

- 1. NONE

New Business:

1. WATER RATE STUDY

- Attached: Three (3) Rate Alternatives
- Discussion and decision on which alternative to be used in final report
- Final report will be available for acceptance at the Board Meeting on September 24, 2020

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Water Rate Alternative # _____ for use in final report

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Roll Call Vote:

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lamboley _____
- (11/21) Treasurer Michael Moore _____

STAFF/COMMITTEE REPORTS: (INFORMATION ONLY, NO ACTION)

This part of agenda is for the Staff to report to the Board on District operations however no action is agendized and no action may be taken other than asking for an action item to be brought to the Board at a future meeting.

- 1. NONE

CLOSED SESSION:

- None

MOTION TO ADJOURN

Next Board meeting date: _____
 Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Adjournment Time: _____ p.m.

9-1-20

Current vs. Proposed Rates	Current Rates ^{1,2}	Rate Alt. #1 - 30% Fixed / 70% Variable				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<i>Projected Increase in Rate Revenue per Financial Plan</i>		15.00%	13.00%	11.00%	8.00%	5.00%
Fixed Charges - All Users (Excl. Commercial Fire)						
5/8 x 3/4 inch	\$16.86	\$17.92	\$20.24	\$22.47	\$24.27	\$25.48
3/4 inch	\$16.86	\$17.92	\$20.24	\$22.47	\$24.27	\$25.48
1 inch	\$31.03	\$34.58	\$39.07	\$43.37	\$46.84	\$49.18
1.5 inch	\$54.64	\$62.35	\$70.46	\$78.21	\$84.46	\$88.69
2 inch	\$82.98	\$95.68	\$108.11	\$120.01	\$129.61	\$136.09
3 inch	\$172.71	\$201.21	\$227.37	\$252.38	\$272.57	\$286.19
4 inch	\$304.95	\$356.73	\$403.10	\$447.45	\$483.24	\$507.40
6 inch	\$621.39	\$728.87	\$823.62	\$914.22	\$987.36	\$1,036.73
8 inch	\$1,329.82	\$1,562.02	\$1,765.08	\$1,959.24	\$2,115.98	\$2,221.78
Springfield Customers ³	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Hydrant Meter Charge (2 1/2 inch)	\$172.71	\$201.21	\$227.37	\$252.38	\$272.57	\$286.19
Fixed Charges - Commercial Fire Meters⁴						
5/8 x 3/4 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
3/4 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
1 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
1.5 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
2 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
3 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
4 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
6 inch	\$180.17	\$207.20	\$234.13	\$259.89	\$280.68	\$294.71
8 inch	\$263.20	\$302.68	\$342.03	\$379.65	\$410.02	\$430.52
Volumetric Charges						
Rate per hcf	\$5.65	\$6.74	\$7.62	\$8.45	\$9.13	\$9.59

1. Fixed charges shown are for inside District customers only, without additional charges for additional units/rooms/spaces.

2. Volumetric charges shown are for inside District customers only with standard service charges.

3. Per District staff, the fixed charges for Springfield customers will remain the same.

4. In the 2015 rate study, the District asked these rates be similar to existing rates because there are not actually any fire meter sizes, these are all stand-by services (no meters). NBS believes this a reasonable approach.

Current vs. Proposed Rates	Current Rates ^{1,2}	Rate Alt. #2 - 40% Fixed / 60% Variable				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<i>Projected Increase in Rate Revenue per Financial Plan</i>		15.00%	13.00%	11.00%	8.00%	5.00%
Fixed Charges - All Users (Excl. Commercial Fire)						
5/8 x 3/4 inch	\$16.86	\$22.97	\$25.95	\$28.81	\$31.11	\$32.67
3/4 inch	\$16.86	\$22.97	\$25.95	\$28.81	\$31.11	\$32.67
1 inch	\$31.03	\$47.21	\$53.35	\$59.22	\$63.95	\$67.15
1.5 inch	\$54.64	\$87.61	\$99.00	\$109.89	\$118.69	\$124.62
2 inch	\$82.98	\$136.10	\$153.79	\$170.71	\$184.37	\$193.58
3 inch	\$172.71	\$289.63	\$327.29	\$363.29	\$392.35	\$411.97
4 inch	\$304.95	\$509.09	\$575.27	\$638.55	\$689.63	\$724.11
6 inch	\$621.39	\$1,057.31	\$1,194.75	\$1,326.18	\$1,432.27	\$1,503.89
8 inch	\$1,329.82	\$2,269.42	\$2,564.44	\$2,846.53	\$3,074.25	\$3,227.97
Springfield Customers ³	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Hydrant Meter Charge (2 1/2 inch)	\$172.71	\$289.63	\$327.29	\$363.29	\$392.35	\$411.97
Fixed Charges - Commercial Fire Meters⁴						
5/8 x 3/4 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
3/4 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
1 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
1.5 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
2 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
3 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
4 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
6 inch	\$180.17	\$207.20	\$234.13	\$259.89	\$280.68	\$294.71
8 inch	\$263.20	\$302.68	\$342.03	\$379.65	\$410.02	\$430.52
Volumetric Charges						
Rate per hcf	\$5.65	\$5.78	\$6.53	\$7.25	\$7.82	\$8.22

1. Fixed charges shown are for inside District customers only, without additional charges for additional units/rooms/spaces.
2. Volumetric charges shown are for inside District customers only with standard service charges.
3. Per District staff, the fixed charges for Springfield customers will remain the same.
4. In the 2015 rate study, the District asked these rates be similar to existing rates because there are not actually any fire meter sizes, these are all stand-by services (no meters). NBS believes this a reasonable approach.

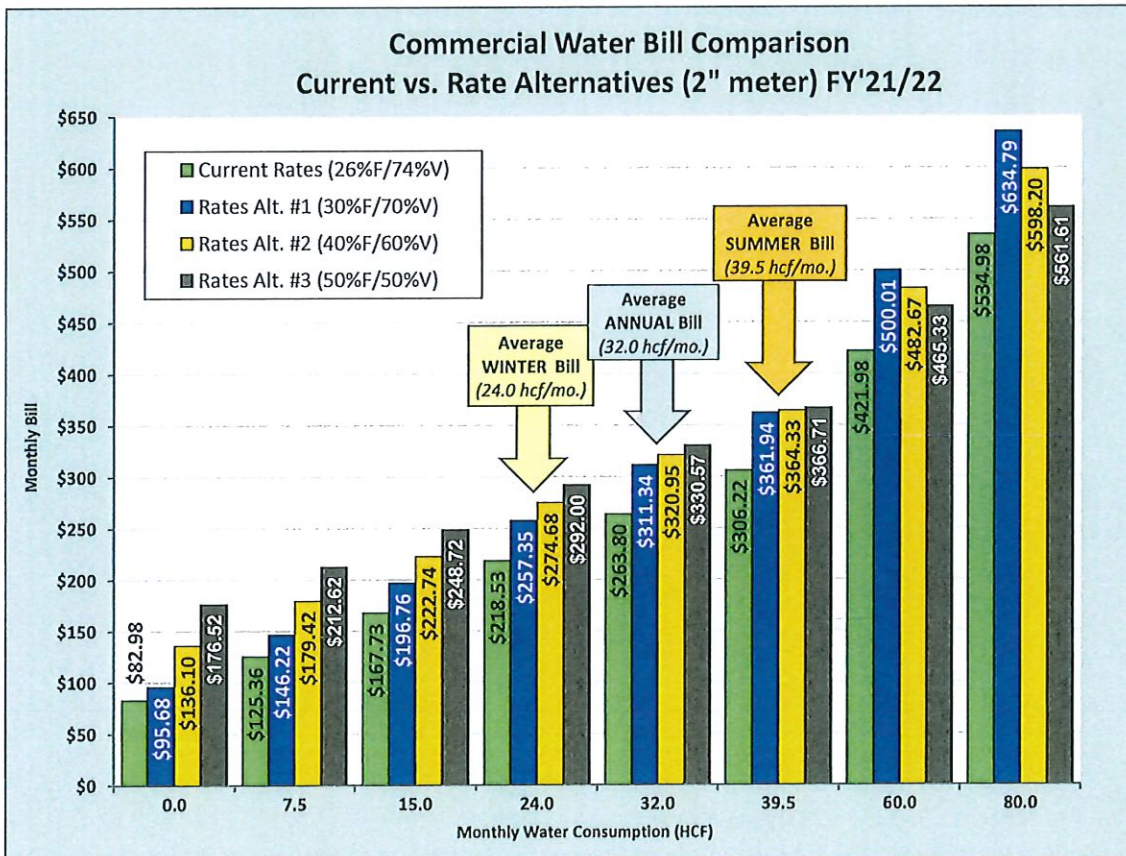
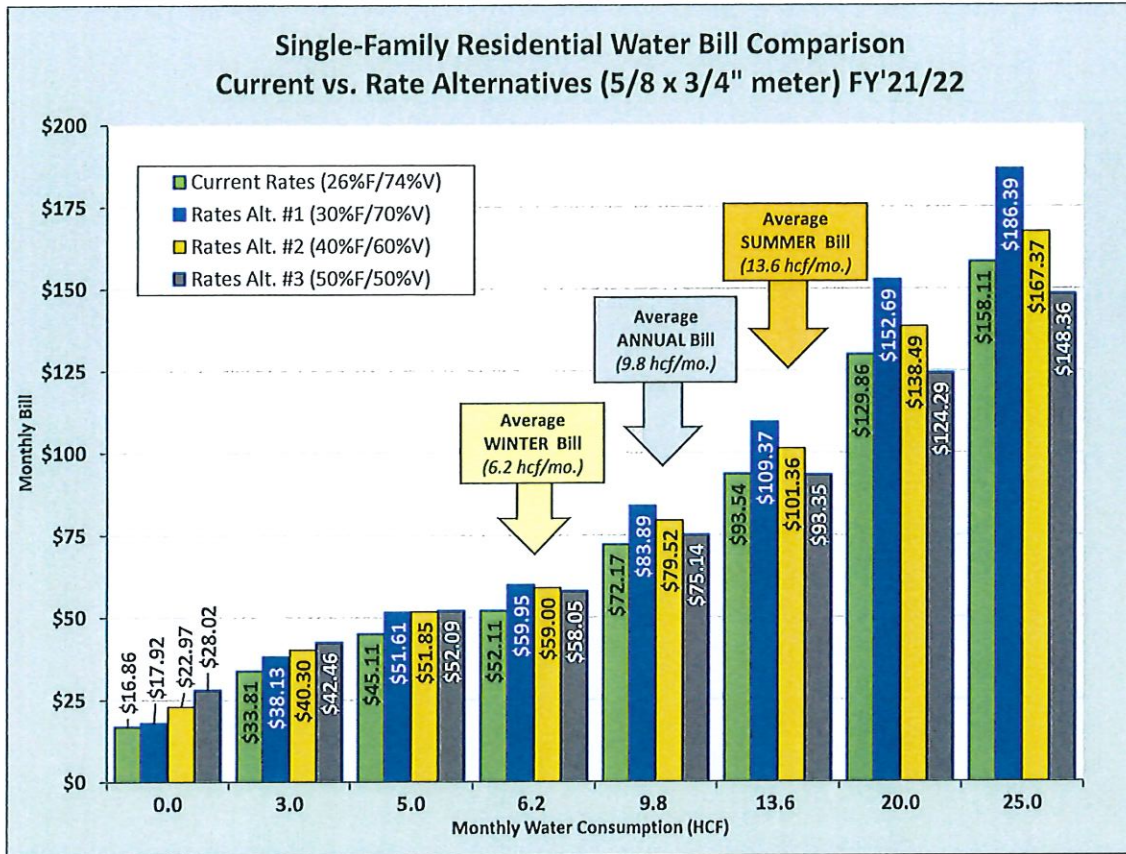
Current vs. Proposed Rates	Current Rates ^{1,2}	Rate Alt. #3 - 50% Fixed / 50% Variable				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<i>Projected Increase in Rate Revenue per Financial Plan</i>		15.00%	13.00%	11.00%	8.00%	5.00%
Fixed Charges - All Users (Excl. Commercial Fire)						
5/8 x 3/4 inch	\$16.86	\$28.02	\$31.66	\$35.15	\$37.96	\$39.86
3/4 inch	16.86	\$28.02	\$31.66	\$35.15	\$37.96	\$39.86
1 inch	31.03	\$59.84	\$67.62	\$75.06	\$81.07	\$85.12
1.5 inch	54.64	\$112.88	\$127.55	\$141.58	\$152.91	\$160.56
2 inch	82.98	\$176.52	\$199.47	\$221.41	\$239.12	\$251.08
3 inch	172.71	\$378.06	\$427.21	\$474.20	\$512.13	\$537.74
4 inch	304.95	\$675.06	\$762.82	\$846.73	\$914.46	\$960.19
6 inch	621.39	\$1,385.74	\$1,565.89	\$1,738.13	\$1,877.19	\$1,971.04
8 inch	1329.82	\$2,976.82	\$3,363.80	\$3,733.82	\$4,032.53	\$4,234.16
Springfield Customers ³	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Hydrant Meter Charge (2 1/2 inch)	\$172.71	\$378.06	\$427.21	\$474.20	\$512.13	\$537.74
Fixed Charges - Commercial Fire Meters⁴						
5/8 x 3/4 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
3/4 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
1 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
1.5 inch	\$44.59	\$51.28	\$57.94	\$64.32	\$69.46	\$72.94
2 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
3 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
4 inch	\$97.93	\$112.62	\$127.26	\$141.26	\$152.56	\$160.19
6 inch	\$180.17	\$207.20	\$234.13	\$259.89	\$280.68	\$294.71
8 inch	\$263.20	\$302.68	\$342.03	\$379.65	\$410.02	\$430.52
Volumetric Charges						
Rate per hcf	\$5.65	\$4.81	\$5.44	\$6.04	\$6.52	\$6.85

1. Fixed charges shown are for inside District customers only, without additional charges for additional units/rooms/spaces.

2. Volumetric charges shown are for inside District customers only with standard service charges.

3. Per District staff, the fixed charges for Springfield customers will remain the same.

4. In the 2015 rate study, the District asked these rates be similar to existing rates because there are not actually any fire meter sizes, these are all stand-by services (no meters). NBS believes this a reasonable approach.



Drought Rates:

Rate Alt. #1 (30% Fixed / 70% Variable)			Target Rev. Req't from Vol. Charges:¹			\$1,652,343
Level of Conservation	Total Expected Consumption²	Percent Change	Reduced Expenses Due to Lower Consumption³	Additional Drought Expenses⁴	Revised Target Rev. Req't from Vol. Charges	FY 2022/21 Uniform Rate
Baseline Rate	245,192 ccf	0%	\$ -	\$ -	\$ 1,652,343	\$6.74
Drought Stage 1	220,673 ccf	-10%	(36,688)	-	1,615,655	\$7.32
Drought Stage 2	196,154 ccf	-20%	(73,375)	25,000	1,603,968	\$8.18
Drought Stage 3	171,635 ccf	-30%	(110,063)	50,000	1,592,280	\$9.28
Drought Stage 4	147,115 ccf	-40%	(146,750)	75,000	1,580,593	\$10.74
			(366,876)	150,000		

1. Target revenue req't. has been adjusted for the reduction in annual water consumption and subsequent reduction in annual water sales.
2. Total FY 2018/19 water consumed for all customer classes.
3. Reduced expenses that are a direct result when the District sells less water.
4. Addition drought-related expenses at each drought stage.

Rate Alt. #2 (40% Fixed / 60% Variable)			Target Rev. Req't from Vol. Charges:¹			\$1,416,294
Level of Conservation	Total Expected Consumption²	Percent Change	Reduced Expenses Due to Lower Consumption³	Additional Drought Expenses⁴	Revised Target Rev. Req't from Vol. Charges	FY 2022/21 Uniform Rate
Baseline Rate	245,192 ccf	0%	\$ -	\$ -	\$ 1,416,294	\$5.78
Drought Stage 1	220,673 ccf	-10%	(36,688)	-	1,379,606	\$6.25
Drought Stage 2	196,154 ccf	-20%	(73,375)	25,000	1,367,919	\$6.97
Drought Stage 3	171,635 ccf	-30%	(110,063)	50,000	1,356,231	\$7.90
Drought Stage 4	147,115 ccf	-40%	(146,750)	75,000	1,344,544	\$9.14
			(366,876)	150,000		

1. Target revenue req't. has been adjusted for the reduction in annual water consumption and subsequent reduction in annual water sales.
2. Total FY 2018/19 water consumed for all customer classes.
3. Reduced expenses that are a direct result when the District sells less water.
4. Addition drought-related expenses at each drought stage.

Rate Alt. #3 (50% Fixed / 50% Variable)			Target Rev. Req't from Vol. Charges:¹			\$1,180,245
Level of Conservation	Total Expected Consumption²	Percent Change	Reduced Expenses Due to Lower Consumption³	Additional Drought Expenses⁴	Revised Target Rev. Req't from Vol. Charges	FY 2022/21 Uniform Rate
Baseline Rate	245,192 ccf	0%	\$ -	\$ -	\$ 1,180,245	\$4.81
Drought Stage 1	220,673 ccf	-10%	(36,688)	-	1,143,557	\$5.18
Drought Stage 2	196,154 ccf	-20%	(73,375)	25,000	1,131,870	\$5.77
Drought Stage 3	171,635 ccf	-30%	(110,063)	50,000	1,120,182	\$6.53
Drought Stage 4	147,115 ccf	-40%	(146,750)	75,000	1,108,495	\$7.53
			(366,876)	150,000		

1. Target revenue req't. has been adjusted for the reduction in annual water consumption and subsequent reduction in annual water sales.
2. Total FY 2018/19 water consumed for all customer classes.
3. Reduced expenses that are a direct result when the District sells less water.
4. Addition drought-related expenses at each drought stage.