

# MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors via Zoom Video conferencing was called to order at 5:33 pm on July 28, 2022.

**ROLL CALL:** Secretary Donald Chesterman  
Assistant Secretary Paul Anderson  
Treasurer Clinton Miller

**ADMINISTRATIVE STAFF:** General Manager Donald Rosa  
Bookkeeper Amy Saldade  
Recorder Judy Vazquez-Varela

**ABSENT DIRECTOR(S) & STAFF:** President Sanford Coplin  
Vice President Donald Olsen

**DISTRICT COUNSEL:** Alan Smith

## **ADDITION(S) TO AGENDA:**

1. Staff requested the addition to agenda of Action Item 4 Resolution No. 07-02-22 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges.

The final figures for the Resolution No. 07-02-22 were available after the agenda was distributed, the deadline for submission to Monterey County is August 2<sup>nd</sup>.

Attorney Smith informed the Board of two (2) available options to act on adding Action Item 4 to the agenda. First option is three (3) members determine this is a crippling activity, or other activity that severely impairs public health or safety. The second option is a unanimous vote of those members present find the need to take immediate action, since only two-thirds of the members are present.

Motion was made by Director Chesterman and seconded by Director Anderson to approve the addition of Resolution No. 07-02-22 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges to the Agenda. Motion carried.

Roll Call Vote: Ayes: D. Chesterman; P. Anderson; C. Miller  
Noes: None  
Absent: S. Coplin; D. Olsen  
Abstain: None

**PUBLIC IN ATTENDANCE:** Mayra Hernandez, Community Solutions Advocate for Community Water Center

**PUBLIC COMMENTS:** None

**CLOSED SESSION:** None

## **Action Items**

1. Consider and approve the Minutes of the June 23, 2022, Regular Board Meeting

No discussion.

Motion was made by Director Chesterman and seconded by Director Miller to approve the Regular Board Meeting Minutes of June 23, 2022. Motion carried.

Roll Call Vote: Ayes: D. Chesterman; P. Anderson; C. Miller  
Noes: None  
Absent: S. Coplin; D. Olsen  
Abstain: None

**OLD BUSINESS:**

1. Consider adoption of AB-361 to allow teleconference and virtual meetings Resolution No. 07-01-22

The Board of Directors received the Draft Resolution 06-01-22 to allow teleconference and virtual meetings based on the Governor's Executive Order No. N-08-21 (Jun. 11, 2021) and the Legislature adopted AB-361 as an Urgency Measure. Staff recommends considering the proposed resolution to continue with virtual meetings unless the Governor rescinds the Executive Order No. N-08-21 Staff will prepare for an in-person meeting. Staff recommends virtual meeting in August 2022.

Motion was made by Director Anderson and seconded by Director Chesterman to approve Resolution No. 07-01-22 AB-361 to allow teleconference and virtual meeting. Motion carried.

Roll Call Vote:   Ayes:           D. Chesterman; P. Anderson; C. Miller  
                      Noes:           None  
                      Absent:        S. Coplin; D. Olsen  
                      Abstain:       None

**NEW BUSINESS:** (Action Items)

1. Review and consider approving financial reports for June 2022

Bookkeeper Saldade informed the Board of Directors that the Water Sales were two (2) percent above monthly budget. District Wide Repair and Maintenance Budget increase in budget due to the purchase of a hedge trimmer and fuel fill tank. Legal Expenses are also above budget, District received Grunsky Law Firm invoices for April, May, and June in same month. Automotive Repair & Maintenance is above budget due to the purchase of ball joints and alignment for the 2011 Chevy and alignment and tire rotation for the 2008 Chevy. We saw an increase on the Credit Card Transaction Fees due to fee increase in June, new terms are effective July 1<sup>st</sup> for processing fees to be paid by customer. June's Total Income surpassed Total Expenses by \$49,720. June's Cash was more than May's Cash by \$31,609. Total June cash is \$718,959. Net income for June was above projected budget, mainly due to miscellaneous revenue which are the Covid relief funds of \$55,000 received from CSDA Grant Program.

The aging report for June looks different since all water systems have been consolidated to one account in our billing software producing only one report. The 90 days Aging Balance is \$12,068, all being accrued by mainly one customer in Springfield who is on a payment plan who continues to timely make the prearranged payments.

Director Chesterman asked why this customer owed such a large amount for water. General Manager Rosa explained that this customer was inherited by the District with a previous balance, the balance continued to grow until the customer agreed upon a payment plan. The majority of the balance is late charges, approximately twenty-five percent of balance is water charges, Staff has been working with BKP to write off late fees for this account. Additionally, the District has been approved for a program LIHWAP, to be discussed later, that will benefit this account.

Motion was made by Director Miller and seconded by Director Anderson to approve the financial reports for June 2022. Motion carried.

Roll Call Vote:   Ayes:           D. Chesterman; P. Anderson; C. Miller  
                      Noes:           None  
                      Absent:        S. Coplin; D. Olsen  
                      Abstain:       None

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF PAYMENTS:

2. Review and consider approving July 2022 payments and authorization for Staff to sign checks
  1. General Fund 633: Total of \$0.00
  2. Operating Account: Check No. 25121 through Check No. 25146 totaling \$208,639.32
  3. Reserve Account: Check No. 122 for a total of \$41,789.02
  4. Street Maintenance Account: Check No. 557 for a total of \$624.26
  5. Pajaro Park Account: Total of \$1,545.64
  6. COP 2010 Account: Total of \$0.00
  7. Debt Service Reserve Account: Total of \$0.00

Director Miller asked if the payment to California Department of Fish and Wildlife of \$34,585.25 is an annual payment, Staff explained this payment is a onetime, Incidental Take Permit, necessary for the Springfield Construction Application and it will be reimbursed by the State.

Motion was made by Director Chesterman and seconded by Director Anderson to approve the July 2022 payments and authorize Staff to sign checks. Motion carried.

Roll Call Vote:	Ayes:	D. Chesterman; P. Anderson; C. Miller
	Noes:	None
	Absent:	S. Coplin; D. Olsen
	Abstain:	None

3. Review and consider Draft Financial Report for Fiscal Year 2021-2022

Bookkeeper Saldate informed the Board of Directors that the Total Income was approximately 96 percent of annual Budget due to conservation efforts. Interest Expense budget was over budget due to Pajaro Tank Project line of credit interest payments, the loan was paid off in February. Water System repair and Maintenance budget was 89 percent of annual budget. Vega Assessment Bond Expense was overbudget due to the 6-year catchup of Agency Administrative Fees to District. Vega Bond Assessments was overbudget due to collection of delinquencies from previous years.

Director Miller noticed that the Bank Charges were much higher than usual, Staff explained that these charges were also directly related to the Pajaro Tank Project, every time the line of credit term ended, every 90 days intervals there was a \$200 charge, this was during the wait period of reimbursement from the State.

Motion was made by Director Chesterman and seconded by Director Miller to approve Draft Financial Report for Fiscal Year 2021-2022. Motion carried.

Roll Call Vote:	Ayes:	D. Chesterman; P. Anderson; C. Miller
	Noes:	None
	Absent:	S. Coplin; D. Olsen
	Abstain:	None

4. Review and consider Adoption of Resolution No. 07-02-22 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges

Director Chesterman asked Staff if the assessments included all parcels or only certain ones served by the District. General Manager explained that these assessments do not include all parcels, some of the assessments have been in place for many years. The Lighting Assessment serves 800 parcels who benefit from the streetlights. The Street Maintenance Assessment is only for 7 subdivisions that the District maintains. The Water Bond was

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established in 1986 to rebuild the Pajaro Water System, so it only affects Pajaro Water System. The Vega Assessment is specific to Vega Water System customers. These are 4 different assessments.

Attorney Smith informed the Board that these resolutions from the County say if the County makes a mistake the District must defend them at the District's expense.

Motion was made by Director Chesterman and seconded by Director Anderson to approve Resolution No. 07-02-22 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges. Motion carried.

Roll Call Vote:   Ayes:           D. Chesterman; P. Anderson; C. Miller  
                      Noes:           None  
                      Absent:        S. Coplin; D. Olsen  
                      Abstain:       None

**STAFF/COMMITTEE REPORTS:** (Informational Only)

1. District Operations update: due to COVID-19

- No changes to COVID-19 District Operations
- Office remains closed to public; continuing to take payments by phone or drop off
- Office is at 100% staffing with physical distancing requirements met and health screening protocols in place: masks or face coverings to be worn at all times while indoors.
- No vendors or members of the public are allowed into Office

2. MOM -- On-line Bill Pay Program

- As of July 15, the program is now live, 38 customers have utilized our new on-line services.

3. Low Income Household Water Assistance Program (LIHWAP)

- The District registration has been approved. Central Coast Energy Services is the local Provider, they will be accepting applications early August. Staff will be reaching out to customers in arrears who can benefit from this program. Staff has already contacted the Springfield customer carrying the large past due account and was encouraged to apply to Central Coast Energy Services (LIHWAP).

4. District Operations Report

Springfield Planning Grant

- Staff is working with Robert Mullaney from the UC Davis Law Clinic on drafting the Water Agreement between the District and the Moss Landing Mobile Home Park. The Environmental work continues.

Generator Project

- All eight (8) generators have arrived in Salinas Caterpillar, preparation is being made for installation over the next three (3) months. All concrete pads necessary have been poured and ready. Tomorrow four (4) more generators will be delivered. In the following week 2 generators will be delivered. We are still waiting for the automatic transfer switches.

Small Community Drought Relief Grant

- Application is being completed based on Staff edits sent to Engineers, application to be submitted. Staff will bring to the Board a resolution related to this project at the next Board Meeting.

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5. Usage Comparison Report 2021/2022

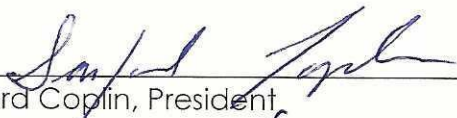
- All Water Systems water use is down by 19.9 percent reaching the directives from State Water Resources on conservation Restrictions. Staff included information regarding the Emergency Regulations adopted by Resources Control Board for District Board review.

**NEXT BOARD MEETING:**

The next Regular Board Meeting is to be held on Thursday August 25, 2022, at 5:30 pm via Zoom videoconferencing.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:19 pm with motion made by Director Chesterman seconded by Director Anderson. Motion carried.

Respectfully submitted by:

  
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Sanford Coplin, President

  
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Donald Olsen, Vice President

  
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Judith Vazquez-Varela, Recorder