

PAJARO/SUNNY MESA

COMMUNITY SERVICES DISTRICT

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EXHIBIT A

Staff Report

Pajaro/Sunny Mesa Springfield Area Regional Consolidation Project

Public hearing to consider:

- a) Adopting a resolution approving the following documents for the Pajaro/Sunny Mesa Springfield Area Regional Consolidation Project (“Proposed Project” or “Project”);
 - a. Final Initial Study/Mitigated Negative Declaration (“IS/MND”), Mitigation Monitoring and Reporting Program (“MMRP”) and approving the Project.

PROJECT INFORMATION:

Project Location: The Proposed Project is located north of the community of Moss Landing, south of the City of Watsonville, and near the community of Pajaro. Both Moss Landing and Pajaro are rural, low-density residential areas located in unincorporated Monterey County (“County”). Land uses of adjacent properties consist mainly of agricultural parcels, residential parcels, state highways, and County rights-of-way (“ROWs”). The Proposed Project area consists of the existing and future service areas of the Pajaro Water System (“PWS”), the Sunny Mesa Water System (“SMWS”), and the Springfield Water System (“SWS”). In addition, the Proposed Project area includes the North of Moss Landing Area (“NOML” or “NOML area”), which contains 77 identified households with 34 houses sourcing water from two (2) state regulated small water systems and nine (9) locally regulated small water systems, as well as 43 individual households reliant on private domestic wells. State Route (“SR”) 1 and Salinas Road provide regional access to the Proposed Project area.

APN: New APNs to be served under the Proposed Project are presented in the following table:

Project APNs	Project APNs	Project APNs
117-032-001-000	117-031-004-000	117-031-005-000
117-031-006-000	117-032-002-000	117-032-003-000
117-032-004-000	117-032-005-000	117-033-003-000
412-032-013-000	117-033-005-000	117-033-004-000
117-031-014-000	117-043-026-000	117-043-013-000
117-043-014-000	117-043-015-000	117-043-032-000
117-042-005-000	117-042-006-000	117-043-006-000
117-043-010-000	117-043-022-000	117-043-019-000
117-043-003-000	117-043-029-000	117-043-023-000
117-041-017-000	117-041-012-000	117-041-011-000
117-041-016-000	117-042-010-000	117-042-009-000
413-012-014-000	413-013-001-000	413-031-001-000

Project APNs	Project APNs	Project APNs
117-021-008-000	117-052-023-000	117-022-002-000
117-021-013-000	412-032-011-000	

RECOMMENDATION:

- a. It is recommended that the Board of Directors approve a resolution (Resolution No. 02-02-26) adopting the Final Initial Study/Mitigated Negative Declaration (“Final IS/MND”) and Mitigation Monitoring and Reporting Program (“MMRP”) and approving the Pajaro/Sunny Mesa Springfield Area Regional Consolidation Project as described in the Final IS/MND.

SUMMARY:

The Pajaro/Sunny Mesa Springfield Area Regional Consolidation Project is a two (2)-phased project consisting of the consolidation of the PWS, SMWS, and SWS, as well as the various water connections in the NOML area into a single water system to be owned and operated by the Pajaro/Sunny Mesa Community Services District (“District”). The following text describes the background and need for the Proposed Project as well as a discussion of Proposed Project activities based on the two (2) phases.

Project Background

Water service in the Project area is primarily provided by three (3) public water systems owned and operated by the District. These systems are the PWS, the SMWS, and the SWS. The PWS has approximately 463 active connections, consisting of 358 residential connections and 105 commercial/industrial connections. The SMWS has approximately 268 active connections, consisting of 257 residential connections and 11 commercial connections. The SWS is currently involved in a design and construction project to expand the service area and improve system reliability and water quality.¹ The improved system would add a further 127 (22 individual homes and 105 mobile homes) and would serve a total 161 residential connections and two (2) commercial/industrial connections. These improvements were part of a separate project and are not part of the Proposed Project. The Proposed Project would add a further eight (8) connections to the SWS.

In addition, the NOML area includes 77 households that are dependent on two (2) state regulated water systems, nine (9) locally regulated small water systems, and individual private domestic wells. These water sources face various issues related to water quality, water supply reliability, and vulnerabilities to failure, as described in further detail below. The Proposed Project is necessary to address long-standing contamination and vulnerability within the PWS, SMWS, SWS, and NOML systems. The existing PWS has two (2) sources of water supply, but only one currently meets potable drinking water standards and the other is susceptible to service disruptions during flood events. The SMWS operates two (2) active wells, both of which exceed the previous and proposed maximum contaminant level (“MCL”) for Hexavalent Chromium (10 µg/L). The SWS, following the planned improvement project mentioned above, will have only a single potable supply source. In the NOML area, drinking water wells have elevated levels of nitrate, 1,2,3-TCP, and other contaminants.

¹ This separate project is anticipated to be completed by the time the Proposed Project begins construction.

This Project will provide a clean, safe, and reliable water system to members of the Project area. The consolidated system will be owned and operated by the District.

Proposed Project – Phase 1

Phase 1 of the Proposed Project consists of the consolidation of the existing water systems and related improvements to existing District infrastructure. Specifically, Phase 1 of the Proposed Project would consist of the following components:

- Parcel Annexation
- Land Acquisition and Easements
- Iron and Manganese Treatment System
- Transmission Booster Pump Station
- Transmission Main Pipeline
- PWS to SMWS Transmission Main
- Springfield Transmission Main
- PWS Water Storage Tank Rehabilitation
- Conversion of the SMWS wells No.1 and No.2 to standby use only
- Radio Read Water Meter Installation and Replacement
- Five (5) service laterals (existing system tie overs)
- System Controls and Supervisory Control and Data Acquisition (“SCADA”)²

Proposed Project – Phase 2

Phase 2 consists of the extension of District water service into the Project areas. Specifically, Phase 2 would consist of the following components:

- SMWS to NOML Transmission Main
- Bluff/Jensen Split Distribution Piping
- SWS Distribution System Expansion Piping
- Bluff/Jensen Tank and Pump Station site
- Abandonment of Existing NOML Infrastructure
- Well Destruction
- Service Connections (Laterals)

Funding

The First Phase of the Proposed Project is anticipated to be funded by the State Water Resources Control Board (“SWRCB”) Expedited Drinking Water Grant. The Second Phase of the Proposed Project is anticipated to be funded by California Safe Drinking Water State Revolving Fund (“CA SRF”) funding through the State Water Resources Control Board (“SWRCB”).

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² SCADA installation is anticipated to occur during both phases of the Proposed Project.