

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on January 24, 2019.

ROLL CALL:

President Paul Miller left at 6:30 pm
Vice President Sanford Coplin
Secretary Harry Wiggins left at 6:30 pm
Assistant Secretary Darlene Lamboley
Treasurer Michael Moore

ADMINISTRATIVE STAFF:

General Manager Don Rosa
Operations Manager Judy Vazquez-Varela

ABSENT DIRECTOR(S) & STAFF:

Recorder Simone Coke

DISTRICT COUNSEL:

Attorney Alan Smith left at 6:30 pm and back at 6:40 pm

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: Brian Birkeland

PUBLIC COMMENTS:

1. Brian Birkeland, resident of the Langley/Valle Pacifico Water System interested in presentation from Monterey Office of Emergency Services regarding Disaster Mitigation Plan.

SCHEDULED ITEMS:

1. Monterey Office of Emergency Services (OES) Disaster Mitigation Plan
 - General Manager has contacted Gerry Malais (Director) and Kelsey Scanlon (Coordinator) and rescheduled for February 28, 2019 at 5:30 pm

CLOSED SESSION: (Personnel Matters, Litigation)

Closed session began at 5:49 p.m. and ended at 6:42 p.m.

No final action was taken.

CONSENT ITEMS:

1. Consider and approve of the minutes from the December 24, 2018 Board Meeting

Motion was made by Director Moore and seconded by Director Lamboley to approve the regular Board meeting minutes of December 20, 2018. Motion carried.

Roll Call Vote: Ayes: S. Coplin; D. Lamboley; M. Moore
Noes: None
Absent: P. Miller; H. Wiggins
Abstain: None

2. Consider and approve of the December 2018 Financials.

Motion was made by Director Moore and seconded by Director Lamboley to approve the December 2018 Financials. Motion Carried.

Roll Call Vote: Ayes: S. Coplin; D. Lamboley; M. Moore
Noes: None
Absent: P. Miller; H. Wiggins
Abstain: None

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3. District Operations Report:

- Springfield Planning Grant-
 - MNS Engineering is awaiting final decision as to the inclusion of the Moss Landing Mobile Home Park to the project, which is based on the Parks qualifications for grant funding. Request for the Median Household Income Survey has been formally submitted, Karen from RCAC will be completing the new survey to include the Mobile Home Park and Struve Road. Staff meet with Lisa Eastman (ML Mobile Home Park owner) and Miles the water operator to discuss commitment to the project, Lisa and Miles will work together in finding language they are comfortable for the commitment letter.
- Pajaro Park
 - Staff contacted Community Foundation for Monterey County (CFMC) regarding grant funding. Grant funding is open to nonprofit agencies only because District is affiliated with the YMCA, a collaborate application can be completed. Staff met with Stephany Soto to discuss the possibility of the YMCA taking the lead in the application process. She will respond after discussing this with the grant writer and her supervisor. CFMC offers two applications; large scope granting \$15,001 up to \$50,000 with application deadline in August 2019. The small grants range from \$5,000 to \$15,000 applications must be submitted by September 6, 2019. District would have to apply annually for ongoing Operation and Maintenance assistance.
 - Staff also researched Northern Monterey County Foundation, grant funding is only open to nonprofit agencies, District would also need to work with YMCA for application process. The funding available is \$25,000 per year, grants range from \$500 to \$3,000. Proposals are due in June and awarding would be in late July 2019.
- Monies Held by District
 - Staff will be attending a webinar on February 5th, 2019 regarding overview of California's Unclaimed Property reporting requirements, to ensure proper reporting is performed.

4. Usage Comparison Report 2013/2018: Water usage is down in most systems except for Pajaro.

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Water Tax Proposal-California Governor; Gavin Newsom:

- Funds raised would pay for improvements to water systems located within disadvantaged communities. ACWA is opposing, they are not requesting letters at this time.

STAFF REPORTS (Action Items):

1. At the request of President Miller, invalidate December 20, 2018 Election of Officers

- This item has been tabled and will be revisited at the February 28, 2019 regular Board meeting.

2. Conduct new Election of Officers for the 2019 calendar year

- This item was nulled based on the invalidation request being tabled.

OLD BUSINESS:

1. Pajaro Water Tank Project

- District is currently working on obtaining funding for project shortfall. The funding has been secured, all projects have been completed, money leftover will be allocated to the Pajaro project.

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- There are no funds for contingency available. Board will need to accept liability estimated at \$90,000 to \$180,000, we may need to consider applying for a short-term line of credit, or the project fund could be used if necessary.
- Staff recommends awarding the bid to Anderson Pacific Engineering Construction, Inc. the lowest responsive bidder, for the project, in the amount of \$1,862,300.
- Board to authorize General Manager to execute a Professional Services Agreement with MNS Engineering to provide Construction Management services during construction of the Pajaro Water Tank Project for a total amount not to exceed \$256,849 (included in initial grant funding).
- Board to authorize General Manager to issue Notice to Proceed.

2. Rate Increase proposed for January 1, 2019

- 5% increase per Water Rate Study approved November 2015
- Board discussed the option of an increase of up to 5%
- Staff recommendation - to approve Rate Increase, this is an annual review of the 2015 water rate study, which determined that the rate increases proposed are necessary for the overall financial health of the District. The revenue from the ratepayers is utilized for building adequate reserves, capital improvements, repairs and maintenance, as well as maintaining appropriate staffing levels and competitive salaries.
- Director Lamboley stated she has opposed this rate increase but has determined it necessary to approve the full 5%. Director Coplin agrees with need of a 5% increase but does request to freeze administrative salaries, stating they are too high.

3. Consider and approve award of bid to Anderson Pacific Engineering Construction, Inc. for the Pajaro Tank Project, authorize General Manager to execute Professional Services Agreement with MNS Engineering, issue Notice to Proceed, and pursue a line of credit for financing of the project.

Motion made by Director Moore and seconded by Director Lamboley to award of bid to Anderson Pacific Engineering Construction, Inc. for the Pajaro Tank Project, authorize General Manager to execute Professional Services Agreement with MNS Engineering, issue Notice to Proceed, and pursue a line of credit for financing of the project. Motion Carried.

Roll Call Vote: Ayes: S. Coplin; D. Lamboley; M. Moore
 Noes: None
 Absent: P. Miller; H. Wiggins
 Abstain: None

4. Consider and approve of a 5% water rate increase for 2019, to begin on February 1, 2019.

Motion made by Director Lamboley and seconded by Director Moore of a 5% water rate increase for 2019, to begin on February 1, 2019. Motion Carried.

Roll Call Vote: Ayes: D. Lamboley; M. Moore
 Noes: S. Coplin
 Absent: P. Miller; H. Wiggins
 Abstain: None

NEW BUSINESS:

1. Tabled invalidating previous Election of Board Officers held on December 20, 2018.

Motion made by Director Coplin and seconded by Director Moore to table invalidating previous Election of Board Officers held on December 20, 2018. Motion Tabled.

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Roll Call Vote: Ayes: S. Coplin; D. Lamboley; M. Moore
Noes: None
Absent: P. Miller; H. Wiggins
Abstain: None

2. Null Election of Board Members for 2019

MONTHLY EXPENDITURES REPORT FOR REVIEW
APPROVAL OF WARRANTS/CHECKS:

1. General Fund 633: None
2. Operating Account: Check No. 23566 through Check No. 23618 for a total of \$244,429.36
3. Capital Reserve Account: Total of \$ 912.26
4. Street Maintenance Account: Check No.487 for a total of \$166.40
5. Pajaro Park Account: Check No. 816 through Check No. 817 for a total of \$1,959.81
6. COP 2010 Account: None

Motion was made by Director Moore, seconded by Director Lamboley to approve all accounts for the month of December 2018. Motion carried.

Roll Call Vote: Ayes: S. Coplin; D. Lamboley; M. Moore
Noes: None
Absent: P. Miller; H. Wiggins
Abstain: None

NEXT BOARD MEETING:

The next Board meeting is to be held on Thursday February 28, 2018 at 5:30 pm.

There being no further business, the regular meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:20 pm with motion made by Director Moore, seconded by Director Lamboley. Motion Carried.

Respectfully submitted by:



Sanford Coplin, Vice President



Harry Wiggins, Secretary



Judith Vazquez-Varela, Recorder