

# 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 27, 2022.

**ROLL CALL:**

President Sanford Coplin  
Vice President Robert Moody  
Secretary Darlene Lamboley  
Director Don Olsen  
Director C.J. Miller

**ADMINISTRATIVE STAFF:**

General Manager Don Rosa  
Bookkeeper Amy Saldade  
Recorder Judy Vazquez-Varela

**ABSENT DIRECTOR(S) & STAFF:**

None

**DISTRICT COUNSEL:**

Attorney Alan Smith

**ADDITION(S) TO AGENDA:** None

**PUBLIC IN ATTENDANCE:** None

**PUBLIC COMMENTS:** None

**Action Items**

1. Welcome and Introduction of two (2) Boards member, Don Olsen and C.J. Miller
2. Consider and approve the Minutes of the November 18, 2021, Special Board Meeting

Motion was made by Director Moody and seconded by Director Olsen to approve the Special Board Meeting Minutes of November 18, 2021. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; R. Moody; D. Lamboley; D. Olsen; C. Miller  
                      Noes:           None  
                      Absent:       None  
                      Abstain:      None

**OLD BUSINESS:** None

**NEW BUSINESS:** (Action Items)

1. Review and consider approving financial reports for November 2021

Bookkeeper Saldade informed the Board of Directors that the Total Income was slightly under budget for the month. We had increases in the Credit Card Transactions Fees due to the high volume of receivables by credit/debit cards, Mrs. Saldade will contact the credit card company to reduce rates and/or fees. We also saw an increase in the COP Debt Service Interest budget due to the biannual interest payment to US Bank for the 2015 Water Revenue Refunding Bond. Total Income was greater than Expenses by \$43,737.35 and we saw an increase in November Cash by \$3,574.06. A new Aging Report was presented showing the aging balances of 30 days with a total of \$28,365.17, 60 days totaling \$2,564.65 and 90 days and over totaling \$12,749.43. Mrs. Saldade explained that the 90 days and over balance is owed by 4 customers, of which one has requested Covid Relief payment plan and the District honored. The customer with the highest balance has been on a payment plan since 2017 and has been making payments consistently, late fees prior to 2017 represent approximately 75 percent of this customers balance and no late fees have been assessed since the payment plan was established. The other two accounts consist of late fees carrying into the 90 days.

Motion was made by Director Olsen and seconded by Director Lamboley to approve the financial reports for November 2021. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; R. Moody; D. Lamboley; D. Olsen; C. Miller  
                      Noes:           None  
                      Absent:       None  
                      Abstain:      None

**MINUTES OF REGULAR MEETING – January 27, 2022**

2. Review and consider approving financial reports for December 2021

Bookkeeper Saldate informed the Board of Directors that the Total Income was under budget by 18 percent for the month due to the rainfall. We had an increase in Automotive Repair and Maintenance Expense due to a service to the cooling system and new front brakes and rotors to the 2008 Chevy Silverado. We also had an increase in the Bank Charges due to the Pajaro Project Loan extension fees, annual fees for the safe deposit box and the loan payoff processing fee for the Pajaro Generator loan. We also saw an increase in Direct Expense Vega Assessment Bond Interest for the third-party bond administration done by NBS in the preparation of annual report and quarterly administration fees. We saw an increase in the Other Income due to the first installment of parcel assessments; Street Maintenance Reimbursement, Vega Bond Assessments, Pro-Rata Tax Collection Share, Lighting Administration Reimbursement, Audit/Bookkeeping Reimbursement, Legal Counsel Reimbursement, and Water Bond Assessment. Mrs. Saldate stated that the Total Income surpassed our expenses by \$261,582.49 and our December Cash surpassed our November cash by \$47,650.55. The Directors requested that a year to date be incorporated to the Profit & Loss Summary for clarification.

Motion was made by Director Moody and seconded by Director Lamboley to accept the Financial reports for December 2021. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; R. Moody; D. Lamboley; D. Olsen; C. Miller  
                      Noes:           None  
                      Absent:       None  
                      Abstain:      None

**MONTHLY EXPENDITURES REPORT FOR REVIEW**

**APPROVAL OF PAYMENTS:**

3. Review and consider approving December 2021 and January 2022 payments and authorization for Staff to sign checks

1. General Fund 633: Total of \$0.00
2. Operating Account: Check No. 24909 through Check No. 24978 for a total of \$391,593.17
3. Reserve Account: Total of \$34,749.68
4. Street Maintenance Account: Check No. 547-548 for a total of \$1,852.95
5. Pajaro Park Account: Total of \$3,242.91
6. COP 2010 Account: Total of \$197,565.20
7. Debt Service Reserve Account: Total of \$0.00

Motion was made by Director Moody seconded by Director Miller to approve the December 2021 and January 2022 payments. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; R. Moody; D. Lamboley; D. Olsen; C. Miller  
                      Noes:           None  
                      Absent:       None  
                      Abstain:      None

4. Elect Board Officers for 2022

Operations Manager Vazquez-Varela conducted the Board Officers Election by stating that any member of the Board may nominate themselves or any other member of the Board for any office. After each nomination there can be a discussion and any member can decline or accept nomination. After each discussion Vazquez-Varela called for votes. Director Moody stated that he will be stepping down from the Board due to his schedule, he has contacted Supervisor Phillips. Results are as follows.

**MINUTES OF REGULAR MEETING – January 27, 2022**

- Office: President – Sanford Coplin
- Office: Vice President – Darlene Lambolely
- Office: Secretary – Don Olsen
- Office: Assistant Secretary – Vacant
- Office: Treasurer – C. J. Miller

5. Review and consider adopting Resolution No. 01-01-22 to allow teleconference and virtual meetings

The Board of Directors were provided with the Staff Report and a copy of Resolution No. 01-01-22. Staff recommends teleconference and virtual meetings for the near future, every month desired to continue with teleconference, substantially same resolutions will need to be adopted. Director Moody agrees with teleconference but does not approve the language on the Resolution No. 01-01-22.

Motion was made by Director Olsen seconded by Director Miller to adopt Resolutions No. 01-01-22 with edits, allowing for teleconference and virtual meetings. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; D. Lambolely; D. Olsen; C. Miller  
                      Noes:           None  
                      Absent:       None  
                      Abstain:      R. Moody

6. Review and consider adopting Resolution No. 01-02-22 2022 Debt Management Policy

The Board of Directors were provided with the Staff Report, Draft Debt Management, table 7 of the Water Study (showing the Debt Service Coverage, and a copy of the Resolution. District will increase minimum Debt Service Ratio from 1.15 to 1.20.

Motion was made by Director Moody seconded by Director Olsen to adopt Resolutions No. 01-02-22 2022 Debt Management Policy. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; R. Moody; D. Lambolely; D. Olsen; C. Miller  
                      Noes:           None  
                      Absent:       None  
                      Abstain:      None

7. Review and consider approving automated meter reading proposed project

The Board of Directors were provided with the Staff Report. Director Lambolely would not like to move into automated meter reading due to the cost to the constituents, she does not want to increase the water rates for this project. Director Moody does not want to move into automated meter reading, he would like to keep the meter reading position available.

Motion was made by Director Olsen seconded by Director Miller to approve directing Staff to create project specifications in preparation of a Request for Proposal. Motion carried.

Roll Call Vote:   Ayes:           S. Coplin; D. Olsen; C. Miller  
                      Noes:           R. Moody; D. Lambolely  
                      Absent:       None  
                      Abstain:      None

8. Review and consider adopting Resolution No. 01-03-22 Private Placement Loan \$340,000 Appointing Bond Counsel, Robert Haight, Loan Consultant, Stinson Securities. LLC., and Counsel for First Foundation, Nixon Peabody, LLC.

The Board of Directors were provided with First Foundation Term Sheet, 2022 Loan Agreement, Fee Arrangements-Robert M. Haight and the Resolution No. 01-03-22. The Board of Directors would like to revisit this item next board meeting knowing that the interest rate is locked until March 6, 2022.

Motion was made by Director Olsen seconded by Director Moody to table the execution of Loan Documents and adoption of Resolutions No. 01-03-22 the Private Placement Loan

**MINUTES OF REGULAR MEETING – January 27, 2022**

\$340,000 Appointing Bond Counsel, Robert Haight, Loan Consultant, Stinson Securities. LLC., and Counsel for First Foundation, Nixon Peabody, LLC. Motion tabled.

Roll Call Vote: Ayes: S. Coplin; R. Moody; D. Lamboley; D. Olsen; C. Miller  
Noes: None  
Absent: None  
Abstain: None

9. Review and consider use of funds of Covid Relief Funds received from State of California

Operations Manager Vazquez-Varela informed the Board of Directors of the Funds received from State of California from Covid Relief Funds. Staff applied for the \$6,507.78 incurred due to Covid. The District received \$55,000 in total relief funds. There are no restrictions on how funds can be used. The Board of Directors agreed in putting back into the Operating Account the amount of funds incurred for Covid expenses and put away the rest of the funds.

Motion was made by Director Olsen seconded by Director Moody to approve reimbursing the Operating Account \$6,507.78 and saving the rest of the funds. Motion carried.

Roll Call Vote: Ayes: S. Coplin; R. Moody; D. Lamboley; D. Olsen; C. Miller  
Noes: None  
Absent: None  
Abstain: None

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

1. District Operations Update: due to COVID-19

- Office remains closed to public; continuing to take payments by phone or drop off
- Office will be at ¾ staffing beginning January 3, 2022, 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. Board Training and requirements

- Ethics Training is due every two years (CSDA online).
- Sexual Harassment Prevention training is due every two years (live Webinar.) Next live webinar is being offered on February 15, 2022, at 10 am, Staff will host the webinar at District office for Directors interested.
- Board Member Handbook will be provided to all Directors.

3. District Operations Report

Springfield Planning Grant

- Staff is working on the letter of intent and water agreement with the Moss Landing Mobile Home Park owner Lisa Eastman. When the draft is complete it will be forwarded to District Counsel for review.

Generator Project

- Six (6) Generac generators are up and running. The Matterhorn Generac ran flawlessly for 7 hours during a recent power outage.

Hazard Mitigation Plan (LHMP)

- We had great participation from the Planning Committee, the committee has provided important input for the Local Hazard Mitigation Plan. Next Committee meeting will be the last week of February 2022. Project is on schedule.

.71 acres Surplus Property

- The Board of Supervisors approved \$5,000 payment to District from surplus property sale proceeds. County Staff is anticipating this item to be on the February 2022 agenda.

**MINUTES OF REGULAR MEETING – January 27, 2022**

21-22 Work Plan- Sunny Mesa Well 1 Repair

- Now that the well is repaired, we are awaiting State approval to place well online.

4. Usage Comparison Report 2020/2021

- The water usage in November is down in most systems except for Moss Landing, MBARI, our big user was closed down in November 2021 and is now open causing this increase in use.
- The water usage in December is down in most systems except for Vierra Estates due to a major leak on customer side.

**NEXT BOARD MEETING:**

The next Regular Board Meeting is to be held on Thursday, February 24, 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 7:46 pm with motion made by Director Olsen seconded by Director Miller. Motion carried.

Respectfully submitted by:

  
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Sanford Coplin, President

  
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Darlene Lamboley, Vice President

  
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Judith Vazquez-Varela, Recorder