

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors via teleconference was called to order at 4:31 pm on July 23, 2020.

ROLL CALL: President Harry Wiggins
Vice President Sanford Coplin
Secretary Robert Moody
Assistant Secretary Darlene Lamboley

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

ABSENT DIRECTOR(S) & STAFF: Treasurer Michael Moore

DISTRICT COUNSEL: Alan Smith

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: None

PUBLIC COMMENTS: None

Action Items

1. Consider and approve the Minutes of the June 25, 2020 Regular Board Meeting

Motion was made by Director Wiggins and seconded by Director Coplin to approve the Regular Board Meeting Minutes of June 25, 2020. Motion carried.

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

OLD BUSINESS: None

NEW BUSINESS: (Action Items)

1. Review and consider approving the Financial Reports for June 2020

Motion made by Director Moody and seconded by Director Lamboley to approve the June 2020 Financials and Checks. Motion carried.

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF CHECKS:

2. Review and consider approving of checks and directing Staff to sign checks
 1. General Fund 633: None
 2. Operating Account: Check No. 24396 through Check No. 24434 for a total of \$182,374.41
 3. Reserve Account: Total of \$47,374.41
 4. Street Maintenance Account: Check No. 521 for a total of \$241.58
 5. Pajaro Park Account: Total of \$1,085.04
 6. COP 2010 Account: Total of \$365,574.13

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7. Debt Service Reserve Account: None

Motion was made by Director Wiggins, seconded by Director Lamboley to approve the June 2020 Checks, and direct Staff to sign checks. Motion carried.

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

3. Review and consider District Wide Generator Project: Finance decision for use in Water Rate Study

General Manager Rosa would like for the Board to agree on a method of financing the District Wide Generator Project to include the information in the Water Rate Study and review proposed rate increase. Although bond issuance causes high debt for the District, it would be lower impact on the rate payer. General Manager Rosa presented the Board with bond issuance examples to discuss the potential monthly impact on the rate payer.

- 30 year-\$6.16
- 25 year-\$6.75
- 20 year-\$7.67

General Manager Rosa also presented the Board with the Santa Cruz County Bank Finance proposal, potential monthly impact on rate payer.

- \$13.00

General Manager Rosa suggested choosing 20-year bond to be integrated into rate schedule. The Board members discussed financing for the least amount of time and the burden this would place on the rate payer. Also, discussed option of 25 years bond for an approximate \$1.00 less impact on rates and a finance increase of \$200,000.

The Board Directed General Manager Rosa to prepare a proposal exploring options where cost saving can be realized with the goal of providing backup power to all areas in need of it and present it to the Board in the next meeting.

Motion was made by Director Moody, seconded by Director Lamboley to approve the District Wide Generator Project to be financed over a 25-year Bond issuance, assuming for now the project cost is 1.44 million dollars. Motion carried.

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

4. Review and consider Resolution No. 07-01-20 Annual Compliance

Motion was made by Director Moody, seconded by Director Lamboley to approve Resolution No. 07-01-20 Annual Compliance. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Water Rate Study

- Project is on schedule. NBS will finalize preliminary report by early September.
- Regular communication between NBS and District Staff.

2. Homeowners Insurance in Rural Areas-Harry Wiggins

- Insurance carriers are discontinuing coverage to some homeowner's in our service area

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- The two apparent reasons being discussed are:
 - Wildfire risk
 - Poor ISO (Insurance Service Office) rating, for the local fire department
 - Rating is based on Fire Department capabilities and availability of water supply

The District's water infrastructure met all requirements from Monterey County and Fire Department in the time of construction

General Manager Rosa informed the Board that Costco is writing policies in our service area at reasonable rates, compared to the rate mentioned at the last meeting

3. District Operation: changes due to COVID-19 and "Shelter in Place" order

- District office will remain open with strict guidelines.
- District Parks have been closed.
- Copies of notice at District office and list of duties for office.
- No Vendors or members of the public are allowed into office.
- Office is staffed daily by General Manager and one administrative employee.
- Payments are being received; no change given.
- District has a verbal agreement in place for Mutual Aid with both Castroville CSD and Aromas WD. District Counsel is working on a written agreement.
- Staff is currently working with ACWA-JPIA to draft and indemnity agreement for liability.
- President Wiggins and Vice President Coplin conducted a conference call with General Manager and Operations Manager to plan for "worst case scenario"
 - President now has District Office keys and alarm codes and has advised Staff to have Operations Manuals, keys to facilities and system maps readily available on the conference room table.
 - Contact information for all Board Members, employees and vendors are available in binder.
- Notices mailed to customers with May bills indicating that their water is safe and unaffected by COVID-19, copy of notice included in packet.
- Office remains closed to public; continuing to take payments by phone or drop-off.
- Office will be at full staffing beginning July 6, 2020 with physical distancing requirements met and health screening protocols in place; masks or face coverings to be worn always while indoors.

No change in operations currently

4. District Operations Report

Pajaro Grant

- The mixing system has been installed and the Health Inspector has signed off the final inspection. The completion goal continues to be August 7th, 2020.

Springfield Planning Grant

- The closing documents along with the last submittal for reimbursement have been submitted to the State. The Cultural and Biological reports have been finalized. Monthly conference call is scheduled on July 29, 2020.

5. Usage Comparison Report 2013/2020

- Water usage is down in most systems except for Sunny Mesa and Springfield Water Systems compared to this month in 2013.

Closed Session: None

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NEXT BOARD MEETING:

The next Board meeting is to be held on Thursday, August 27, 2020 at 5:30 pm.

There being no further business, the regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 5:59 pm with motion made by Director Moody, seconded by Director Coplin. Motion Carried.

Respectfully submitted by:


Harry Wiggins, President


Sanford Coplin, Vice President


Judith Vazquez-Varela, Recorder