

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on June 27, 2024.

ROLL CALL:

President Donald Olsen
Vice President Sanford Coplin
Secretary Paul Anderson
Assistant Secretary Clinton Miller
Treasurer Donald Chesterman

ADMINISTRATIVE STAFF:

General Manager Judy Vazquez-Varela
Operations Manager Sergio Ochoa
Bookkeeper Amy Saldate
Recorder Rocio Fernandez

ABSENT DIRECTOR(S) & STAFF:

None

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 May 23, 2024, Regular Board Meeting

The motion was made by Director Miller and seconded by Director Anderson to approve the Regular Board Meeting Minutes of May 23, 2024. Motion carried.

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

OLD BUSINESS:

1. Consideration, Discussion and Motion Giving Direction Regarding Proposed Public Works Ordinance

A motion was made by Director Coplin and seconded by Director Olsen to approve the Pajaro/Sunny Mesa Community Services District Public Works Ordinance as amended. Motion carried.

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

MINUTES OF REGULAR BOARD MEETING – June 27, 2024

NEW BUSINESS: (Action Items)

1. Review and consider approving financial reports for May 2024

Bookkeeper Saldate reported to the Board of Directors that the Water Revenue in May was 97 percent of the budget projection. For Indirect Expenses, the District saw an increase in Other Employee Expense due to purchase of new safety vests and uniforms for operators and Audit and Bookkeeping had an increase for the final billing of 2023 Audit. Also, there was an increase in the COP Debt Service Interest due to biannual payment for 2015 Water Revenue Bonds to US Bank. The Direct Expenses had an increase in Permits for health permits required by Monterey County Health Department for County regulated water systems. Other Income had a decrease in Miscellaneous Revenue since Wellness Grant funds that were received last year were now used for the Staff Wellness meeting on May 9th. May's Total Income was more than Total Expenses by \$14,777. May's Cash was more than April's Cash by \$51,057. May's cash on hand was \$1,218,303.

Bookkeeper Saldate informed the Board that the Net Income for May was \$14,777.15 due to Health Permit expenses and Debt Service payment due for 2015 Water Revenue Bonds.

A motion was made by Director Miller and seconded by Director Chesterman to approve the financial reports for May 2024. Motion carried.

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF PAYMENTS:

2. Review and consider approving June 2024 payments
 1. General Fund 633: Total of \$0.00
 2. Operating Account: Check No. 25841 through Check No. 25877 totaling \$201,700.90
 3. Reserve Account: Total of \$24,336.49
 4. Street Maintenance Account: Check No. 578 through Check No. 580 totaling \$1,949.00
 5. Pajaro Park Account: Total of \$3,267.95
 6. COP 2010 Account: Total of \$0.00
 7. Debt Service Reserve Account: Total of \$0.00

A motion was made by Director Miller and seconded by Director Olsen to approve the June 2024 payments. Motion carried.

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

3. Consider and approve 2024-2025 Pajaro Street Lighting Final Budget

No discussion.

A motion was made by Director Coplin and seconded by Director Chesterman to approve the 2024-2025 Pajaro Street Lighting Final Budget. Motion carried.

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

4. Consider and approve 2024-2025 Street Maintenance/Subdivision Maintenance Final Budget

No discussion.

A motion was made by Director Miller and seconded by Director Olsen to approve the 2024-2025 Street Maintenance/Subdivision Maintenance Final Budget. Motion carried.

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

5. Consider and approve 2024-2025 Pajaro Community Parks/Public Area Final Budget

No discussion.

A motion was made by Director Coplin and seconded by Director Miller to approve the 2024-2025 Pajaro Community Parks/Public Area Final Budget. Motion carried.

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

6. Consider and approve 2024-2025 Pajaro Park Final Budget

Director Coplin questioned why District need to have a separate reserve account, Staff confirmed it would not be a separate account, a reserve would be built within the Pajaro Park account.

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A motion was made by Director Chesterman and seconded by Director Olsen to approve the 2024-2025 Pajaro Park Final Budget. Motion carried.

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

7. Consider and approve 2024-2025 Operating/Water Final Budget

The Reserve Fund was amended to \$250,000.

A motion was made by Director Miller and seconded by Director Olsen to approve the 2024-2025 Operating/Water Final Budget. Motion carried.

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

8. Consider and approve Resolution No. 06-01-24 Authorizing General Manager to negotiate and execute Real Estate documents with property owners required for the Springfield Water Consolidation Project

General Manager Vazquez-Varela provided a brief history of the Springfield Project. District Counsel Smith provided history of the acquisition of the 5 Alco systems that were acquired via receivership and recommended that the resolution be amended to require Title Insurance to prevent property acquisition issues. He also recommended that Board review future easements and deeds and require title Insurance.

A motion was made by Director Chesterman and seconded by Director Olsen to approve Resolution No. 06-01-24 with edits. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. 2023 Flood Damage Report
 - Staff continue to work with CalOES and FEMA on information requests.
2. Arsenic Maximum Contaminant Level Violation – Vierra Estates Water System
 - Arsenic Annual Average exceeded Maximum Contaminant Level of 10 ppb. Board of Directors reviewed notice.

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3. Water Rate Increase

- Water rate increase has been approved by the Board of Directors, 8% effective July 1, 2024. The rate payers will be notified in June billing, a copy of the notice was provided for review.

4. Water Conservation Program – Sunny Mesa Water System

- Due to the Median Household Income in the Sunny Mesa Water System, it did not qualify for the program. Staff negotiated to have the faulty meter replaced and the school's fixtures to be replaced and to have leak detection services in the Vierra Water System.

5. Pajaro Park

- Pajaro Park was broken into, the Kubota was stolen and there was damage to the 2008 Chevy truck. Staff will figure out how to groom the field until it is resolved. Staff was directed to make an insurance claim.

6. DeLany Water Company – Consolidation Study

- Copy of kickoff meeting notes

7. District Operations Report

Multi Community Bottled Water Project

- March and April reimbursements have been submitted and are pending at the State.

ACWA JPIA 2023 Wellness Grant

- District Staff has applied for 2024 Wellness Grant.

LIHWAP

- \$991.15 returned directly to LIHWAP due to closed water accounts.

Pajaro Long-term Recovery

- Monterey County Office of Emergency Management held a meeting on June 18, 2024, to discuss street safety and lighting and crosswalk safety, Board Directors Olsen and Miller attended the meeting.

Current Water System Repairs

Normco WS:

- Hawk Drive mainline leak was repaired by our contractor on June 17, 2024.

Sunny Mesa WS:

- Silverstone Street water leak repair is scheduled on June 26, 2024, to be completed by Staff and contractor.

Vega Road #01 WS:

- Kari Lane booster pump capacitors failed, they were replaced and are now working properly.

8. Usage Comparison Report 2023/2024-June

- Usage is down in two systems Normco, and Springfield. District wide we saw a 10.9 percent increase in usage compared to this month last year.

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CLOSED SESSION:

A. Potential Litigation 54956.9

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One Potential Case (In addition to the information noticed above, the agency may be required to provide additional information on the agenda or in an oral statement prior to the closed session pursuant to subparagraphs (B) to (E), inclusive, of paragraph (3) of subdivision (b) of Section 54956.9.)

Board met in closed session, opened at 7:00 pm

Adjourned closed session at 7:32 pm

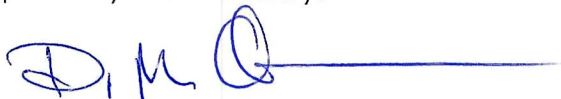
No final action taken.

NEXT BOARD MEETING:

The next Regular Board Meeting is to be held on Thursday July 25, 2024, at 5:30 pm at the District Office.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:33 pm with motion made by Director Anderson seconded by Director Olsen. Motion carried.

Respectfully submitted by:



Donald Olsen, President



Sanford Coplin, Vice President



Rocio Fernandez, Recorder