

# MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:32 pm on January 26, 2023.

**ROLL CALL:**

President Donald Olsen  
Vice President Sanford Coplin  
Secretary Paul Anderson  
Treasurer Donald Chesterman

**ADMINISTRATIVE STAFF:**

General Manager Donald Rosa  
Bookkeeper Amy Saldate  
Recorder Judy Vazquez-Varela

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

Assistant Secretary Clinton Miller

**DISTRICT COUNSEL:**

Attorney Alan Smith

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

**PUBLIC IN ATTENDANCE:** None

**PUBLIC COMMENTS:** None

**Action Items**

1. Consider and approve the Minutes of the December 15, 2022, Special Board Meeting

No discussion.

Motion was made by Director Coplin and seconded by Director Anderson to approve the Special Board Meeting Minutes of December 15, 2022. Motion carried.

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

**OLD BUSINESS:**

1. None

**NEW BUSINESS:** (Action Items)

1. Review and consider approving financial reports for December 2022

Bookkeeper Saldate informed the Board of Directors that the Water Sales stand at 92 percent of the projected monthly budget. The Membership Fees and Dues budget was high due to Annual Membership to California Special Districts Association. We also saw an increase in the Telephone budget due to promotional discount expired on multiple accounts; which are now enrolled in new promotional discounts. We also saw an increase in Credit Card Transaction Fees, the Total Merchant Services, Annual Regulatory fee of \$149 was applied. Water System- Repair and Maintenance also had an increase due to the purchase of Arsenic Reduction Media for Langley, and four (4) leak repairs throughout the District. We saw an increase in Other Income in the reimbursement accounts for the Parcel Assessments that was received from property taxes and Interest Revenue interest earned in the US Bank Bonds. Income surpassed the Total Expenses by \$47,696. December's Cash surpassed November's Cash by \$30,280. Total December cash on hand was \$932,797. Net income for December was \$47,696.

The total 90 days balance has increased by \$343. Three (3) customers have fallen into 90 day delinquency and have applied to LIWHAP assistance.

Motion was made by Director Anderson and seconded by Director Chesterman to approve the financial reports for December 2022. Motion carried.

**MINUTES OF REGULAR MEETING – January 26, 2023**

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

**MONTHLY EXPENDITURES REPORT FOR REVIEW**

**APPROVAL OF PAYMENTS:**

2. Review and consider approving January 2023 payments
  1. General Fund 633: Total of \$2,420.31
  2. Operating Account: Check No. 25295 through Check No. 25324 totaling \$315,632.57
  3. Reserve Account: Total of \$0.00
  4. Street Maintenance Account: Check No. 563 for a total of \$1,056.21
  5. Pajaro Park Account: Total of \$1,470.26
  6. COP 2010 Account: Total of \$0.00
  7. Debt Service Reserve Account: Total of \$0.00

Motion was made by Director Olsen and seconded by Director Chesterman to approve the January 2023 payments. Motion carried.

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

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

1. District Operations update: due to COVID-19
  - General Manager Rosa reported on the January 2023 Storm Event; Starting with the Pajaro Community evacuation warnings escalating to a mandatory evacuation on January 9, 2023, District Office Staff was sent home to safety and worked remotely, while operators continued to safely check District systems with daily and hourly direction. A tree fell near the Sunny Mesa Tank Site, taking out power and communication lines on January 4<sup>th</sup>, to be restored by PG&E on January 6<sup>th</sup>, the water system maintained positive pressure by means of gravity during the outage. Special thank you, to Board President Olsen who allowed District to park two vehicles at his home so they would not be composed by potential flooding. District did not experience any real reportable damage.
  - Office now open to public, continuing to take payments in person and by phone.
  - Office is at 100 percent staffing, with physical distancing requirements met and health screening protocols in place: masks or face coverings are encouraged but not required.
2. Robert Haight, District Bond Counsel passed away on Saturday, January 7, 2023
3. Committee Appointments: President Olsen
  - Standing Committee
    - Finance/Audit Committee; Director Chesterman volunteered to be part of Committee. Director Olsen suggested that Director Miller continue on the Committee.
  - Ad hoc Committees
    - Ad hoc G.M. Performance Evaluation Committee; Directors Coplin and Olsen will be in Committee.
    - Ad hoc Pajaro Park Committee; Directors Coplin and Olsen will be in Committee.
    - Ad hoc Pajaro County Sanitation District Committee; Directors Anderson and Olsen will be in committee.

**MINUTES OF REGULAR MEETING – January 26, 2023**

4. Auditor Rotation Requirements

- Copy of email sent to Jarrod Penner of Bianchi, Kasavan and Pope, LLP, regarding the Auditor rotation requirements for annual audits of Local governments, agency should not employ a public accounting firm for a consecutive 6<sup>th</sup> year for audit purposes.
- Copy of email response from Jarrod Penner of Bianchi, Kasavan and Pope, LLP, provided a schedule of the lead partners, they continue to meet requirements.
- Finance/Audit Committee will report back on their choice for Auditor.

5. Pajaro County Sanitation District: Update

- Copy of email from J. Erich Rauber, Mo. Co. explaining that Mo. County is in the process of meeting District acquiring conditions of the Pajaro County Sanitation District (PCSD). The PCSD has made capital improvements in improving the system, the County is willing to assist the District in obtaining grants and they are willing to work toward a gradual transition until District Staff is familiar with PCSD.
- General Manager Rosa contacted JPIA for consideration of Sanitation District coverage, overall, the premium would consist of additional payroll and lift stations replacement costs and would require a full risk assessment. Considering ownership of the PCSD seems to come with a great responsibility and many risks, General Manager Rosa reported the recent sewer main line break in a field near Trafton Road.
- Attorney Smith discussed the need for jurisdiction to operate a sanitation district. The District currently have the authority to operate a sanitation district and must first run it by LAFCO, they regulate the expansion or contraction of sphere of influence. General Manager Rosa informed Attorney Smith that the District acquired a latent power thru LAFCO in 2007, allowing the District to operate the sanitation District.

6. Pajaro Park Funding Update: Oral report from D. Olsen and S. Coplin

- Directors Olsen and Coplin attended Board of Supervisors meeting on January 17, 2023, Four (4) options were suggested for funding the annual \$35,000 shortfall for the Maintenance of the Pajaro Park; Option one, is to complete a Proposition 218, proposing a tax for the Pajaro area but the community cannot pay. Option two, a one-time Mo. County funding. Option three, District transfer ownership of Park to Mo. County. Option four, Mo. Co. continued funding. The BOS decided to put this item back on their agenda for further discussion in the April 2023 meeting. Directors Coplin urged them to allow a one-time funding to pay for current year expenses, BOS agreed to pay \$35,000 now and revisit in April.

7. On-line Bill Pay program Update:

- 118 ratepayers utilized the system in December.
- 111 have enrolled in autopay.
- Director Coplin suggested we add a flyer to the bills to remind our customers of our On-line Bill Pay.

8. District Operations Report

SRF Planning Grant Springfield

- The Draft Agreements between Current and New Customers along Springfield Road have been finalized by District and reviewed by State.

Generator Project

- All generators have been delivered, two (2) generators have yet to be installed. We are still waiting for one (1) transfer switch, expected to be delivered in July, the schedule for the installation of all other transfer switches is in place to begin on February 13, 2023.

Hazard Mitigation Plan

- The plan revisions have been completed and resubmitted to CalOES; upon CalOES approval the plan will be submitted to FEMA.

**MINUTES OF REGULAR MEETING – January 26, 2023**

LIHWAP

- The Third referred customer has been approved for payment, District should receive by end of month. Program is being extended to all customers not just arrears, as long as program eligibility is met.

9. Usage Comparison Report 2021/2022

- Five (5) system's water usage increased; four (4) systems water usage decreased for an overall increase of 17.8% for this month compared to last year.

**CLOSED SESSION:**

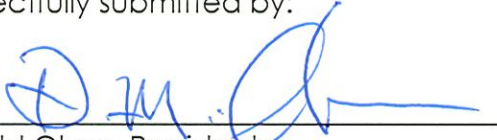
Director Olsen suggested to skip closed session today and to first have G.M. Performance Evaluation Committee meet prior to holding closed session.

**NEXT BOARD MEETING:**

The next Regular Board Meeting is to be held on Thursday February 23, 2023, at 5:30 pm at District Office.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:14 pm with motion made by Director Olsen seconded by Director Chesterman. Motion carried.

Respectfully submitted by:



Donald Olsen, President



Sanford Coplin, Vice President



Judith Yaquez-Varela, Recorder