

MINUTES

The special meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors via Zoom Video conferencing was called to order at 5:30 pm on November 17, 2022.

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

ADMINISTRATIVE STAFF: General Manager Donald 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: Steve Snodgrass from Vega Water System, Christine Shaw from Pajaro Community Matters, Karen Miller from Sunny Mesa Water System, Alexander Henson attorney for Pajaro Community Matters.

PUBLIC COMMENTS: None

CLOSED SESSION: None

Action Items

1. Consider and approve the Minutes of the October 27, 2022, Regular Board Meeting

No discussion.

Motion was made by Director Anderson and seconded by Director Olsen to approve the Regular Board Meeting Minutes of October 27, 2022. Motion carried.

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

OLD BUSINESS:

1. Consider adoption of AB-361 to allow teleconference and virtual meetings Resolution No. 11-01-22

The Board of Directors received the Draft Resolution 11-01-22 to allow teleconference and virtual meetings based on the Governor's Executive Order No. N-08-21 (Jun. 11, 2021) and the Legislature adopted AB-361 as an Urgency Measure. Staff recommends considering the proposed resolution to continue with virtual meetings unless the Governor rescinds the Executive Order No. N-08-21 Staff will prepare for an in-person meeting. Staff recommends virtual meeting in December 2022. This will be the last time this resolution is considered as meetings will be in person after December meeting.

Motion was made by Director Olsen and seconded by Director Anderson to approve Resolution No. 11-01-22 AB-361 to allow teleconference and virtual meeting. Motion carried.

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

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NEW BUSINESS: (Action Items)

1. Review and consider approving financial reports for October 2022

Bookkeeper Saldate informed the Board of Directors that the Water Sales were 7.5 percent over projected monthly budget, similar to August. Property Taxes are above budget due to Annual taxes paid for District owned parcels for 22-23 fiscal year. Also, the Accounting and Bookkeeping was over projected budget due to progress billing number 2 for the 2022 Audit. We saw an increase in Other Income due to backflow assembly testing of 23 units and a new service connection in Normco. October's income surpassed the Total Expenses by \$64,014. October's Cash was less than September's Cash by \$14,351. Total September cash on hand was \$848,181. Net income for October was above projected budget by nearly \$24,002 due to water sales, backflow testing and new Normco connection.

The total 90 days balance has increased by about \$17.00. One Pajaro WS customer received LIHWAP assistance for their current balance. A Sunny Mesa WS customer received assistance from United Way, but payment was not received in time to be reflected in this month's report. Staff continues to outreach delinquent customers for payment assistance.

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

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF PAYMENTS:

2. Review and consider approving November 2022 payments and authorization for Staff to sign checks
 1. General Fund 633: Total of \$0.00
 2. Operating Account: Check No. 25227 through Check No. 25268 totaling \$205,333.38
 3. Reserve Account: Total of \$20,707.88
 4. Street Maintenance Account: Check No. 561 for a total of \$490.10
 5. Pajaro Park Account: Check No. 852-853 for a total of \$6,366.55
 6. COP 2010 Account: Total of \$0.00
 7. Debt Service Reserve Account: Total of \$0.00

Motion was made by Director Anderson and seconded by Director Chesterman to approve the November 2022 payments and authorize Staff to sign checks. Motion carried.

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

3. Resolution of the Pajaro/Sunny Mesa Community Services District (PSMCSD) expressing interest in studying County of Monterey transfer of the Pajaro Sanitation District and appropriate direction to General Manager. Resolution No. 11-02-22

The Board Members were provided with the copy of a memo from General Manager Rosa and Resolution No. 11-02-22 explaining the history of the Pajaro County Sanitation District (PCSD) with the District and its interest in transferring/selling of all PCSD system and assets. Members of the public have shown interest in having the District purchase or operate under contract as it did in the past. General Manager Rosa would like to know if the Board is interested in either directing Staff to investigate further in the PCSD transfer or no further

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action to be taken. Director Coplin stated that the community has expressed interest in denying California American Water (Cal. Am.) from operating the system and encourage the District to take over. Director Coplin expressed an obligation to listen to community and to do so while maintaining the District financially sound. This resolution is meant for discussion and decision of whether this Board wants to get involved and negotiate with Monterey County the transfer of the PCSD. Director Chesterman commented that this item has had the most interest from the community, with the most public in attendance. Also, he commented on the good language utilized in the resolution, it protects the District as he feels it is necessary to do this for the community. Director Miller mentioned that he is in favor to move forward with resolution, it is necessary for the community, and it could bring revenue to the District. Director Olsen also suggested in favor of moving forward with resolution as it is the District's responsibility to represent the northern part of Monterey County and the resolution mentions under item J. "only after and until such conditions are satisfied would" the District take over, if that is met, he agrees with moving forward. Director Anderson does not see any harm in moving forward with resolution as it asks Staff to get involved in talking with Monterey County.

Mr. Snodgrass commented that the District has a history of running a high quality and cost-effective operation manner. He would like for the District to investigate this as an option for the District. As Mr. Snodgrass was involved in the 2016 negotiations, he thinks the safeguards in the proposed resolution are necessary in the negotiation.

Attorney Henson praised the resolution and recognized the effort it takes to run the PCSD and public benefit and grateful for adopting resolution.

Mrs. Miller expressed her gratitude for the resolution presented and for the competency of the District and for listening to the community.

Motion was made by Director Anderson and seconded by Director Miller to approve the Resolution No. 11-02-22 Expressing interest in studying County of Monterey Transfer of the Pajaro Sanitation District and Appropriate direction to General Manager. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. District Operations update: due to COVID-19
 - No changes to COVID-19 District Operations
2. Pajaro Park Funding Update
 - President Coplin met with Mo. Co. Supervisor Phillip and provided the Board of Directors with a copy of the referral form title Long-Range Funding Source for the Pajaro Park submitted to the Board of Supervisors for consideration at a January 2023 Board of Supervisors meeting.
 - Ms. Shaw is displeased with Monterey County for making the District responsible for the Pajaro Park Funding, she will support the District by requesting Monterey County to provide funds for the Pajaro Park.
3. Agricultural Water Rate
 - Currently the rate schedule for Agricultural Water Rate is at \$476.50 per Acre Foot and it has been since 2016. This rate was not considered in the current Water Rate Study and if compared to domestic water rate increases since 2015, the agricultural rate would likely be \$953.00 per acre foot. Currently no District customer utilizes this rate. General Manager Rosa reported that the rate cannot be increased without proper Proposition 218 process. The District can choose to remove the rate via an amendment to the current rate schedule/Ordinance. Director Anderson advised the Board to follow General Manager's advice to remove the agricultural rate for now and revisit the rate in three (3) years. Board Directed General Manager Rosa to add this to the January 2023 Agenda as an action item.

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4. Online Bill Pay Program update

- 97 ratepayers utilized the system in October and 98 have enrolled in autopay, 28 customers enrolled in October.

5. District Operations Report

Springfield Planning Grant

- The Environmental work continues. District Staff has reviewed and approved the draft agreement with Mobile Home Park and the agreement with new connections along Springfield Road. We received full reimbursement of \$34,000 for the Take Permit to Fish and Wildlife.

Hazard Mitigation Plan

- CalOES has completed their initial review a list of revision was submitted to Staff and Consultant.

Multi Community Bottled Water Project

- Request for time and funds extension is in progress via a new funding source.

Leak Detection Grant

- 3 systems remain to been completed on December 7 and 8 2022.

6. Usage Comparison Report 2021/2022

- Most systems water usage is up except for Vega, Vierra Estates and Springfield Water Systems, for an overall District increase in use of 12.5% for this month compared to last year. Director Chesterman questioned the 34.2 percent increase in Moss Landing. General Manager Rosa informed him that a commercial user was in need of filling their fire storage tank causing the majority of this increase in use for the system.

NEXT BOARD MEETING:


The next Special Board Meeting is to be held on Thursday December 15, 2022, at 5:30 pm via Zoom videoconferencing.

There being no further business, the Special Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:19 pm with motion made by Director Chesterman seconded by Director Miller. Motion carried.

Respectfully submitted by:



Sanford Coplin, President



Donald Olsen, Vice President



Judith Vazquez-Varela, Recorder