

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 22, 2026.

ROLL CALL:

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

ADMINISTRATIVE STAFF:

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

ABSENT DIRECTOR(S) & STAFF:

Secretary Donald Chesterman

DISTRICT COUNSEL:

Heidi Quinn, absent

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: Zoom: Marilyn Vierra, Supervisor Church Office Chief of Staff; Nick Panofsky, MNS Engineering; Robyn Chaconas, Community Water Center; Don Chesterman, Board Director; and "Michael as G"

PUBLIC COMMENTS: Director Miller thanked Operations Manager Ochoa for the tour of the District water systems.

CONSENT AGENDA: (Action Items)

1. Consider approval of the Minutes of December 18, 2025, Regular Board Meeting
2. Review and Approve January 2026 Payments
 1. General Fund 633: Total of \$0.00
 2. Operating Account: Check No. 26411-26441 totaling \$216,851.77
 3. Reserve Account: Check No. 144-145 totaling \$1,731,067.23
 4. Street Maintenance Account: Check No. 597-598 totaling \$1,189.31
 5. Pajaro Park Account: Total of \$1,649.37
 6. COP 2010 Account: Total of \$0.00
 7. Debt Service Reserve Account: Total of \$0.00

A motion was made by Director Anderson and seconded by Director Coplin to approve the Consent Agenda. Motion carried.

Roll Call Vote: Ayes: P. Anderson; D. Olsen; S. Coplin; C. Miller

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Noes: None
Absent: D. Chesterman
Abstain: None

OLD BUSINESS:

1. Consider approval of the 2024-2025 Final Financial Audit

General Manager Vazquez-Varela informed the Board of the two edits to the report: a language change on page 15 to properly reflect the Beautification Grant funds and a revision on page 34 of the Parks Enterprise to capture the correct budget to actual expenses.

A motion was made by Director Olsen and seconded by Director Miller to approve the 2024-2025 Final Financial Audit. Motion carried.

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

NEW BUSINESS: (Action Items)

1. Consider approval of financial reports for December 2025

Bookkeeper Saldade reported to the Board of Directors that the Water Revenue came in at 85% of the budget projection for December, which is expected for the month. In the Indirect Expense Account, the District-Wide Repair and Maintenance account was over budget due to a backflow bleed-off valve to properly perform backflow testing. The Legal Expenses account was under budget, as most attorney services were for grant funded projects and reimbursable.

The Total Income was more than the Total Expenses by \$67,522. December's cash on hand, combining the Operating and Reserve Accounts, was \$1,839,510, which was more than the previous month. The balance in the Cash in County Treasury account increased from collected assessment funds. The Profit & Loss Other Income account of the Pajaro Small Business Assistance Program reflects a \$6,266 payment received from the County of Monterey for the final Beautification Program reimbursement.

Net Income came in at 100% of the monthly budget projection due to low expenses.

A motion was made by Director Anderson and seconded by Director Coplin to approve the financial reports for December 2025. Motion carried.

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

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2. Consider approval of forming an Ad Hoc Committee to review Pajaro Park financial needs

Director Coplin met with the General Manager to discuss the park's financial needs. After the discussion, Director Coplin suggested waiting to establish an Ad Hoc Committee for a future time.

No action needed.

3. Consider approval of MNS Engineers, Inc. proposal for engineering services for the Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)

The General Manager Vazquez-Varela stated that this proposal is contingent on grant funding.

A motion was made by Director Miller and seconded by Director Olsen to approve MNS Engineers, Inc. proposal for engineering services for the PSMS Project. Motion carried.

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

4. Consider approval of Denise Duffy & Associates, Inc. proposal for environmental support services for the Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)

No discussion.

A motion was made by Director Anderson and seconded by Director Miller to approve Denise Duffy & Associates, Inc. proposal for environmental services for the PSMS Project. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Springfield Water System Improvements Project
 - Lateral line installation from the meter to the house will commence at the end of January. Chemical building construction is in progress. Water line installation in the Moss Landing Mobile Home Park is in progress. The jack-and-bore under the highway is now complete. A Notice of Violation was submitted to the contractor for working outside approved working hours.
2. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)
 - The offer packets were finalized by District Counsel and sent out to property owners.
 - Design proposal received for Board approval.

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- The Expedited Drinking Water Grant Application has been routed for funding; we expect to have a grant award letter in March.
- The Initial Study/Mitigated Negative Declaration (IS/MND) review period has ended, comments were received and are being addressed, and we should have the final draft up for Board approval in February. Environmental services proposal received for Board approval.

3. District Operations Report

Pajaro & Sunny Mesa WS Motor Control Center Replacement

- Replacement and mitigation of the Motor Control Center for Pajaro and Sunny Mesa Water Systems is in progress. ACWA JPIA will be issuing payments to Tesco Controls directly.
- Received funds from FEMA for flood recovery.

Pajaro Long-Term Recovery

- The playground equipment installation is expected to be completed on January 26, 2026. Staff is coordinating the reopening plans with the YMCA and the County of Monterey.

Electric Vehicles Feasibility

- Staff met with Central Coast Community Energy (3CE) to explore available programs for public Agencies related to Electric Vehicles and charging infrastructure. Rebates are available for the purchase of EVs and charging stations via 3CE. Application for design funding will be completed and submitted to 3CE this month.

Current Water System Repairs

Blackie Road #18 WS:

Langley/Valle Pacifico WS:

Moss Landing WS:

Normco:

- Staff repaired a water leak located near the no. 1 booster.
- Staff repaired the tubing leak on the Cla-Valve located at the tank site.

Pajaro WS:

- Staff added a sight tube to the hydro tank located in the vault to ease the recording of water to air ratio.

Springfield Road WS:

- The well magnetic starter began failing in the evening of January 10; it was replaced by the contractor the next morning.

Sunny Mesa WS:

Vega Road #01 WS:

Vierra Estates WS:

Parks:

4. Usage Comparison Report 2024/2025-December

- General Manager Vazquez-Varela reported in the Blackie Rd WS, two of our high water use customers had used about 60,000 gallons more than the normal. In Vierra

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Estates WS, customers used less water for the month. Overall, district-wide was down by 4 percent in December compared to the same month last year.

CLOSED SESSION:

None

NEXT BOARD MEETING:

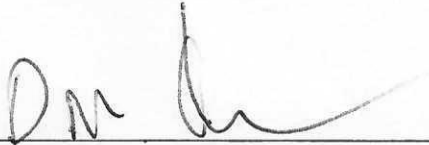
The next Regular Board Meeting is to be held on Thursday, February 26, 2026, at 5:30 pm at the District Office.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:16 pm with a motion made by Director Miller, seconded by Director Olsen. Motion carried.

Respectfully submitted by:



Paul Anderson, President



Donald Olsen, Vice President



Rocio Fernandez, Recorder