

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on September 25, 2025.

ROLL CALL:

President Paul Anderson
Vice President Donald Olsen
Secretary Clinton Miller; arrived 5:36 pm
Assistant Secretary Sanford Coplin
Treasurer Donald Chesterman

ADMINISTRATIVE STAFF:

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

ABSENT DIRECTOR(S) & STAFF:

DISTRICT COUNSEL:

Heidi Quinn, absent

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: Zoom: Margie Kay, of the Elkhorn Community. In person: Andy Morrison, from the Sunny Mesa Water System, Ana Guzman and Noe Sanchez from the Pajaro Water System, and Bernardita Mendez from the Spring Road Community.

PUBLIC COMMENTS: None

CONSENT AGENDA: (Action Items)

1. Consider approval of the Minutes of August 28, 2025, Regular Board Meeting
2. Review and Approve September 2025 Payments

1. General Fund 633: Total of \$2,332.00
2. Operating Account: Check No. 26299-26327 totaling \$170,015.94
3. Reserve Account: Check No. 137 totaling \$746,322.78
4. Street Maintenance Account: Check No. 589-590 totaling \$702.51
5. Pajaro Park Account: Total of \$2,458.77
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 Chesterman to approve the Consent Agenda. Motion carried.

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

OLD BUSINESS:

1. None

NEW BUSINESS: (Action Items)

1. Consider approval of Pajaro Street Lighting Assessment – Public Hearing at 5:45 pm

The Board President opened the public hearing at 5:45 pm. The General Manager reported that the District owns 213 Street lights benefiting 792 parcels. She explained that 397 written protests would be required for the assessment to be successfully opposed; however, only two protests have been received. She also noted that there is no increase in the assessment from the previous year.

During public comment, Ms. Guzman stated that she is new to the District and, upon learning that there is no increase, she has no opposition to the assessment.

A motion was made by Director Coplin and seconded by Director Olsen to approve the Pajaro Street Lighting Assessment continuing through 2026. Motion carried.

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

2. Consider approval of financial reports for August 2025

Bookkeeper Saldate reported to the Board of Directors that the Water Revenue for August was 4% above the budget projection. In the Indirect Expenses, Billing Supplies was above budget due to the annual order of custom envelopes, and Engineering Services District Wide was also above budget for the preparation of storm drain reports for the County of Monterey. The Direct Expenses account of 2021 Bond Expense Fees surpassed the monthly budget since the annual trust administrative fees were due to US Bank. The JPIA Wellness Grant for fiscal year 2026 was received, resulting in an overage in the Miscellaneous Revenue account for Other Income.

The Total Income was more than the Total Expenses by \$108,073.60. August's cash on hand, combining the Operating and Reserve Accounts, was \$1,612,512.73, which was more than the previous month.

Net Income exceeded the projected monthly budget by 60% directly related to low total expenses.

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A motion was made by Director Chesterman and seconded by Director Olsen to approve the financial reports for August 2025. Motion carried.

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

3. Consider adoption of Resolution No. 09-01-25 Approving proposal from NBS for the Water Rate Study Update in an amount not to exceed \$72,450

General Manager Vazquez-Varela clarified that the base proposal is approximately \$45,000, with additional optional services bringing the total to \$72,450. She recommends including the 218-notice supplement and leaving open the option for site visits and presentations.

Director Anderson supported the proposal, noting the prior study cost \$40,000 and that a \$5,000 increase is reasonable, and providing a not-to-exceed for additional services will be beneficial to the District. Director Coplin opposed approving the full amount, preferring to limit approval to the \$45,000 base services. Director Miller supported the full \$72,450, and Director Olsen agreed, citing the benefit of maintaining a buffer to avoid returning to the Board for additional approval later.

A motion was made by Director Olsen and seconded by Director Miller to adopt Resolution No. 09-01-25 approving the proposal from NBS for Water Rate Study Update. Motion carried.

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

4. Consider formation of Ad Hoc Committee for the Parks Legacy Project

Directors Anderson and Chesterman had previously volunteered during the last Board Meeting to be part of the Ad Hoc committee; however, it was not an action item at that time. District Counsel recommended that it be formally established. Both Directors agree to continue serving on the Parks Legacy Project Ad Hoc Committee.

One public comment was received from Ms. Kay, who questioned the purpose of establishing the Ad Hoc Committee, noting that Cal Water had issued a will-serve letter for the project. She stated that while she understood the project may be outside Cal Water boundaries and additional steps may be required, she did not see the need for the District to move forward with forming the committee. The General Manager, Vazquez-Varela, responded that the purpose of the Ad Hoc Committee is to listen to the proposed water project that the Parks Legacy Group would like to present and discuss with the Committee.

A motion was made by Director Coplin and seconded by Director Chesterman to approve the formation of the Ad Hoc Committee for the Parks Legacy Project. Motion carried.

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

5. Consider approval of Resolution No. 09-02-25 Implementing a Cross Connection Control Plan

General Manager Vazquez-Varela reported that the State Water Resources Control Board has issued new guidelines for the cross-connection control plan. She noted that the District has submitted a new plan to the state, incorporating and implementing all the updated regulatory requirements.

A motion was made by Director Miller and seconded by Director Anderson to approve Resolution No. 09-02-25 Implementing a Cross Connection Control Plan. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. 2024-2025 Annual Audit
 - Bianchi, Kasavan, & Pope will be in our office performing a field audit for three days during the week of September 29th.
2. Streamline
 - Bookkeeper Saldade reported that the District must comply with new Americans with Disabilities Act (ADA) website accessibility regulations. The current website provider has offered a DocAccess program that will bring the District to full compliance at a cost of approximately \$400 per month. Staff noted that other options reviewed were more expensive and required additional training.
 - Board President Anderson requested that the item be brought back to the agenda next month as an action item.
3. Pajaro Regional Flood Management Agency (PRFMA) – Pajaro Levee Clean-up
 - Storage equipment has been removed from District Property.
4. Springfield Water System Improvements Project
 - A loan agreement has been established with West Coast Community Bank.
 - Soft Cost reimbursement was submitted in August 2025.
 - The last pending easement has been signed, awaiting final documentation.
 - The tank ring wall is in progress. Installation of the main line along Springfield and Struve Roads is complete, ready for service line installation to the meter. Chemical building construction is in progress.
5. Pajaro-Sunny Mesa- Springfield Area Regional Consolidation Project (PSMS)
 - The team continues to work on land acquisition.

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- The invitation to the Expedited Drinking Water Grant is expected next month. The State is requesting an 8-hour capacity test on both Pajaro wells. The Well 1 capacity test will be performed this Saturday, and Well 2 will be next week.
- The team met with Pajaro Valley Water Management to discuss the potential impact of the Project on groundwater resources in the area.

6. District Operations Report

Parks Legacy Project

- District Counsel and Staff met with the PLP team in preparation for the Proposed Water System presentation.

Multi-Community Bottled Water Project

- Staff submitted a reimbursement request for July services.

Pajaro Long-Term Recovery

- County of Monterey has received a turf replacement proposal from FieldTurf and for playground improvements from Kompan, waiting for Mr. Flores' approval. Also received a promising work schedule.

Current Water System Repairs

Blackie Road #18 WS:

- A customer adjacent to our wellsite drilled a well on his property. The community raised concerns, and staff verified that the well is permitted and satisfies County of Monterey Requirements.

Langley/Valle Pacifico WS:

- The Arsenic media was changed on September 12, 2025.

Moss Landing WS:

- The communication battery was replaced.
- AT&T phone services were disconnected by AT&T in error at the Moss Landing Road junction box. AT&T was dispatched and reestablished services.

Normco WS:

- Well-to-tank communication was replaced on August 29, 2025.
- Staff extended a concrete pad for safer delivery of caustic soda drums.

Pajaro WS:

- 850 San Juan Rd service leak was repaired on August 27, 2025.

Springfield Road WS:

- The current 6-inch AC water main line was hit during the installation of the new main line. Repaired by APEC.

Sunny Mesa WS:

- The Staff replaced a faulty fire hydrant located near 40 Sunny Way.

Vega Road #01 WS:

- Cla-Valve staff serviced equipment; during the service, the pressure fluctuated, causing turbid water for our Vega System customers. Staff flushed the water system along Vega Road.
- The Vista Verde generator diesel fuel pump was replaced on September 17, 2025.

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Vierra Estates WS:

- The Staff replaced the pressure switch at the Matterhorn Tank Site Pump Station.

Parks:

- A small fire broke out outside of the Pajaro Park on September 8, 2025.

7. Usage Comparison Report 2024/2025-August

- General Manager Vazquez-Varela reported that overall District water usage was down 4 percent in August compared to the same month last year. Langley/Valle Pacifico was down by 23 percent due to four high-use customers reducing their usage by half this month compared to last year.

CLOSED SESSION: None

NEXT BOARD MEETING:

The next Regular Board Meeting is to be held on Thursday, October 23, 2025, 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 6:23 pm with a motion made by Director Anderson, seconded by Director Miller. Motion carried.

Respectfully submitted by:



Paul Anderson, President



Donald Olsen, Vice President



Rocio Fernandez, Recorder