

**PAJARO/SUNNY MESA**  
**COMMUNITY SERVICES DISTRICT**  
136 San Juan Road, Royal Oaks, CA 95076  
O (831) 722-1389 | Fax (831) 722-2137  
[www.pajarosunnymesa.com](http://www.pajarosunnymesa.com)

**AGENDA**  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
DISTRICT CONFERENCE BOARD ROOM  
136 SAN JUAN ROAD, ROYAL OAKS, CA 95076

FEBRUARY 27, 2020  
5:30 P.M.

The Pajaro/Sunny Mesa Community Services District welcomes you to its meetings regularly scheduled on the fourth Thursday of each month, and your interest and participation is encouraged and appreciated.

Documents provided to the District after the agenda has been published will be available at the District office and available for photocopying during ordinary business hours as Public Records at the cost set by resolution by the Board from time to time. This is ordinarily \$.25 per page. Documents provided to the Board for agenda items will ordinarily be placed on the District website if time permits. Otherwise, late documents will be provided to the Board at the meeting and a copy placed with the agendas available to the Public at Board meetings.

**AMERICANS WITH DISABILITIES ACT:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Pajaro Sunny Mesa Community Services District at (831) 722-1839 before the meeting to allow the District to make reasonable accommodations.

**1. PLEDGE OF ALLEGIANCE**

**2. CALL TO ORDER AND ROLL CALL**

- o (11/21) President Harry Wiggins \_\_\_\_\_
- o (11/21) Vice President Michael Moore \_\_\_\_\_
- o (11/23) Secretary Darlene Lamboley \_\_\_\_\_
- o (11/21) Assistant Secretary Sanford Coplin \_\_\_\_\_
- o (11/23) Treasurer Robert Moody \_\_\_\_\_

ADMINISTRATIVE STAFF: General Manager Don Rosa \_\_\_\_\_  
Recorder Judy Vazquez-Varela \_\_\_\_\_

DISTRICT COUNSEL: Attorney Alan Smith \_\_\_\_\_

**3. ADDITIONS TO AGENDA [SUBDIVISION (b), GOVERNMENT CODE § 54954.2]**

The Board may act on items of business not appearing on the posted agenda if (1) three members determine that an emergency (as defined in Section 54956.5 exists), (2) two-thirds vote of the members present, or, if less than two-thirds of the members are present, a unanimous vote of those members present, determine that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was being or (3) the item was posted for a prior Board meeting not more than five calendar days before the date action is taken, and at the prior meeting the item was continued to the meeting at which action is taken. Before discussing any item pursuant to this subdivision, the Board will publicly identify the item.

**4. COMMENTS FROM PUBLIC OR MEMBERS OF BOARD ON ITEMS NOT ON AGENDA**

Any person may address the Board on any item not on the agenda when recognized by the Board President.

Any Board member may comment on any item not on the agenda.

**ACTION ITEMS**

Consent Agenda

**1. DRAFT MINUTES OF JANUARY 23, 2020 REGULAR MEETING**

Approval draft minutes

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

Old Business:

**1. ELECTION OF BOARD OFFICERS 2020**

The District’s Counsel will conduct the election. The election is public. Any member of the Board may nominate themselves or any other member of the Board for any office. Nominations do not require a second to be effective. More than one person may be nominated for consideration for each office.

After nominations are concluded the Board may discuss the nominations. No person nominated need accept their nomination. Any member may decline their nomination and may or may not state a reason for declining.

Any member may speak to support or oppose any nomination. After discussion is concluded, the District’s Counsel may call for a vote. After the vote is counted, the person with the most votes is elected however a minimum of three votes are required for election to an office. The election for each office is conducted separately. If a candidate receives less than three votes, for an office, the Board will vote again but with only the top two candidates from the first vote.

- Office: President
- Office: Vice President
- Office: Secretary
- Office: Assistant Secretary
- Office: Treasurer



2. WATER RATE STUDY UPDATE: TECHNICAL PROPOSAL FROM NBS

- Discussion and decision on contracting with NBS to conduct a water rate study update
- Decision needed for effective date of implementation
- Proposal indicates, cost not to exceed \$40,000

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve or Reject

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

3. EMPLOYEE COMPENSATION PLAN: PROPOSAL FROM DELOACH & ASSOCIATES, INC

- Discussion and decision on contracting with DeLoach & Associates, Inc to carry out a review of current Employee Compensation Plan
- Proposal indicates, three components individually priced for a total cost of \$7725.00. Board to decide on one or more components.

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve or Reject

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

New Business:

1. REVIEW AND APPROVE DRAFT FINANCIAL REPORTS FOR JANUARY 2020

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Draft Financial Reports January 2020

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

2. REVIEW AND APPROVE CHECKS

- 1. General Fund 605: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 2. Water Account: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 3. Holding Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 4. Street Maint. Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 5. Reorganization Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 6. Construction Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 7. Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve checks

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

3. WI-FI PROJECT AT PAJARO PARK – MIKE MOORE – TOGETHER IN PAJARO (TIP)

- Decide on providing wi-fi services at Pajaro Park

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve or Reject

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

**STAFF/COMMITTEE REPORTS: (INFORMATION ONLY, NO ACTION)**

This part of agenda is for the Staff to report to the Board on District operations however no action is agendized and no action may be taken other than asking for an action item to be brought to the Board at a future meeting.

- 1. Pajaro Park Committee Report: Sandy Coplin, Robert Moody
  - District has received the \$25,000 operations contribution from Monterey County
- 2. Tot-Lot Park
  - District now owns and operates the Tot-Lot Park, as of 2/1/2020



3. District Vehicle Update:
    - 2002 Chevrolet pick-up sold for \$2300.
    - 2007 Chevrolet Trailblazer, terminal transmission failure and engine compartment fire caused \$6000 damage – sold for \$500.
    - New vehicle purchased – not yet delivered for \$33,170.84, 2020 Chevrolet Colorado Crew Cab 4WD – for General Manager
  4. 2018-2019 Audited financials have been finalized
    - Electronic & bound copies are now available at office
  5. Miller Trust Commercial Project – San Juan Rd.
    - Scoping meeting February 20, 2020 - update
  6. Generator Project – Request for proposal (RFP)
    - Proposals are due by February 27, 2020 at 2:00 pm
    - Pre-submittal meeting held February 13, 2020 – no one attended
  7. SB 998 Policy Draft
    - Draft of policy for Board of Directors review
  8. District Operations Report
  9. Usage Comparison Report 2013/2020
- 

**CLOSED SESSION:**

**A. Public Comments for Closed Session**

Any person may address the Board on any item on the Closed Session Agenda after being recognized by the Board President.

Conference with Legal Counsel- Existing Litigation (Government Code § 54957)

1. AWC Holdings Trust and AWC II Holdings Trust vs the County of Monterey through its Board of Supervisors et al Case No. 18CV001746, Monterey County Superior Court, filed May 11, 2018
2. Steve Pacheco, Trustee of the Salinas Land Holding Trust vs Pajaro/Sunny Mesa Community Services District et al Case No. (consolidated with above case), Monterey County Superior Court, filing date unknown

Public Employee Performance Evaluation. Sub. (b)(1) of (§ 54957)

⇒ Title: (General Manager)

**B. Return to Open Session and Report out of Closed Session**

Any final action taken by the Board in closed session required under Government Code § 54957.1 will be reported in open session at this time.

**MOTION TO ADJOURN**

Next Board meeting date: \_\_\_\_\_  
Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
Motion passed: \_\_\_\_\_ Motion Failed \_\_\_\_\_ Motion Tabled \_\_\_\_\_

Adjournment Time: \_\_\_\_\_ p.m.



# 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 23, 2020.

**ROLL CALL:** President Harry Wiggins  
Vice President Michael Moore  
Secretary Darlene Lambolely  
Assistant Secretary Sanford Coplin

**ADMINISTRATIVE STAFF:** General Manager Don Rosa  
Recorder Judy Vazquez-Varela

**ABSENT DIRECTOR(S) & STAFF:** Treasurer Robert Moody

**DISTRICT COUNSEL:** Alan Smith

**ADDITION(S) TO AGENDA:**

Director Moore requested an item be added to next months agenda to discuss the possibility of installing a Wi-Fi infrastructure at the Pajaro Park. Together in Pajaro held a meeting with a corporate entity regarding Wi-Fi.

**PUBLIC IN ATTENDANCE:** None

**PUBLIC COMMENTS:** None

**SCHEDULED ITEMS:** None

**Action Items**

1. Consider and approve of the Minutes from the November 19, 2019 regular Board Meeting

Motion was made by Director Wiggins and seconded by Director Lambolely to approve the regular Board Meeting Minutes of November 19, 2019. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lambolely; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

**OLD BUSINESS:** None

1. Consider and approve 2018-2019 Audit Final Draft

General Manager Don Rosa informed the Board that the District's financial condition will not be materially affected by litigation mentioned under the management's opinion.

Motion was made by Director Coplin and seconded by Director Moore to approve the 2018-2019 Audit Final Draft. Motion Carried.

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

**NEW BUSINESS:** (Action Items)

1. Review and approve of the Draft Financial Reports for November 2019

Motion made by Director Lamboley and seconded by Director Moore to approve the November 2019 Financials. Motion failed

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

2. Review and approve the December 2019 Financials

Motion made by Director Wiggins and seconded by Director Moore to approve the December 2019 Financials. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

**MONTHLY EXPENDITURES REPORT FOR REVIEW**

**APPROVAL OF WARRANTS/CHECKS:**

3. Review and approve checks

1. General Fund 633: None
2. Operating Account: Check No. 24129 through Check No. 24235 for a total of \$328,581.41
3. Reserve Account: Total of \$44,904.68
4. Street Maintenance Account: Check No. 508 through Check No. 510 for a total of \$1,527.93
5. Pajaro Park Account: Check No. 844 through Check No. 846 for a total of \$4,560.00
6. COP 2010 Account: Total of \$11,334.84
7. Debt Service Reserve Account: None

Motion was made by Director Moore, seconded by Director Lamboley to approve all accounts for the months of November and December 2019. Motion carried.



Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

4. Election of Board Officers 2020

- District Counsel to conduct the election.

Motion was made by Director Coplin, seconded by Director Wiggins to Table the election and continue next month. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

5. Review and approve motion to direct Staff to publicly advertise Emergency Standby Generators Project

- Board reviewed Request Proposal and Feasibility Study
- The project review committee will be Directors Moore and Coplin

Motion was made by Director Coplin, seconded by Director Moore to approve giving Staff direction to publicly advertise Emergency Standby Generator Project. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

6. Proposal to approve NBS Contract and direct General Manager to either sign 4/4/2019 NBS Water Rate Study Proposal for \$40,000 or send out requests for proposal for a new water rate study

- Prop 218 requires a rate study and protest election before rates may be increased, a rate study is expected to take six to seven months. The NBS rate study proposal is for \$35,000 with a \$5,000 contingency.

Motion was made by Director Moore, seconded by Director Lamboley to approve authorize General Manager to negotiate and execute a contract for up to \$40,000 as described in its April 4, 2019 rate study proposal. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; M. Moore; D. Lamboley; S. Coplin  
Noes: None  
Absent: R. Moody  
Abstain: None

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

1. The Cal OES/FEMA application for LHMP funding was submitted December 3, 2019
2. Springfield Project Preliminary Engineering Report (PER) has been submitted to State and is awaiting approval
3. Pajaro Tank Project -Projected completion date is March 25, 2020, we had a 2 month delay due to soils consolidation and rain
4. Water System Operator position is vacant, and job has been advertised.
5. District Operations Report

Pajaro Park

- District received \$2,700.00 from Together in Pajaro

Hazard Mitigation Plan

- Staff has submitted a Pre-Disaster Hazard Mitigation Plan Application for assistance to Cal OES

Pajaro Valley Views-Fair Way Subdivision

- Crews from Cal Fire Gabilan Camp cleared the Fair Way scenic easement brush the week of November 18<sup>th</sup>, 2019

SB 998

- Staff will present the Board with a draft of the SB 998 policy in February 2020

Multi Community Bottled Water Project

- 189 homes are currently receiving bottled water

6. Usage Comparison Report 2013/2019

- Water usage was down in all systems this month compared to November 2013
- Water usage was down in all systems this month compared to December 2013

7. Cayetano Park (Tot-Lot Park)

- Quitclaim Deed was signed and notarized by Carl Holm, Monterey County
- Copy of acceptance and recordation to be signed by District Board Chair. Once it is signed it will be picked up by Monterey County Staff and recorded
- Picture of the park maintenance manual and kit

**Closed Session:**

- A. Public Comments for Closed Session



No comment.

B. Conference with Legal Counsel-Existing Litigation (Government Code § 54957)

1. AWC Holdings Trust and AWC II Holdings Trust vs the County of Monterey through its Board of Supervisors et al Case No. 18CV1746, Monterey County Superior Court, filed May 11, 2018
2. Steve Pacheco, Trustee of the Salinas Land Holding Trust vs Pajaro/Sunny Mesa Community Services District et al Case No. unknown, Monterey County Superior Court, filing date unknown
3. Public Employee Performance Evaluation. Subd. (b)(1) of (§ 54957)  
⇒ Title: (General Manager)

Closed session opened at 5:35 pm.

Out of closed session at 6:25 pm.

No final action taken.

**NEXT BOARD MEETING:**

The next Board meeting is to be held on Thursday, February 27, 2020 at 5:30 pm.

There being no further business, the regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:47 pm with motion made by Director Moore, seconded by Director Lambolely. Motion Carried.

Respectfully submitted by:

\_\_\_\_\_  
Harry Wiggins, President

\_\_\_\_\_  
Michael Moore, Vice President

\_\_\_\_\_  
Judith Vazquez-Varela, Recorder





PAJARO / SUNNY MESA  
COMMUNITY SERVICES DISTRICT

# PAJARO / SUNNY MESA COMMUNITY SERVICES DISTRICT

*Technical Proposal for:*

## Water Rate Study Update

February 7, 2020

Prepared by:



[nbsgov.com](http://nbsgov.com)





870 Market Street, Suite 1223  
San Francisco, CA 94102  
Toll free: 800.676.7516

[nbsgov.com](http://nbsgov.com)

February 7, 2020

Don Rosa  
General Manager  
Pajaro / Sunny Mesa Community Services District  
136 San Juan Road  
Royal Oaks, CA 95076

**RE: Proposal to Update the Water Rate Study**

Dear Mr. Rosa,

After completing the comprehensive study for the Community Services District (District) in 2015, this study will update the water rates based on our recent discussions with you. The District is also considering updating the staffing compensation under a separate agreement with Robert DeLoach, and the results of that study will be incorporated into the updated water rates.

Our proposal is structured to fully update the critical components of the water rate analysis and review the District's underlying policies and assumptions to ensure that our recommendations meet the District's objectives.

As in the previous study, we will work closely with key District personnel and the Board in developing final recommendations and clearly communicating the analysis to the Board and District customers. The study report will also provide the administrative record necessary to comply with Proposition 218. Other key benefits include:

- 1. Dedicated Project Team:** Greg Clumpner will again oversee and direct this study as the project manager, including attending Board meetings, to ensure that the study is managed successfully from start to finish. Our proven staff of consultants will provide the technical support necessary to the success of this study.
- 2. Comprehensive Project Approach:** Due to the unpredictable rate-setting environment, we will take a fresh look at the District's water rate challenges and offer any options that might enhance the value and success of this study. Towards this end, we will: (1) conduct two meetings with the Board to discuss the overall study approach, issues, policies, and initial findings; and, (2) take a comprehensive approach to projected consumption, conservation, potential supply shortages, and long-term revenue stability. This update will also include the results of the compensation study and costs for the new standby generators.
- 3. Technically Sound Rate Study Tasks:** Based on our experience with similar agencies throughout the State and the 35 years of experience of our project manager, our proposal offers sound and implementable solutions.

Please do not hesitate to contact me at 530.297.5856 or [gclumpner@nbsgov.com](mailto:gclumpner@nbsgov.com) if you have any questions.

Sincerely,

Greg Clumpner  
Project Manager

Tim Seufert  
Managing Director

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# 1 | APPROACH TO THE PROJECT

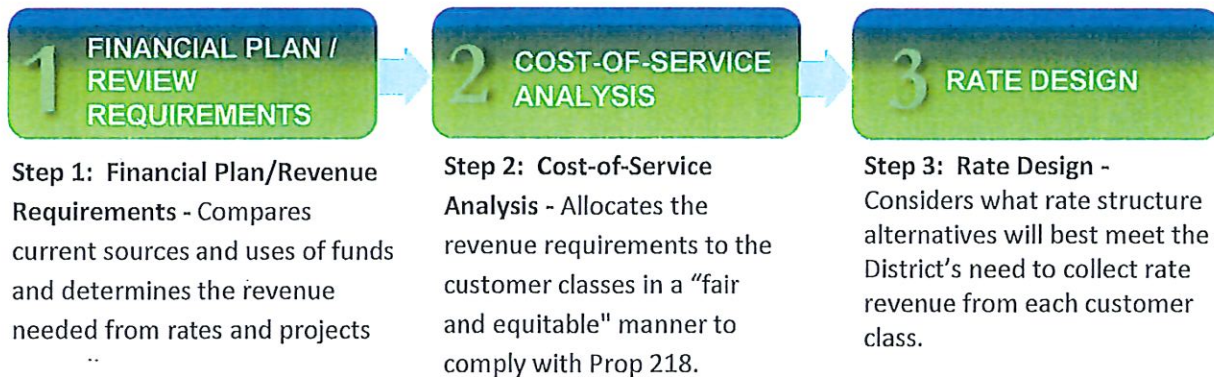
**Background and Understanding** – Prior to the 2015 rate study, the District was managed as a small, complex service area consisting of two separate water systems plus eight smaller systems. This study update will provide a comprehensive review of the current rate structure and financial management practices and comply with Prop 218 while achieving overall fairness and equity for the District’s customers. A key objective of this study will be to maintain transparency throughout the process and clearly communicate the methodology and findings.

**Key Services & Tasks** – In order to address the key challenges facing the District, NBS will provide a comprehensive review that results in practical and implementable solutions and recommendations, including the following:

- **Current Rate Structure Review** – NBS will review the current rates and discuss the sufficiency of current rate revenue; no changes will be made unless they are deemed necessary.
- **District Policies** – We will review policies related to reserve funds and other financial practices.
- **Financial Plan** – We will prepare financial/budget projections for the following:
  - Annual operating and maintenance costs
  - Capital improvement as well as repair and replacement costs
  - Rate increases necessary to maintain the District’s bond coverage ratios
- **Fairness & Equity** – We will evaluate cost allocations to ensure the fairness and equity of proposed rates
- **Rate Design Alternatives** – We will evaluate the District’s current rate design and whether any improvements are warranted. The intent will be ensuring and/or improving equity for customers and revenue stability for the District. In addition to re-evaluating how revenue collected from fixed and volumetric charges impacts revenue stability, we will also evaluate drought rates.

**Rate Study Components** – Figure 1 below summarizes the primary components of the water rate study and the overall technical approach we will use.

Figure 1. PRIMARY COMPONENTS OF A RATE STUDY





## Scope of Work

The sections below serve as the basis for the scope of work for this study.

### TASK 1 – KICK-OFF MEETING AND DATA COLLECTION

The kick-off meeting will review and discuss the data from the District’s billing and accounting systems along with the general data requirements. We would also like to discuss the District’s current rate structure and the possibility of any new rate alternatives that would be explored in this study. The data needs to include customer accounts, meter sizes, monthly consumption records for each customer, total rate revenue collected, and financial data typically reported in financial statements.

### TASK 2 – REVIEW OF CURRENT RATES & POLICIES

NBS will work with District staff to review the District’s current rate structure and related policies. We will discuss policies and practices related to basic equity and fairness, revenue stability vs. water conservation, the level of funding for capital including repair and replacement costs, particularly the new standby generators the District is planning to purchase. This approach also offers the opportunity to work closely with District staff to discuss past policy-related problems and recommend changes.

### TASK 3 – FINANCIAL PLAN AND REVENUE REQUIREMENTS

This task lays the groundwork for the cost-of-service and rate design analyses, and includes the following subtasks:

- **Project Revenues and Expenditures** – By using a cash-basis method that incorporates the District’s system of accounts, NBS will update the 20-year projection of revenues and expenses. This will identify future rate increases and help maintain appropriate reserve fund levels in light of updated budget projections.
- **Incorporate Results of the Compensation Study** – The District is separately conducting a compensation study and NBS will incorporate the results of this study as directed by District staff.
- **Evaluate Reserve Fund Sufficiency** – NBS will review existing reserve funds, target reserves, reserve fund policies, and other related issues such as debt service coverage ratios.
- **Review Capital Improvement Funding** – NBS will incorporate District-provided capital project plans and evaluate the timing, costs, and available reserves used to fund the various projects including the new standby generators. We will then work with District staff to review the approach to funding these capital needs.

### TASK 4 – COST OF SERVICE ANALYSIS

The revenue requirements are equitably allocated to individual customer classes using the same steps followed in the previous study, including the following:

- **Functionalization of Expenses** – Functionalizing the expenses means arranging costs into basic categories, such as source of supply, treatment, transmission, and distribution, as well as administrative and overhead.
- **Classification of Expenses** – Once the costs have been functionalized, they are then classified into various cost components, such as fixed capacity, variable (commodity), or customer-related costs.

- **Allocation of Costs to Customer Classes** – These costs are then allocated to individual customer classes based on allocation factors specific to each cost classification, such as those shown in Figure 2. This process results in fixed and variable revenue requirements for each customer class which are then used for the actual rate calculations.
- **Miscellaneous Fees & Charges** – NBS will base these charges on actual District costs for these services.

Figure 2. Example of Allocation Factors

Cost Classification Category	Commodity Allocation Factor	Capacity Allocation Factor	Customer Allocation Factor
<b>Allocation Factors:</b>	Water Consumption by Customer Class	Peak Water Use	Number of Accounts by Customer Class
<b>Types of Costs:</b>	Costs associated with the consumption of water over time.	Costs associated with the maximum demand required at one point in time or the maximum size of facilities required to meet this demand	Costs associated with having customers connected to the system
<b>Examples of Costs:</b>	- Variable Costs of Purchased Water - Electricity - Chemicals	- Primarily Capital Facilities - Fixed Costs of Purchased Water	- Meter Reading - Customer Billing - Customer Service

**TASK 5 – RATE DESIGN ANALYSIS**

NBS will review the current rate design and evaluate whether any adjustments are warranted to meet the District’s broader rate design goals and objectives. Any new alternatives will be compared to the current rate structure. We will also discuss the relative merits of the current rates and any adjustments deemed necessary.

**Criteria for Improving the Rate Design** – NBS will review the following:

- The impact of cost allocations to fixed and volumetric rates on revenue stability.
- Changes in peaking factors and how they are reflected in the rate design.
- Changes in meter sizes and their impact on calculating fixed charges.
- Potential “price elasticity” reductions in water use in response to rate increases.
- The impact on monthly customer billing.

The recommended rates will be used to compare customers’ monthly bills under both current and new rates. However, all rate alternatives will be “revenue neutral,” because they will all collect the same amount of revenue from each customer class (a key requirement of Prop 218).

**Evaluation of Consumption Patterns** – This evaluation identifies the amount of water consumption that occurs within each customer class. The District’s most recent water consumption data will be used for this analysis.

**Calculate Fixed and Volumetric Charges** – Fixed costs are allocated based on the number of accounts, equivalent meters, and the number and size of meters. Variable costs are allocated in proportion to consumption. Other factors considered include revenue stability, water conservation goals, ease of understanding, and ease of administration.

**Drought Water Rates** – Assuming the District is interested in drought rates, NBS will develop drought rates that reflect the financial plan and cost-of-service analysis. Based on the approach that NBS has used for



most water utilities in recent years, “drought rates” would reflect any cost reductions in variable costs due to reduced production (e.g., pumping and treatment costs) and would be applied to volumetric rates. The overall objective would be to meet adjusted revenue requirements under reduced water use scenarios and provide, or ensure, revenue stability during various drought stages.

**Rate Model** – During the study, we will update the rate model and review changes with District staff so that the impact of rates and financial plans are transparent.

#### **TASK 6 – PREPARE A WRITTEN STUDY REPORT**

NBS will prepare preliminary, draft final, and final reports. We will work with District staff to incorporate their comments<sup>1</sup> during this process.

#### **TASK 7 – MEETINGS, WORKSHOPS AND PRESENTATIONS**

NBS will plan to meet with District staff and management to assist the District in successfully adopting and implementing the recommended rates. We expect to have regular phone conversations with staff to discuss data requirements, address any questions, explain specific findings, and review initial results. We assume there will be the following meetings:

- Kick-off meeting to take place by phone with District staff.
- Two Board meetings to review the approach used in the study and discuss the results. One of these meetings would likely be to review the proposed rates prior to issuing the Prop 218 notice.
- One public hearing at the end of the 45-day noticing period to address any last questions prior to adoption of the new rates.

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<sup>1</sup> We assume District staff will provide all comments in Microsoft Word format using the track-changes mode.



## 2 | EXPERIENCE

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### NBS Firm Experience

**Helping communities fund tomorrow.** NBS was founded in 1996 by experienced finance and engineering professionals, and has worked with more than 400 public agencies to date. NBS is an independent consulting firm serving local governmental agencies, including cities, towns, counties, municipal utilities, and special purpose districts. The ultimate goal of NBS is to provide support, expertise, and solutions that allow these local agencies to focus on community needs and core services.

Our Financial Consulting Practice focuses primarily on cost recovery mechanisms and provides support for the justification of various agency revenue streams, such as:

- Rate studies for municipal water, sewer, storm drainage, and solid waste utilities.
- Financial plans for public utilities.
- System capacity and development impact fees.
- User and regulatory fees for a wide variety of local government programs and services.
- Overhead cost allocation analysis.

Services in this study will be performed in conformance with California-specific statutes and guidelines, including:

- Proposition 218, 26, and subsequent legislation and case law.
- Mitigation Fee Act (Government Code 66000 et seq., codified by "AB 1600").

**Individuals assigned to the study.** The NBS study team includes the expertise of a senior project manager (Greg Clumpner), with more than 35 years of experience working closely with water agencies on financial planning and rate design issues. More detailed descriptions of our team's qualifications are included in their resumes and outlined in the project descriptions provided below.

## Recent Relevant NBS Projects and References

### CITY OF REDDING, CA

#### WATER, SEWER AND SOLID WASTE RATE, RATE UPDATE, AND IMPACT FEE

Years as client: Six (6) years / Project Completed: 2016



#### Contact Information

Chuck Aukland,  
Public Works Director  
or Ryan Bailey, PE  
777 Cypress Ave.  
Redding, CA 96001  
P: 530.225.4170 (Chuck)  
P: 530.224.6030 (Ryan)  
E: caukland@ci.redding.ca.us  
E: rbailey@ci.redding.ca.us

#### NBS Project Team:

Greg Clumpner, Kim Boehler,  
Jordan Taylor

NBS is currently updating the extensive cost-of-service study of water, sewer, and solid waste rates originally prepared in 2013. A key part of these studies was working with a Citizens Advisory Group that reviews and provides recommendations to the City Council. Major tasks included reviewing financial/rate setting policies, preparing financial plans, revenue requirements, cost-of-service analysis, and developing alternative rate designs. NBS also updated the City's capacity fees in 2017, and is now updating the rates – the fourth study for the City since 2013 and the result of their confidence in NBS' ability to effectively conduct these studies.

#### Project dates for studies:

2013 Rate & Capacity Fee Study: March 2012 – August 2013

2016 Rate Update Study: January 2016 – November 2016

2017 Impact Fee Study: July 2017 – December 2017

2019 Rate Study Update: January 2019 – present

*“The City of Redding has been extremely happy with the rate and fee update support you and your staff have provided in the last few years. The NBS strengths we realized in Redding have been your technical understanding and tools in developing rate and fee alternatives, your commitment and ability to adapt to our local environment and related community expectations, and the positive teamwork you and your team displayed in working with my staff and our community advisory group.”*



**BRIAN CRANE**  
former public  
works director

**UTILITY RATE PROGRAM UPDATE | 2016**



**CITY OF SANTA PAULA, CA**  
**WATER AND SEWER RATE STUDY**



*Years as client: Six (6) years / Last Project Completed: 2019*

**Contact Information**  
Clete Saunier  
Public Works Director  
886 Main Street  
Santa Paula, CA 93060  
P: 805.933.8700  
E: CSaunier@spcity.org

In October 2019, NBS completed and update of cost-of-service study of water and sewer rates originally prepared in 2014. Funding for significant capital improvement projects and converting sewer rates to fixed plus volumetric charge based on average winter consumption were key elements. Several public workshops and council meetings were critical to securing a 5-0 approval by the City Council. Rates have now been approved through the Prop 218 process and adopted.

**NBS Project Team:**  
Greg Clumpner, Jordan Taylor  
and Alice Bou

Project dates for studies:  
*2014 Water and Sewer Rate Study Report: November 2014*  
*2016 Review of Rate Alternatives*  
*2019 Water and Sewer Rate Study Report: September 2019*

*“The professional team from NBS was nothing short of extraordinary. Especially Mr. Clumpner – his wealth of knowledge and expertise coupling with his ability to spring into action helped us navigate seamlessly through the entire process of the utility rate study.”*



**TAI CHAU**  
*assistant public works director*

**Water and Sewer Rate Study | 2019**



**MOUNTAIN HOUSE CSD, TRACY, CA**  
**WATER AND SEWER RATE STUDY**



*Years as client: two (2) years / Last Project Completed: 2017*

**Contact Information**

Ed Pattison  
(Former) General Manager  
(Now GM at Tuolumne Utilities District)  
230 S. Sterling Dr. Suite 100,  
Mountain House, CA 95391  
P: 209.831.5657 (MHCSD)  
P; 209.831.5656 (TUD)  
E: epattison@tudwater.com

NBS completed a comprehensive water and sewer rate study that re-designed rates for the District. Mountain House is a unique master-planned development that had in place the original rate structures prepared in the 1990's. Much of the water and sewer utility budgets have been subsidized from District general funds, but the Board determined that each utility should phase-out those subsidies over a 5-year period. Other key tasks included reviewing existing rate policies, restructuring rates, and customer bill impacts. Several public workshops were provided. NBS also prepared the District's Prop 218 notices.

**NBS Project Team:**  
Greg Clumpner

Project date for study:

*2017 Water and Wastewater Rate Study: May 2017*

*"MHCSD would like to express its sincere appreciation to NBS for stewarding the District through this exigent project. NBS provided world-class customer service, leadership, a commendable level of stoicism, and displayed a command of subject matter expertise throughout this project. The District is now on a financially sustainable trajectory that was developed through shared vision and a collaborative process in which NBS facilitated. A special thank you to Greg Clumpner and the project team. Their hard work and dedication to this project was admirable and irreplaceable."*



**EDWIN  
PATTISON**  
*former general manager  
current general manager,  
Tuolumne Utilities District*

**WATER AND SEWER COST OF SERVICE RATE STUDY | 2017**

**SAN LORENZO VALLEY WATER DISTRICT, BOULDER CREEK, CA**  
**WATER AND SEWER COST-OF-SERVICE AND RATE DESIGN STUDY**



*Years as client: two (2) years / Last Project Completed: 2017*

**Contact Information**  
Brian Lee  
(Former) District Manager  
(Now GM at San Antonio Water Company)  
13060 Highway 9  
Boulder Creek, CA 95006  
P: 909.982.4107  
E: blee@sawaterco.com

NBS prepared separate cost-of-service and rate design studies for the District’s water and sewer utilities that included several public workshops to discuss rates and connection fees. NBS also provided Proposition 218 assistance. This study evaluated, prioritized and then incorporated the District’s capital improvement plans and conducted an organizational analysis using subconsultants on our study team. The District requested, and NBS provided, a comprehensive review of rate design alternatives that best met the District’s long-range plans and were consistent with recent legal cases regarding cost-based rate design.

**NBS Project Team:**  
Greg Clumpner, Jordan Taylor

Project dates for studies:  
*2016 Water and Sewer Rate Cost-of-Service Study: November 2016*  
*2017 Water and Sewer Rate Design: June 2017*

*“He (Greg) met with the committees and presented his findings in clear, understandable graphs and tables. He worked with staff to fine tune the information for presentation to the Board and community. Greg’s knowledge and expertise helped the process immensely. Please contact me if you have any questions.”*



**BRIAN LEE**  
*former general manager*

**WATER AND SEWER COST OF SERVICE AND RATE STUDIES | 2017**



*Excerpt from the recent*

**MARIN COUNTY GRAND JURY REPORT ON SEWER SYSTEMS:**

**Summary:** The Grand Jury conducted a survey of all wastewater agencies in Marin (except the park services), with the intention of shedding light on the operational, financial and governance aspects of these agencies. [They] also inquired about [the agencies'] experiences cooperating with each other and their views on consolidation.

**City of Sausalito Rate Study:** The City of Sausalito completed a Rate Study (February 27, 2014 [conducted by NBS]) and adopted a resolution in March 2014 whereby their rates will be increased over a 5-year period and a volumetric charge, based on annualized winter water consumption, will be incorporated into the base rate. The approach taken by this study could be considered by other agencies looking at rate increases and how to incorporate a usage element.

**Grand Jury Findings:** The City of Sausalito's Rate Study (February 27, 2014 [conducted by NBS]), presents a combination of fixed and variable fees to meet capital improvement projects and create greater equity among ratepayers.

**Grand Jury Recommendations:** The City of Sausalito share its rate study dated February 27, 2014, with all the collection agencies in Marin County.

**Full report:** <http://www.marincounty.org/depts/gj/reports-and-responses/reports-responses/2013-14/~media/Files/Departments/GJ/Reports%20Responses/2013/SewerScoop1.pdf>

### 3 | QUALIFICATIONS

In addition to having the expertise for resolving complex issues, our rate study team works cohesively and efficiently with our clients. We have demonstrated the ability to successfully complete similar studies such as the one requested by the District. Besides treating our clients as partners, we work to develop an intimate knowledge of their needs in order to respond with strategic and timely solutions. The NBS Project Team has an in-depth understanding of all changes to laws, codes, and regulations affecting the District, including Proposition 218. As recognized leaders in their field, our team members are often asked to teach continuing education courses and assist distressed agencies. The functional relationships of our proposed project team are detailed as follows:

#### NBS Project Team Organization



The NBS project team offers several key attributes that we believe will be critical to the success of this project:

- **Senior Project Manager** – Greg Clumpner is an experienced project manager with over 35 years of experience in complicated rate design projects and cost-of-service analyses. His management consulting experience provides good “big-picture” skills, along with extensive experience in public workshops and hearings.
- **Proven Consulting Staff** – Kim Boehler has 10 years at NBS and has completed more than 100 similar, complex rate studies over the last 8 years. Both Alice Bou and Jordan Taylor bring 6-10 years of related financial experience to this study. They will provide excellent support on technical tasks.

*Resumes for our project team are in the Appendix.*



## 4 | STUDY BUDGET

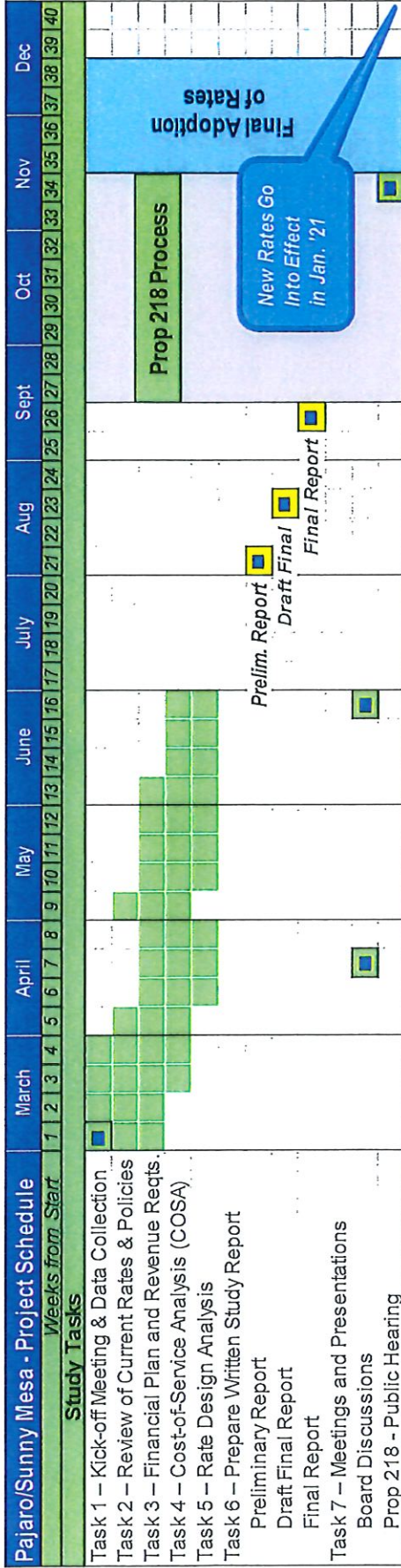
Our detailed project budget is shown below. Our professional fees are based on our understanding of the District’s needs and the effort we believe is necessary to complete the scope of services/task plan described. Additionally, out-of-scope work will be provided at the labor rates shown in the table below.

PROJECT BUDGET - Pajaro-Sunny Mesa Water District, Update of the Water Rate Study					
Rate Study Tasks	Consultant Labor (Hours)			Grand Totals	
	Project Manager (Clumpner)	Assistant PM (Boehler)	Consultants (Bou/Taylor)	Consultant Labor (Hrs.)	Consultant Costs (\$)
<i>Hourly Rate</i>	<b>\$250</b>	<b>\$205</b>	<b>\$170</b>		
Task 1 – Kick-off Meeting & Data Collection	2.0		10.0	12.0	\$2,200
Task 2 – Review of Current Rates & Policies	6.0		-	6.0	\$1,500
Task 3 – Financial Plan and Revenue Reqts.	6.0	-	20.0	26.0	\$4,900
Task 4 – Cost-of-Service Analysis (COSA)	12.0	2.0	30.0	44.0	\$8,510
Task 5 – Rate Design Analysis	8.0		18.0	26.0	\$5,060
Task 6 – Prepare Written Study Report	12.0	2.0	8.0	22.0	\$4,770
Task 7 – Meetings and Presentations	26.0	-	4.0	30.0	\$7,180
Contingency <sup>1</sup>	-	-	-	-	\$5,000
<b>Task Totals</b>	<b>72.0</b>	<b>4.0</b>	<b>90.0</b>	<b>166.0</b>	<b>\$39,120</b>
Reimbursable Expenses <sup>2</sup>					\$880
<b>GRAND TOTAL NOT TO EXCEED</b>	<b>72.0</b>	<b>4.0</b>	<b>90.0</b>	<b>166.0</b>	<b>\$40,000</b>

1. Will be used as needed for additional data collection, evaluation of additional alternatives, or other unbudgeted hours.
2. Includes travel costs to meetings. Billed as direct expenses (no mark-up).

# 5 | SCHEDULE

The following is an overview of the preliminary study schedule. We will plan to discuss a more detailed schedule at the kick-off meeting along with the expected timing for individual task completions.



- Active task work.
- Draft and Final Reports
- Meeting or Presentation (estimated, to be scheduled as needed)



## APPENDIX

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This appendix contains full resumes for our proposed project team.

## GREG CLUMPNER

### Project Manager



#### RESUME HIGHLIGHTS

- More than 35 years of experience in financial and economic analyses
- Consulting practice focuses on municipal water, sewer, and recycled water utilities
- Completion of 400+ rate studies in California

#### EDUCATION

- Master of Science, Agricultural/Managerial Economics, U.C. Davis
- Bachelor of Science, Environmental Planning, U.C. Davis

#### PROFESSIONAL AFFILIATIONS

- Former Vice-Chair, City of Davis Utility Rate Advisory Committee
- Former Chairman, City of Davis Planning Commission
- Past President, Sacramento Economics Roundtable

#### RECENT ARTICLES AND SPEAKING ENGAGEMENTS

- “Tiered Water Rates – Understanding Their Equity and Impact on Customer Bills” – Journal of AWWA, September 2019, Volume 111, Number 9.
- “Avoiding Billing Debacles Around New Water or Sewer Rates” – Journal of AWWA, March 2019, Volume 111, Number 3.
- “Changing Perspectives on Outside Surcharges: Understanding New Criteria” – Journal of AWWA, January 2019, Volume 111, Number 1.
- “Social Justice and Water Rates: Impacts of Rate Design on Low-Income Customers” – Journal of AWWA, July 2018, Volume 110, Number 7.
- “Embedded Social Justice: Are Utility Rates Really ‘Fair & Equitable’?” – League of Cities, Municipal Finance Institute Conference, December 13, 2017
- “Setting the Stage for Water Rates: Policy Direction Should Be A Priority”, CSMFO Magazine, Nov. 2016
- “Fiscal Health vs. Pricing for Conservation” – ACWA Fall Conf., Indian Wells, CA, Dec. 2015
- “What’s in Your Rates? Drought? Recycled Water? Social Justice?” – AWWA/ACE 2015 National Conference, Anaheim, CA, June 2015
- “Water Rates: Fairness, Equity and ‘Social Justice’?”, NBS Primer, 2014
- “The ‘Perfect Storm’ or the ‘New Normal’? Meeting the Challenges of Maintaining Financial Viability”, Utility Management Conference, Miami, February 2012

*“MHCS D would like to express its sincere appreciation to NBS for stewarding the District through this exigent project. NBS provided world-class customer service, leadership, a commendable level of stoicism, and displayed a command of subject matter expertise throughout this project.”*

**MOUNTAIN HOUSE CSD**  
Edwin Pattison  
GENERAL MANAGER

#### BIOGRAPHY

Greg Clumpner’s 35-year professional career has focused on financial, economic, and cost-of-service rate analyses for municipal water, sewer, recycled water and solid waste agencies. He regularly presents technical papers at industry conferences and client workshops. His practice has increasingly focused on management consulting related to municipal utility operations and capital improvements.

- **Utility Cost-of-Service Rate Studies:** Greg has prepared more than 400 multi-year financial plans, cost-of-service analyses, and rate design studies as well as conservation-oriented water rates, funding analysis for water, sewer, and solid waste utilities. These rate studies have primarily been for California clients, although he has also completed projects in Malaysia, Sri Lanka, Egypt, and Mexico.
- **Management Consulting & Strategic Planning:** His management consulting and strategic planning experience includes system operations, financial analyses, and long-term funding strategies for



municipal agencies. Greg also has an extensive background in system valuations of capital facilities and systems, facility acquisitions, and municipal versus private operations.

- **Project Financing/Bond Feasibility Studies:** Greg's financing/bond feasibility study experience includes successfully preparing bond feasibility reports resulting in the issuance of more than \$500 million in revenue bonds to finance the acquisition or construction of municipal facilities.

## SAMPLE OF RELEVANT PROJECTS

**City of Redding, CA – Water, Sewer, and Solid Waste Rate and Impact Fee Study.** NBS completed an extensive and highly visible cost-of-service study of water, sewer, and solid waste rates and system capacity charges in 2013 addressing City policies and overall objectives in developing rate structure alternatives. A key part of this study was working with a City Council-appointed Citizens Advisory Group that reviewed rate alternatives and provided recommendations to the Council. Key tasks included preparing financial/rate setting policies, financial plans, projecting net revenue requirements, cost-of-service analyses, and alternative rate designs. NBS updated this study in 2016. *Client project manager: Chuck Aukland, Director of Public Works. Phone: 530.225.4170 caukland@ci.redding.ca.us*

**Mountain House CSD, Tracy, CA – Water & Sewer Cost-of-Service Rate Study.** NBS recently completed a comprehensive water and sewer rate study that re-designed rates for the District. Mountain House is a unique master-planned development that had in place the original rate structures prepared in the 1990's. Much of the water and sewer utility budgets have been subsidized from District general funds, but the Board determined that each utility should phase-out those subsidies over a 5-year period. Other key tasks included reviewing existing rate policies, restructuring rates, and customer bill impacts. Several public workshops were provided. NBS also prepared the District's Prop 218 notices. *Client project manager: Ed Pattison, Former General Manager; Current GM of Tuolumne Utilities District. Phone: 209.532.5536 | epattison@tudwater.com*

**Los Angeles Department of Water & Power (LADWP), CA – Specialized Studies.** As a part of the 2018-19 interim rate review for LADWP under contract with Navigant Consultants, Greg prepared evaluations of: (1) Analysis of Demand Forecasting Methodologies – How LADWP could improve their use for financial planning and rate-setting purposes; (2) Review of Temperature Zones and Water Rate Impacts – Whether climate-change adjustments to temperature zone boundaries would change customer water budgets, and; (3) Stormwater Benefit Cost Analysis – Reviewed the B-C methodology and whether a project is "feasible". *Client contact: Kristina Stanford, Navigant. 219.210.0435*

**City of Yuba City, CA – Water and Sewer Rate Study.** NBS completed a Water and Wastewater Rate Study for the City of Yuba City in 2016 and is currently preparing a comprehensive update. The main concerns addressed in this study include meeting long-term revenue requirements, encouraging water conservation related to potential future supply constraints, and providing adequate funding for capital improvements. A key part of this Study was working closely with City staff to balance the financial stability with long-term capital improvement needs for the water and wastewater utilities. Study tasks included preparing a number of financial plan alternatives, projecting net revenue requirements, developing reserve fund policies, cost-of-service analyses, and alternative rate designs including water conservation rates. *Client contact: Diana Langley, Public Works Director. Phone: 530.822.4626 | dlangley@yubacity.net*

**Valley of the Moon Water District, Sonoma, CA – Water Rate Study.** This comprehensive rate study evaluated the District's rate structure along with zonal elevation charges. Water consumption data and billing records provided the basis for developing rate and cost allocation alternatives, with the intent of improving revenue stability. *Client contact: Dan Muelrath, General Manager (now GM at Diablo Water District). Phone: 925.625.6159 | dmuelrath@diablowater.org*

**City of Pasadena, Expert Witness Testimony** – related to litigation against the City of Pasadena by its outside water customers that has been ongoing for several years, NBS has prepared an analysis of outside surcharges for the purpose of defending the City against this challenge.



## KIM BOEHLER

### Project Manager



#### RESUME HIGHLIGHTS

- More than 13 years of experience
- 100+ cities, counties, and special districts served
- Specialist in financial, rate and cost analysis for municipal water and sewer utilities
- American Water Works Association (AWWA), Member

#### EDUCATION

- Bachelor of Science, Business Administration and concentration in Finance, California State University, San Bernardino

#### SPEAKING ENGAGEMENTS

- “Embedded Social Justice: Are Utility Rates Really Fair and Equitable?” California League of Cities, Municipal Finance Institute, December 2017
- “How Conservation, the Drought and Legal Issues Are Changing the Landscape for Rate Setting in California,” American Water Works Association Water Education Seminar, August 2016
- “Conservation, the Drought and Social Justice,” California Water Environment Association Annual Conference, April 2016
- “Brown Lawns and the Changing Landscape of California Water Rates: Next Steps?” AWWA CA-NV Section Spring Conference, March 2016
- “Water and Sewer Rates: from Defensibility to Tailor Made Rate Design,” CSDA Annual Conference, September 2015
- “Basic Rate Making Principles and Key Issues Affecting Rates in California,” American Water Works Association Water Education Seminar, August 2015
- “Recycled Water Pricing Methodologies,” CWEA, May 2014 (co-presented with Greg Clumpner)
- “Drought Impacts and Recycled Water Pricing” and “Water and Sewer Rate Studies and Key Issues Affecting Rates in California,” American Water Works Association Water Education Seminar, August 2014
- “Water and Sewer Rate Studies and Key Issues Affecting Rates in California,” American Water Works Association Water Education Seminar, August 2013
- “Financial Viability and the “New Normal” – The Unique Challenges of California Sewer Agencies” and “Maintaining Financial Viability in the Face of the “Perfect Storm” – Meeting the Challenges in California Today,” CWEA, April 2012

*“Your expertise, professionalism, insight and thoroughness places you and NBS in the highest regard with the Board of Directors and Management Staff of the Desert Water Agency... you hit a grand slam for us.”*

**DESERT WATER AGENCY**  
**MARTIN KRIEGER, FORMER**  
**FINANCE DIRECTOR**  
*Sewer and Water Rate Studies*

#### BIOGRAPHY

Kim Boehler is a Director in our Utility Rate Group, she brings more than 13 years of experience at NBS in all three of our major consulting practice areas. She has a comprehensive understanding of agency funding needs through her work in special financing district administration, overhead cost allocation analysis, user fee studies and utility financial management. For the past nine years, her work has focused exclusively on financial planning, cost-of-service analyses and rate design for water and wastewater utilities in California. Kim leads project teams on water and wastewater rate and capacity fee studies for our public agency clients. She has completed 150+ utility rate and fee studies, and often speaks at public workshops, industry conferences and educational seminars on related issues.



## RELEVANT PROJECT EXPERIENCE

- Arvin Community Services District, *Water Rate Study*
- City of Arvin, *Sewer Rate Study*
- Avila Beach Community Services District, *Water and Sewer Rate and Connection Fee Study*
- Azusa Light and Water, *Water Rate Study*
- Bellflower Mutual Water Company, *Water Rate Study*
- Calaveras County Water District, *Water and Sewer Rate Study*
- Citrus Heights Water District, *Water Rate Study*
- City of Colton, *Water Rate and Connection Fee Study*
- City of Colton and Grand Terrace, *Sewer Rate Study*
- Cucamonga Valley Water District, *Water and Recycled Water Connection Fee Study*
- Cucamonga Valley Water District, *Water Rate Study*
- Culver City, *Sewer Rate Study*
- Desert Water Agency, *Water, Sewer and Recycled Water Rate Study*
- Desert Water Agency, *Water Rate Analysis to Address Tribal/Non-Tribal Rates*
- Dixon-Solano Water Authority, *Water Rate Study*
- East Valley Water District, *Water and Sewer Financial Plans*
- City of Fort Bragg, *Water, Sewer and Storm Drain Rate Study*
- City of Greenfield, *Water and Sewer Utility Revenue Requirement Analysis*
- Hidden Valley Lakes Community Services District, *Water and Sewer Rate Study*
- City of Livermore, *Water Rate and Connection Fee Study*
- City of Long Beach, *Stormwater Funding Analysis*
- City of Los Altos, *Storm Drain Master Plan Financing Analysis*
- City of Morgan Hill, *Water and Sewer Rate Study*
- City of Pasadena, *Water Rate Study*
- City of Redding, *Water, Sewer and Solid Waste Rate Study and Connection Fee Analysis*
- Rural North Vacaville Water District, *Water Rate Study*
- City of San Carlos, *Sewer Revenue Requirement Analysis*
- City of Santa Paula, *Water and Sewer Rate Study*
- San Mateo County, *Sewer Rate Study*
- City of Sausalito, *Sewer Rate Study*
- City of Solvang, *Water and Sewer Rate and Connection Fee Study*
- City of Seal Beach, *Water and Sewer Rate Study*
- City of Stanton, *Sewer Rate Study*
- Suisun-Solano Water Authority, *Water Rate Study*
- Sussex County, Delaware, *Water, Sewer Rate and Capacity Fee Study and Oversizing Credit Analysis*
- City of Taft, *Sewer and Solid Waste Rate Study*
- City of Thousand Oaks, *Water and Sewer Rate Study*
- Twenty-nine Palms Water District, *Water Rate Study*
- City of Vallejo, *Water Rate and Connection Fee Study*
- Victorville Water District, *Water Rate Study*
- City of Waterford, *Water and Sewer Rate and Connection Fee Study*
- West County Sewer District, *Sewer Rate and Connection Fee Study*

## JORDAN TAYLOR

### Utility Rate Consultant



#### RESUME HIGHLIGHTS

- Ten years of accounting experience for large and small businesses.
- Extensive experience in large-scale data analysis, budget management, and financial planning.

#### EDUCATION

- Master of Business Administration with an emphasis in Finance, University of Redlands, Redlands, California
- Bachelor of Science in Chemistry, University of Utah, Salt Lake City, Utah

#### BIOGRAPHY

Jordan Taylor is a Consultant at NBS in our Utility Rate Practice. She offers over ten years of experience in accounting, budget planning and system auditing. Jordan graduated with high honors in her Master's program and spent most of her time in the program focusing on large scale financial analysis and data management.

Jordan provides support to project teams completing water and sewer utility rate studies, for cities and special districts in California. Jordan performs various financial analyses, data management, and utility customer data analysis for utility rate and capacity fee studies. Jordan's diverse knowledge of managerial accounting is essential to the work performed by NBS.

#### RECENT PROJECT EXPERIENCE

- Costa Mesa Sanitary District, *Solid Waste Rate Study*
- Hidden Valley Lakes Community Services District, *Water & Sewer Rate and Capacity Fee Study*
- Idyllwild Water District, *Water and Sewer Rate Study*
- Ironhouse Sanitary District, *Sewer Rate and Capacity Fee Study*
- City of Lincoln, *Sewer and Solid Waste Rate Study*
- City of McFarland, *Water and Sewer Rate Study*
- City of Morgan Hill, *Sewer Rate Study*
- City of Sacramento, *Development Impact Fee Study*
- City of Santa Ana, *Prop. 218 Fees and Charges Compliance Assessment*
- City of Santa Monica, *Water and Sewer Rate and Capital Facility Fee Study*
- City of Seal Beach, *Water and Sewer Rate Study*
- City of Yuba City, *Water and Sewer Rate Study Update*



## ALICE BOU

### Utility Rate Consultant



#### RESUME HIGHLIGHTS

- Two decades of financial, accounting and risk management experience
- Extensive experience in financial reporting, risk management analysis, budget management and development of accounting policies and procedures
- In-depth experience as a finance manager, consultant and controller in private industry
- Supports project teams completing public utility rate and fee studies in performing large-scale data analysis, financial modeling and rate analysis

#### EDUCATION

- Bachelor of Arts in Literature, University of California at San Diego, La Jolla

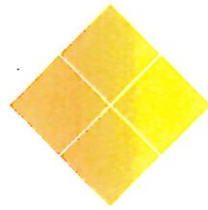
#### BIOGRAPHY

Alice Bou serves as a Consultant in our Utility Rate and Fee Practice. She is an accomplished finance professional with proven success in the oversight of management accounting and business analysis. Alice has two decades of experience working in accounting and financial management, performing data analysis, variance analysis, budgeting and forecasting, financial modeling and managerial reporting. She also has developed detailed procedures and systems documentation with a focus on productivity and data integrity and functionality. Alice's diverse and vast experience is essential to the work performed by NBS.

As a member of the NBS team, Alice assists in the preparation of financial plans, cost of service, rate, and fee design analysis for our public utility clients. She reviews financial statements, budgets, capital improvement plans, operational data and customer billing information for use in public utility rate and fee studies. Alice adds value to our team with her exceptional strategic financial planning and analytical skills.

#### RECENT PROJECT EXPERIENCE

- City of Davis, *Sewer Rate and Capacity Fee Study*
- Ironhouse Sanitary District, *Sewer Rate and Capacity Fee Study*
- City of Redding, *Water, Sewer and Solid Waste Rate Study*
- City of Santa Monica, *Water and Sewer Rate and Capital Facility Fee Study*
- City of Santa Paula, *Water and Sewer Rate and Capacity Fee Study*
- City of Sausalito, *Sewer Rate Study and Stormwater Funding*



**DELOACH**  
— & ASSOCIATES, INC —

February 11, 2020

Proposal to Conduct a Review of  
the Current Employee  
Compensation Plan

Submitted by:

**DELOACH & Associates, Inc.**

Robert A. DELOACH & Associates, Inc.  
President

[Robertadeloach1@gmail.com](mailto:Robertadeloach1@gmail.com)

(w) 909-758-0273

(c) 951-206-5886



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February 11, 2020

Mr. Don Rosa  
General Manager  
Pajaro / Sunny Mesa Community Services District  
136 San Juan Road  
Royal Oaks, CA. 95076

**SUBJECT: PROPOSAL TO CONDUCT A REVIEW AND UPDATE OF THE CURRENT EMPLOYEE  
COMPENSATION PLAN**

Dear Mr. Rosa;

DELOACH & Associates, Inc. ("Consultant") is pleased to submit our proposal to conduct a review and update of the current compensation plan for the Pajaro / Sunny Mesa Community Services District ("District"). The District is proposing to undertake this effort in order to evaluate and update their current employee compensation plan.

Our firm is uniquely qualified to provide value to your organization based on our extensive experience working with water and wastewater agencies throughout California. Additionally, our firm was selected in 2015 by the District to conduct an Organizational Performance and Staffing Assessment, which also included a review of the compensation plan in place at that time. Our extensive experience working with assignments similar to this project has allowed us to observe a number of complex challenges that will potentially impact current and future operations including employee compensation and performance qualifications.

Our proposal is structured to fully evaluate each component of a comprehensive employee compensation plan including the underlying policies and assumptions of compensation levels within your geographic region. By doing so we can develop recommendations that would best meet the District's needs. A compensation plan that balance's the needs for employee wages and benefits within the community and region has proven to be a valuable tool in the hiring, training and retention of qualified staff.



Thank you for considering our proposal. We look forward to discussing in greater detail our approach and any unique issues or characteristics of the District that will need to be taken into consideration as part of this review. Please do not hesitate to contact us if you need additional information.

Sincerely;

*Robert A. DeLoach*

President

**DELOACH & Associates, Inc.**

8780 19<sup>th</sup> Street, #402

Rancho Cucamonga, CA. 91701

**KEY PERSONNEL**

We have a dedicated team of professionals that will be committed to this Compensation Plan Review project. Each member of our team has worked on a number of compensation and classification projects and are experienced with the wide array of public sector organizational structures, compensation structures, classification plans, as well as the challenges and issues that arise when conducting studies such as this one for the Pajaro / Sunny Mesa Community Services District.

**Robert A. DeLoach**

Project Director

Mr. DeLoach is President and founder of DELOACH & Associates, Inc., a full-service management consulting practice focused on public and private sector utility management.

After completing his education at the California State University, Pomona, in 1975, Mr. DeLoach successfully owned and operated a landscape and irrigation construction and management company. He transitioned to the public sector in 1983 as the Director of Public Works and Engineering for the City of Azusa, CA., and then with the City of Pomona, CA. in 1990, where he managed all aspects of municipal engineering and maintenance management including water, wastewater and storm water operations. In 1997, he became the General Manager and CEO for the Cucamonga Valley Water District and President of Fontana Union Water Company, a California Mutual Water Company. A vision to develop his consulting practice was driven by the need for focused utility management experience in the consulting arena. In 2010 he established his consulting practice, DELOACH & Associates, Inc., and has successfully worked with public and private water and waste water agencies throughout California and Arizona.

Mr. DeLoach will serve as the Project Director for the Compensation Plan Review project and will coordinate the firm's efforts and will be responsible for all work product and deliverables.

**JoLynne Russo-Pereyra**

Technical Coordinator/Survey Analytics

Ms. Pereyra will serve as Technical Coordinator for this project and will be responsible for survey analytics, technical report writing and graphics development of the final work product. Ms. Pereyra has over 25 years of municipal experience serving in various capacities for both special district and city government. She obtained her Bachelors degree in Political Science from the University of California and her MBA from Columbia University in New York.

**Beth Barry**



**Administrative Coordinator**

Mrs. Barry has worked with our firm since 2014 and will serve as Administrative Coordinator for this project and responsible for administrative support and coordination of all aspects of this project. Mrs. Barry will serve as the primary client liaison with the District and will be continuously available to District staff as needed. Since joining our team, Mrs. Barry has worked on a number of classification, compensation and organizational assessment projects for cities, counties and special districts.

**PROPOSED SCOPE OF WORK**

The Pajaro / Sunny Mesa Community Services District is seeking a review of their compensation plan for existing employee position classifications. Based on the results of the review the District's Board of Directors and staff will be in a position to evaluate proposed recommendations and update their current plan as needed. Our approach to this project also includes a review of the existing position classifications to ensure that the position descriptions align with current and anticipated duties and responsibilities.

Providing a review of the current compensation plan will provide the District with an assessment of their competitive position in the labor market and assist with making sound financial and operational decisions consistent with the organizations compensation philosophy. The information will be valuable in evaluating the District's ability to attract and retain qualified employees to ensure a competent and motivated workforce. Our proposed approach to conducting the compensation review will include the following three components:

1. Direct wage (salary) compensation survey and review
2. Wages (salary) and benefits (Total Compensation) survey and review
3. Classification and position description review

A separate fee for each component is included in our Fee Proposal. This approach will provide the District with the option of selecting all or individual components of the proposed scope of work. Our proposed approach to conducting the compensation review includes the following tasks:

**Task 1 – Kick-off meeting and data collection**

The objective of Task 1 is for the District and Consultant to review the project scope of work, deliverables and schedule.

- Conduct orientation meeting, review project scope of work, schedule and consultants work plan.

- Obtain and conduct initial review of relevant supporting documentation including the existing employee compensation schedule, employee job descriptions and the most current organizational chart.
- Review approved list of comparable agencies identified in Exhibit A - Regional Labor Market, of our proposal to be used as part of the compensation benchmarking effort.
- Review survey and benchmarking methodology and components to be used in the compensation review. Consultant to provide sample survey instruments for the District's review and approval.
- Review Position Description Questionnaire ("PDQ") and means of disseminating and collecting completed PDQ's.

#### **Task 2 – Assessment of current compensation philosophy**

The objective of Task 2 is to understand the functionality of the current compensation plan and issues impacting employee attraction and retention within the current labor market.

- Analyze compensation trends over the past 10 years.
- Identify issues and constraints within the current plan to include salary compaction, overlap and the District's competitive position of 'lead, match or lag' within the current labor market.
- Identify position classifications to serve as labor market benchmark positions and their internal relationships.
- Review employee recruitment and retention issues related to the current compensation plan.

#### **Task 3 – Conduct employee position classification review**

The objective of Task 3 is to provide the District with recommendations for modifying current employee position classifications.

- Review Position Description Questionnaire (PDQ) with District General Manager and employees and instructions for completing the PDQ.
- Review completed PDQ's with the General Manager.
- Conduct a 'Job Match' survey to determine if position classifications appropriately align with current position responsibilities and qualifications.
- Analyze position classifications for internal equity and external competitiveness.
- Provide recommendations for modifying or amending position classifications.

#### **Task 4 – Conduct salary and benefits comparison survey**

The objective of Task 4 is to provide the District with a comparative benchmark survey of its current salary and benefit plan within the current labor market.

- Collect wage and benefit data from agencies identified in the Regional Labor Market for the current fiscal year.
- Conduct follow-up discussions with survey agencies as necessary to clarify data and supporting information.
- Identify emerging trends in employee compensation.
- Prepare a summary report of employee compensation indicating the District's current position in relation to the labor market average for each position classification.



**Task 5 – Preparation of a Compensation and Classification Review report.**

The objective of Task 5 to prepare the final Compensation and Classification Review report incorporating the findings, benchmark survey data and proposed recommendations.

- Present the final Compensation and Classification Review report to the District.

**Relevant Project Experience**

DELOACH and Associates, Inc. has completed classification and/or compensation studies for the following agencies:

Pajaro/ Sunny Mesa Community services District  
San Lorenzo Valley Water District  
Mission Springs Water District  
Indio Water Authority  
Valley Center Municipal Water District  
Scotts Valley Water District  
Elsinore Valley Water District  
Association of California Water Agencies  
Sonoma County Water Agency  
City of Pomona Water and Waste Water Department  
Victor Valley Wastewater Reclamation Authority  
Placer County Water Agency  
Crescenta Valley Water District  
City of Pasadena Water Department  
Riverside Local Agency Formation Commission (LAFCO)

**PROJECT SCHEDULE**

Consultant will commit the resources necessary to complete the Review of the Employee Compensation Plan in manner consistent with the needs of the District. Tasks identified in our proposed Scope of Work may be undertaken concurrently. Our proposed schedule anticipates a March 202 issuance of a "Notice to Proceed" with the project. (The actual start date may be adjusted to accommodate the needs of the District.)

Task	March	April	May
Task 1			
Task 2			
Task 3			
Task 4			
Task 5			

**Notes to Proposed Project Schedule:**

1. The anticipated start date of March 2020 is subject to approval of the District and may change to reflect the needs of the District.
2. Data collection for classification and compensation benchmark survey (Tasks 3 and 4) is dependent on survey agency responsiveness and may impact the project schedule if delayed.
3. Based on scheduling needs of the District, Consultant will be available to present the final report to the Board of Directors and staff beyond the projected completion date.

**FEE PROPOSAL**

We are submitting our fee proposal to conduct the Review of the Current Employee Compensation Plan for the Pajaro / Sunny Mesa Community Services District. The total fee based on the proposed scope of work outline in our proposal is **\$7,725.00**. The total fee consists of the following components:

1. Direct wages/salary (no benefits)	\$5,355.00
2. Total Compensation (wages and benefits)	\$1,320.00
3. Classification review	<u>\$1,050.00</u>
	<b>\$7,725.00</b>

**Notes to Fee Proposal:**

1. Fee proposal represents a total fee inclusive of anticipated expenses unless approved by the District in advance.
2. Both the District and Consultant shall negotiate additional work requested of Consultant. Consultant 2020 Fee Schedule is attached as Exhibit B.
3. Consultant shall provide the District with a detailed fee schedule for individual tasks if requested.



4. Consultant shall invoice District monthly through project completion. Invoices shall cover all work including any approved expenses for the month invoiced.

**RECOMMENDED LABOR MARKET**

For a classification and compensation review consistent with the scope of work proposed we are recommending that a maximum of 8 agencies be selected and included in our survey and benchmarking efforts. We would recommend selection from the following agencies:

Castroville Water District  
Aromas Water District  
San Benito Water District  
Sunnyslope County Water District  
Soquel Creek Water District  
San Lorenzo Valley Water District  
Scotts Valley Water District  
Marina Coast Water District  
Pajaro Valley Water management Agency

EXHIBIT B



**2020 DELOACH & ASSOCIATES, INC. FEE SCHEDULE**

Project Director	\$225.00/hour
Senior Consultant	\$140.00/hour
Technical Coordinator	\$90.00/hour
Administrative Coordinator	\$55.00/hour
Word processing	\$50.00/hour
Travel time (auto)	\$125.00/hour
Printing and binding	At cost
Postage and mailing	At cost
Airfare and car rental	At cost

## FINANCIAL NOTES - January 2020

Account No:	Account Name:	Increase / Decrease	Description
<b>Income:</b>			
4001-4015	Total Income	-	Seasonal usage; drop in usage due to winter weather
<b>Expenses: Indirect</b>			
5000	Salaries & Wages	+	Increase due to year end payouts
5005	Payroll Tax Expense	+	Beginning of year
5255	Interest Expense	+	Pajaro Tank Project loan interest payment
<b>Expenses: Direct</b>			
5265	Engineering Expenses	+	Emergency Generator Project engineering fees
<b>Other Income:</b>			
4110	Hydrant Sales	+	High water usage for temporary hydrant meters



February 20, 2020

## Balance Sheet

Accrual Basis

As of January 31, 2020

	Jan 31, 20
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1001 · SCCB - Operating Account	94,523.04
1002 · SCCB Reserve Account	201,003.80
1003 · SCCB - Sick Leave Account	14,451.84
1004 · SCCB - Street Maint Acct	174,229.07
1006 · SCCB-GF 633	29,573.34
1007 · SCCB - Debt Service Reserve	104,747.21
1032 · SCCB-COP Acct (aka Const. Acct)	125,169.17
1036 · PSM Pajaro Park Acct	99,372.09
1050 · Cash in County Treasury - DS	57,395.99
1051 · Cash in County Treasury - GF	319,716.32
1066 · Union Bank Vega 2303	148,912.58
1068 · Union Bank Vega 2301	141.21
1069 · Union Bank Vega-2302	10,494.38
1095 · Union Bank Wtr Bond-Res 2204	148,419.61
2201 · Union Bank-2015 Wtr Rfd Bd 2201	253.86
Total Checking/Savings	1,528,403.51
Accounts Receivable	
1110 · Invoice Accounts Recv	3,355.00
1231 · Grants Receivable-A/R	724,427.77
Total Accounts Receivable	727,782.77
Other Current Assets	
1080 · Petty Cash	400.00
1100 · Water Customer Accounts Recv	169,491.82
1101 · Allowance for Doubtful Accounts	-8,990.09
1115 · Prepaid Expenses	507.31
1153 · Receivable from Monterey County	860.00
1251 · Assess. Rec. - Lighting	949.14
1252 · Assessments Rec. - Street Maint	6,255.76
1253 · Assessments Rec. - Water bond	300,206.00
1253.1 · Assess Rec - Water Bond - Count	116.43
1254 · Advanced Pay - Spec. Asses - WB	-16,561.65
Total Other Current Assets	453,234.72
Total Current Assets	2,709,421.00
Fixed Assets	
1084 · CIP-Springfield/Struve	18,967.36
1500 · Land	139,676.30
1510 · Land Improve (Non-office)	253,942.67
1520 · Land Improve (Office)	66,721.46
1521 · A/D - Land Impr (Off)	-44,861.40
1522 · Land - Parks	248,000.00
1530 · Wells	162,488.25
1540 · Pumping Plant Bldg	191,044.92
1541 · A/D - Pumping Plant Bldg	-191,045.00
1550 · District Office Building	134,443.43
1551 · A/D - District Office Building	-123,428.73
1555 · Office Equipment/Furniture	44,041.05
1556 · A/D - Office Equip/Furniture	-43,293.90
1557 · Equipment - Lighting	8,980.18
1559 · A/D - Lighting and Parks	-8,980.18
1560 · Electric Power to Sheds	2,598.59
1561 · A/D - Electric Power to Sheds	-2,599.00
1570 · Equipment - Pumping Plant	506,239.21
1571 · A/D - Equipment - Pumping Plant	-453,386.87
1580 · Distribution Mains [P]	1,487,948.01
1581 · A/D - Distribution Mains	-1,063,798.68
1590 · Meters	92,193.13
1591 · A/D - Meters	-84,656.11
1600 · Hydrants	7,422.43
1601 · A/D - Hydrants	-4,556.72
1610 · Automotive Equipment	232,300.12
1611 · A/D - Automotive Equipment	-195,223.31

February 20, 2020

**Balance Sheet**

Accrual Basis

As of January 31, 2020

	<u>Jan 31, 20</u>
1620 · Utility Trans/Distr Plant	115,702.65
1621 · A/D - Utility T&D Plant	-90,071.77
1622 · A/D - Moss Landing	-157,020.31
1630 · Utility Plant	107,992.45
1631 · A/D - Utility Plant	-107,992.00
1640 · Source of Supply Plant	54,616.59
1641 · A/D - Source of Supply Plant	-15,624.73
1650 · Trans & Distr Plant	81,133.08
1651 · A/D - Trans & Distr Plant	-59,380.30
1670 · Small Tools/Equipment	10,817.67
1671 · A/D - Small Tools/Equipment	-8,096.51
1680 · ALCO Water Project	155,809.38
1681 · A/D - ALCO Water Project	-93,485.45
1804 · CIP-Springfield	328,851.31
1805 · CIP-Vega Imprvmtnt Project	4,604,699.33
1805.1 · A/D - Vega	-1,962,902.90
1806 · Moss Landing Bridge Project	251,233.09
1807 · CIP-Langley/VP	240,496.74
1807.1 · A/D - Langley/VP	-66,136.74
1808 · CIP-Normco	296,974.74
1808.1 · A/D - Normco Tank	-107,839.73
1811 · CIP-Vierra Estate	175,238.16
1811.1 · A/D - Vierra Estates	-38,242.72
1812 · CIP-Moss Landing Water System	297,669.12
1812.1 · A/D - Moss Landing Water	-65,436.55
1814 · CIP-Pajaro	759,737.59
1815 · CIP-Normco Improv Project	3,225.00
1816 · Land - Pajaro Park	781,632.00
1817 · Improvements - Pajaro Park	4,717,110.00
1817.1 · A/D - Improvements -Pajaro Park	-1,092,169.63
1818 · Buildings - Pajaro Park	796,400.00
1818.1 · A/D - Buildings-Pajaro Park	-150,374.26
1819 · Equipment - Pajaro Park	43,381.00
1819.1 · A/D - Equipment-Pajaro Park	-23,136.89
1820 · Normco Treatment Facility	111,943.00
1820.1 · A/D-Normco Treatment Facility	-68,865.85
1821 · CIP-Sunny Mesa	48,044.61
1822 · CIP-Vega	23,643.81
1823 · CIP-Blackie	10,230.04
<b>Total Fixed Assets</b>	<b>11,290,982.23</b>
<b>Other Assets</b>	
1120 · Due From Gen Fund	0.66
1141 · Due From SC Grant Acct	100.00
1151 · Due from Maint Account	157.19
1220 · Spl Asmnt Revc-Long Term	3,873,859.72
1900 · Due From Other Funds	159,690.92
1950 · Deferred amount on refunding	73,213.60
1951 · Deferred Amt of Ref-Vega Bds15	95,017.09
<b>Total Other Assets</b>	<b>4,202,039.18</b>
<b>TOTAL ASSETS</b>	<b>18,202,442.41</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	158,023.93
2500 · Due to Other Funds	159,693.06
<b>Total Accounts Payable</b>	<b>317,716.99</b>

**Balance Sheet**

As of January 31, 2020

	<u>Jan 31, 20</u>
<b>Other Current Liabilities</b>	
2005 · Accrued Liabilities	67,274.00
2050 · Accrued Payroll	13,720.42
2100 · Payroll Tax Liabilities	1,000.00
2121 · Customer Security Deposits	16,252.15
2122 · Future Water Conn. Deposits	36,600.00
2123 · Hydrant Meter Deposits	22,550.00
2225 · Accrued Vacation Liability	38,995.11
2230 · Accrued Sick Leave Liability	50,712.62
2263 · 457b EE Plan Payable	2,766.34
2264 · Employee Insurance Payable	-2,020.68
2265 · EE Aflac Insurance Payable	969.15
2320 · Due to 64 Original Sewer Accts	29,169.90
2324 · Payable to Customers	2,347.79
2325 · Payable to P.V.W.M.A.	-28,815.51
<b>Total Other Current Liabilities</b>	<u>251,521.29</u>
<b>Total Current Liabilities</b>	569,238.28
<b>Long Term Liabilities</b>	
2256 · Vehicle Loan Payable	30,945.46
2257 · Reorganization Loan	275,000.00
2267 · Pajaro Tank Loan-0190	682,321.45
2333 · COP Bonds Payable	-190,000.00
2339 · Vega Project Bonds Payable	-72,100.00
2350 · Bonds Payable - Water Bond	224,000.00
2360 · Bonds Payable-2015 COP Wtr Rf	2,200,000.00
2361 · Bonds Payable-2015 Vga Wtr Rf	3,710,083.67
2400 · Unamortized Discount on 2015	-34,205.01
2401 · Unamorized Discount-2015 Vega	-13,986.72
<b>Total Long Term Liabilities</b>	<u>6,812,058.85</u>
<b>Total Liabilities</b>	7,381,297.13
<b>Equity</b>	
3000 · Fund Balance	219,540.85
3001 · Restricted-Street Maintenance	87,655.80
3040 · Contributed Capital	248,000.00
3045 · Restricted for Debt Service	4,575,060.23
3050 · Retained Earnings	5,220,925.76
Net Income	469,962.64
<b>Total Equity</b>	<u>10,821,145.28</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>18,202,442.41</u></u>



## Profit &amp; Loss

January 2020

	<u>Jan 20</u>
Ordinary Income/Expense	
Income	
4001 · Route 1 - Pajaro	18,212.67
4002 · Route 2 - Pajaro	18,130.86
4003 · Route 3 - Commercial	17,624.79
4004 · Route 4 - Trailer Park	867.76
4005 · Route 5 - San Juan Rd Apts	959.24
4006 · Route 6 - Sunny Mesa	8,748.35
4007 · Route 7 - CSA 73	9,373.62
4008 · Route 8 - Vega	8,001.91
4010 · Route 10 -Springfield	850.00
4011 · Route 11 - Moss Landing	20,419.17
4012 · Route 12 - Blackie Road	1,796.42
4013 · Route 13 - Normco	16,779.01
4014 · Route 14 - Vierra	3,024.05
4015 · Route 15 - Langley/VP	1,725.24
	<hr/>
Total Income	126,513.09
Gross Profit	126,513.09
Expense	
INDIRECT	
5000 · Salaries and Wages	115,468.71
5005 · Administrative Fees	478.04
5030 · Payroll Tax Expense	3,560.39
5050 · Employee Health Insurance	13,924.79
5070 · Employee Retirement	8,619.74
5090 · Other Employee Expense	100.00
5130 · Utilities - Office	273.20
5140 · Building Repair & Maint	166.36
5145 · District Wide Repair & Maint	166.43
5150 · Garbage Service	284.34
5160 · Office Equip Rental	776.46
5165 · Computer Software	589.75
5170 · Office Equipment Repair & Maint	187.04
5240 · Office Supplies	77.68
5245 · Postage	1,000.00
5255 · Interest Expense	3,431.67
5270 · Automotive - Repair & Maint	513.79
5280 · Conferences, Meetings, Seminars	80.00
5320 · Membership Fees and Dues	120.00
5330 · Telephone	1,274.59
5340 · Burglar Alarm Monitoring	78.00
5370 · Fuel - Trucks	1,932.31
5391 · Credit Card Transaction Fees	496.55
5XXX · Indirect Allocation	0.02
	<hr/>
Total INDIRECT	153,599.86
5190 · Soil and Water Tests	1,900.50
5220 · Water System - Repair & Maint	18,634.15
5225 · Street Maintenance	252.92
5231 · Pajaro Park Expense	3,363.07
5265 · Engineering Expenses	1,103.16
5310 · Utilities - Well Site	7,835.78
5315 · Utilities - Street Lighting	2,118.44
5427 · Improvement Project-Springfield	72.50
5428 · COP Bond Expense	1,258.31
	<hr/>
Total Expense	190,138.69
Net Ordinary Income	-63,625.60

## Profit &amp; Loss

January 2020

	<u>Jan 20</u>
Other Income/Expense	
Other Income	
4100 · Late Payment Penalties	407.35
4110 · Hydrant Sales	1,140.38
4115 · Testing Fees	640.00
4285 · P.V.W.M.A. Collection Fee	1,607.90
4305 · Miscellaneous Revenue	500.11
4307 · Returned Check Charges	25.00
4350 · Interest Revenue	393.90
5424 · Springfld Bottled Wtr Gr Reimb	371.07
5796 · Pajaro Park Revenue	25,000.00
Total Other Income	<u>30,085.71</u>
Other Expense	
5435 · Improvement Project-Pajaro	1,405.00
Total Other Expense	<u>1,405.00</u>
Net Other Income	<u>28,680.71</u>
Net Income	<u><u>-34,944.89</u></u>

**Pajaro/Sunny Mesa Community Services District  
Profit & Loss Budget Performance**

January 2020

	Jan 20	Budget	% of Budget	Jul '19 - Jan 20	YTD Budget	% of Budget	Annual Budget
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
4001 · Route 1 - Pajaro	18,212.67	23,975.00	76.0%	147,468.35	167,825.00	87.9%	287,700.00
4002 · Route 2 - Pajaro	18,130.86	24,850.00	73.0%	151,864.07	173,950.00	87.3%	298,200.00
4003 · Route 3 - Commercial	17,624.79	22,750.00	77.5%	156,284.72	159,250.00	99.4%	273,000.00
4004 · Route 4 - Trailer Park	867.76	1,141.67	76.0%	7,295.14	7,991.65	91.3%	13,700.00
4005 · Route 5 - San Juan Rd Apts	959.24	1,225.00	78.3%	7,209.46	8,575.00	84.1%	14,700.00
4006 · Route 6 - Sunny Mesa	8,748.35	10,541.67	83.0%	82,182.01	73,791.65	111.4%	126,500.00
4007 · Route 7 - CSA 73	9,373.62	11,725.00	79.9%	90,564.93	82,075.00	110.3%	140,700.00
4008 · Route 8 - Vega	8,001.91	12,600.00	63.5%	87,983.81	88,200.00	99.8%	151,200.00
4010 · Route 10 - Springfield	850.00	875.00	97.1%	5,950.00	6,125.00	97.1%	10,500.00
4011 · Route 11 - Moss Landing	20,419.17	22,333.33	91.4%	148,390.84	156,333.31	94.9%	268,000.00
4012 · Route 12 - Blackie Road	1,796.42	2,758.33	65.1%	17,997.67	19,308.31	93.0%	33,100.00
4013 · Route 13 - Normco	16,779.01	27,125.00	61.9%	199,319.20	189,875.00	105.0%	325,500.00
4014 · Route 14 - Vierra	3,024.05	3,983.33	75.9%	28,786.67	27,883.31	103.2%	47,800.00
4015 · Route 15 - Langley/VP	1,725.24	2,758.33	62.5%	18,953.65	19,308.31	98.2%	33,100.00
<b>Total Income</b>	<b>126,513.09</b>	<b>168,641.66</b>	<b>75.0%</b>	<b>1,152,210.52</b>	<b>1,180,491.54</b>	<b>97.6%</b>	<b>2,023,700.00</b>
<b>Gross Profit</b>	<b>126,513.09</b>	<b>168,641.66</b>	<b>75.0%</b>	<b>1,152,210.52</b>	<b>1,180,491.54</b>	<b>97.6%</b>	<b>2,023,700.00</b>
<b>Expense</b>							
<b>INDIRECT</b>							
5000 · Salaries and Wages	115,468.71	62,750.00	184.0%	452,699.86	439,250.00	103.1%	753,000.00
5005 · Administrative Fees	478.04	475.00	100.6%	2,997.54	3,325.00	90.2%	5,700.00
5030 · Payroll Tax Expense	3,560.39	1,333.33	267.0%	9,283.19	9,333.31	99.5%	16,000.00
5040 · Worker's Comp Insurance	0.00	1,916.67	0.0%	4,443.66	13,416.65	33.1%	23,000.00
5050 · Employee Health Insurance	13,924.79	15,166.67	91.8%	100,100.53	106,166.65	94.3%	182,000.00
5070 · Employee Retirement	8,619.74	9,416.67	91.5%	64,901.15	65,916.65	98.5%	113,000.00
5090 · Other Employee Expense	100.00	208.33	48.0%	1,749.92	1,458.31	120.0%	2,500.00
5120 · Property Taxes	0.00	125.00	0.0%	1,178.60	875.00	134.7%	1,500.00
5130 · Utilities - Office	273.20	333.33	82.0%	1,417.09	2,333.31	60.7%	4,000.00
5140 · Building Repair & Maint	166.36	583.33	28.5%	2,252.09	4,083.31	55.2%	7,000.00
5145 · District Wide Repair & Maint	166.43	1,083.33	15.4%	13,253.12	7,583.31	174.8%	13,000.00
5150 · Garbage Service	284.34	300.00	94.8%	1,706.04	2,100.00	81.2%	3,600.00
5160 · Office Equip Rental	776.46	833.33	93.2%	5,653.14	5,833.31	96.9%	10,000.00
5165 · Computer Software	589.75	833.33	70.8%	5,978.56	5,833.31	102.5%	10,000.00
5170 · Office Equipment Repair & Maint	187.04	300.00	62.3%	1,918.57	2,100.00	91.4%	3,600.00
5175 · Small Tools - Repair & Maint.	0.00	83.33	0.0%	542.25	583.31	93.0%	1,000.00
5180 · Casualty Ins/Liability Ins	0.00	2,583.33	0.0%	28,401.26	18,083.31	157.1%	31,000.00
5200 · Billing Supplies	0.00	308.33	0.0%	2,291.16	2,158.31	106.2%	3,700.00
5240 · Office Supplies	77.68	291.67	26.6%	1,564.09	2,041.65	76.6%	3,500.00
5245 · Postage	1,000.00	708.33	141.2%	5,000.00	4,958.31	100.8%	8,500.00
5250 · Legal Expenses	0.00	11,666.67	0.0%	33,525.40	81,666.65	41.1%	140,000.00
5255 · Interest Expense	3,431.67	1,208.33	284.0%	25,969.75	8,458.31	307.0%	14,500.00
5256 · Interest Exp-Financed Items	0.00	66.67	0.0%	245.58	466.65	52.6%	800.00
5260 · Accounting & Bookkeeping	0.00	3,083.33	0.0%	29,000.00	21,583.31	134.4%	37,000.00
5266 · Engineering Svcs-Dist Wide	0.00	83.33	0.0%	435.00	583.31	74.6%	1,000.00
5270 · Automotive - Repair & Maint	513.79	833.33	61.7%	8,060.25	5,833.31	138.2%	10,000.00
5280 · Conferences, Meetings, Seminars	80.00	41.67	192.0%	208.00	291.65	71.3%	500.00
5290 · Travel Expenses	0.00	41.67	0.0%	0.00	291.65	0.0%	500.00



**Pajaro/Sunny Mesa Community Services District  
Profit & Loss Budget Performance**

January 2020

	Jan 20	Budget	% of Budget	Jul '19 - Jan 20	YTD Budget	% of Budget	Annual Budget
5300 · Books & Subscriptions	0.00	125.00	0.0%	0.00	875.00	0.0%	1,500.00
5305 · Water Conservation Program	0.00	125.00	0.0%	0.00	875.00	0.0%	1,500.00
5320 · Memberships Fees and Dues	120.00	1,583.33	7.6%	18,415.40	11,083.31	166.2%	19,000.00
5326 · Licenses and Certifications	0.00	166.67	0.0%	180.00	1,166.65	15.4%	2,000.00
5330 · Telephone	1,274.59	1,416.67	90.0%	8,614.98	9,916.65	86.9%	17,000.00
5340 · Burglar Alarm Monitoring	78.00	62.50	124.8%	592.00	437.50	135.3%	750.00
5370 · Fuel - Trucks	1,932.31	2,000.00	96.6%	14,124.65	14,000.00	100.9%	24,000.00
5390 · Bank Charges	0.00	16.67	0.0%	350.00	116.65	300.0%	200.00
5391 · Credit Card Transaction Fees	496.55	625.00	79.4%	5,648.73	4,375.00	129.1%	7,500.00
5400 · Miscellaneous Expense	0.00	16.67	0.0%	0.00	116.65	0.0%	200.00
5XXX · Indirect Allocation	0.02			0.02			
6560 · Payroll Processing Expenses	0.00	50.00	0.0%	0.00	350.00	0.0%	600.00
6577 · COP Debt Service - Interest	0.00	6,666.67	0.0%	39,490.00	46,666.65	84.6%	80,000.00
<b>Total INDIRECT</b>	<b>153,599.86</b>	<b>129,512.49</b>	<b>118.6%</b>	<b>892,191.58</b>	<b>906,586.91</b>	<b>98.4%</b>	<b>1,554,150.00</b>
5190 · Soil and Water Tests	1,900.50	2,833.33	67.1%	17,244.80	19,833.31	86.9%	34,000.00
5210 · Customer Orders	0.00			-4,629.46			
5220 · Water System - Repair & Maint	18,634.15	16,666.67	111.8%	175,177.21	116,666.65	150.2%	200,000.00
5225 · Street Maintenance	252.92	2,720.83	9.3%	57,139.47	19,045.81	300.0%	32,650.00
5230 · Park - Repair & Maint	0.00	83.33	0.0%	396.83	583.31	68.0%	1,000.00
5231 · Pajaro Park Expense	3,363.07			20,743.68	0.00	100.0%	0.00
5265 · Engineering Expenses	1,103.16	83.33	1,323.8%	1,248.16	583.31	214.0%	1,000.00
5310 · Utilities - Well Site	7,835.78	14,000.00	56.0%	77,600.27	98,000.00	79.2%	168,000.00
5315 · Utilities - Street Lighting	2,118.44	2,333.33	90.8%	12,419.69	16,333.31	76.0%	28,000.00
5325 · Permits	0.00	2,083.33	0.0%	12,109.20	14,583.31	83.0%	25,000.00
5360 · Fuel - Generator	0.00	125.00	0.0%	13,551.50	875.00	1,548.7%	1,500.00
5426 · Vega Assmnt Bond Expense	0.00			5,997.78			
5427 · Improvement Project-Springfield	72.50			20,254.65			
5428 · COP Bond Expense	1,258.31	291.67	431.4%	3,483.31	2,041.65	170.6%	3,500.00
5433 · Pajaro Water Bond Interest Exp	0.00	1,029.17	0.0%	8,064.37	7,204.15	111.9%	12,350.00
6575 · Vega Debt Service-Interest	0.00	12,333.33	0.0%	75,017.50	86,333.31	86.9%	148,000.00
<b>Total Expense</b>	<b>190,138.69</b>	<b>184,095.81</b>	<b>103.3%</b>	<b>1,388,010.54</b>	<b>1,288,670.03</b>	<b>107.7%</b>	<b>2,209,150.00</b>
<b>Net Ordinary Income</b>	<b>-63,625.60</b>	<b>-15,454.15</b>	<b>411.7%</b>	<b>-235,800.02</b>	<b>-108,178.49</b>	<b>218.0%</b>	<b>-185,450.00</b>
<b>Other Income/Expense</b>							
<b>Other Income</b>							
4100 · Late Payment Penalties	407.35	416.67	97.8%	3,503.87	2,916.65	120.1%	5,000.00
4101 · Billing Adjustments	0.00	41.67	0.0%	0.00	291.65	0.0%	500.00
4110 · Hydrant Sales	1,140.38	333.33	342.1%	10,353.48	2,333.31	443.7%	4,000.00
4115 · Testing Fees	640.00	625.00	102.4%	1,760.00	4,375.00	40.2%	7,500.00
4140 · Connection Fees	0.00	358.33	0.0%	7,532.00	2,508.31	300.3%	4,300.00
4141 · Application Fees	0.00	45.83	0.0%	275.00	320.81	85.7%	550.00
4146 · Other Fees	0.00	33.33	0.0%	0.00	233.31	0.0%	400.00
4200 · Street Maintenance-Reimb	0.00	5,316.67	0.0%	31,740.61	37,216.65	85.3%	63,800.00
4210 · Vega Bond Assessments	0.00	22,750.00	0.0%	149,476.20	159,250.00	93.9%	273,000.00
4280 · Pro-Rata Tax Collection Share	0.00	2,083.33	0.0%	13,111.63	14,583.31	89.9%	25,000.00
4285 · P.V.W.M.A. Collection Fee	1,607.90	2,250.00	71.5%	17,183.08	15,750.00	109.1%	27,000.00
4300 · Collection of Previous W/O Acct	0.00	41.67	0.0%	0.00	291.65	0.0%	500.00
4305 · Miscellaneous Revenue	500.11	125.00	400.1%	3,175.41	875.00	362.9%	1,500.00

**Pajaro/Sunny Mesa Community Services District  
Profit & Loss Budget Performance**

January 2020

	Jan 20	Budget	% of Budget	Jul '19 - Jan 20	YTD Budget	% of Budget	Annual Budget
4307 · Returned Check Charges	25.00			75.00			
4311 · Interest on Pooled Investments	0.00			965.45			
4340 · Utility Reimbursements	0.00	2,333.33	0.0%	16,783.92	16,333.31	102.8%	28,000.00
4341 · Lighting Admin Reimbursements	0.00	1,000.00	0.0%	7,111.65	7,000.00	101.6%	12,000.00
4345 · Customer Order Reimbursements	0.00			2,440.00			
4346 · District 25% Overhead Fee	0.00	41.67	0.0%	0.00	291.65	0.0%	500.00
4350 · Interest Revenue	393.90	475.00	82.9%	2,964.07	3,325.00	89.1%	5,700.00
4355 · Audit/Bookkeeping Reimbursement	0.00	58.33	0.0%	490.46	408.31	120.1%	700.00
4360 · Legal Counsel Reimbursement	0.00	33.33	0.0%	245.22	233.31	105.1%	400.00
5409 · Pajaro Improve Proj-Grant Reimb	0.00			368,246.72			
5424 · Springfd Bottled Wtr Gr Reimb	371.07			21,471.10			
5794 · Water Bond Assessments	0.00	3,312.50	0.0%	24,501.54	23,187.50	105.7%	39,750.00
5796 · Pajaro Park Revenue	25,000.00			27,700.00			
<b>Total Other Income</b>	<b>30,085.71</b>	<b>41,674.99</b>	<b>72.2%</b>	<b>711,106.41</b>	<b>291,724.73</b>	<b>243.8%</b>	<b>500,100.00</b>
<b>Other Expense</b>							
5435 · Improvement Project-Pajaro	1,405.00			5,343.75			
<b>Total Other Expense</b>	<b>1,405.00</b>			<b>5,343.75</b>			
<b>Net Other Income</b>	<b>28,680.71</b>	<b>41,674.99</b>	<b>68.8%</b>	<b>705,762.66</b>	<b>291,724.73</b>	<b>241.9%</b>	<b>500,100.00</b>
<b>Net Income</b>	<b>-34,944.89</b>	<b>26,220.84</b>	<b>-133.3%</b>	<b>469,962.64</b>	<b>183,546.24</b>	<b>256.0%</b>	<b>314,650.00</b>



Pajaro/Sunny Mesa Community Services District  
**Profit & Loss Budget vs. Actual**  
 January 2020

8:49 AM  
 February 20, 2020  
 Accrual Basis

	Jan 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4001 · Route 1 - Pajaro	18,212.67	23,975.00	-5,762.33	75.97%
4002 · Route 2 - Pajaro	18,130.86	24,850.00	-6,719.14	72.96%
4003 · Route 3 - Commercial	17,624.79	22,750.00	-5,125.21	77.47%
4004 · Route 4 - Trailer Park	867.76	1,141.67	-273.91	76.01%
4005 · Route 5 - San Juan Rd Apts	959.24	1,225.00	-265.76	78.31%
4006 · Route 6 - Sunny Mesa	8,748.35	10,541.67	-1,793.32	82.99%
4007 · Route 7 - CSA 73	9,373.62	11,725.00	-2,351.38	79.95%
4008 · Route 8 - Vega	8,001.91	12,600.00	-4,598.09	63.51%
4010 · Route 10 -Springfield	850.00	875.00	-25.00	97.14%
4011 · Route 11 - Moss Landing	20,419.17	22,333.33	-1,914.16	91.43%
4012 · Route 12 - Blackie Road	1,796.42	2,758.33	-961.91	65.13%
4013 · Route 13 - Normco	16,779.01	27,125.00	-10,345.99	61.86%
4014 · Route 14 - Vierra	3,024.05	3,983.33	-959.28	75.92%
4015 · Route 15 - Langley/VP	1,725.24	2,758.33	-1,033.09	62.55%
Total Income	126,513.09	168,641.66	-42,128.57	75.02%
Gross Profit	126,513.09	168,641.66	-42,128.57	75.02%
Expense				
INDIRECT				
5000 · Salaries and Wages	115,468.71	62,750.00	52,718.71	184.01%
5005 · Administrative Fees	478.04	475.00	3.04	100.64%
5030 · Payroll Tax Expense	3,560.39	1,333.33	2,227.06	267.03%
5040 · Worker's Comp Insurance	0.00	1,916.67	-1,916.67	0.0%
5050 · Employee Health Insurance	13,924.79	15,166.67	-1,241.88	91.81%
5070 · Employee Retirement	8,619.74	9,416.67	-796.93	91.54%
5090 · Other Employee Expense	100.00	208.33	-108.33	48.0%
5120 · Property Taxes	0.00	125.00	-125.00	0.0%
5130 · Utilities - Office	273.20	333.33	-60.13	81.96%
5140 · Building Repair & Maint	166.36	583.33	-416.97	28.52%
5145 · District Wide Repair & Maint	166.43	1,083.33	-916.90	15.36%
5150 · Garbage Service	284.34	300.00	-15.66	94.78%



**Pajaro/Sunny Mesa Community Services District**  
**Profit & Loss Budget vs. Actual**  
 January 2020

	Jan 20	Budget	\$ Over Budget	% of Budget
5160 · Office Equip Rental	776.46	833.33	-56.87	93.18%
5165 · Computer Software	589.75	833.33	-243.58	70.77%
5170 · Office Equipment Repair & Maint	187.04	300.00	-112.96	62.35%
5175 · Small Tools - Repair & Maint.	0.00	83.33	-83.33	0.0%
5180 · Casualty Ins/Liability Ins	0.00	2,583.33	-2,583.33	0.0%
5200 · Billing Supplies	0.00	308.33	-308.33	0.0%
5240 · Office Supplies	77.68	291.67	-213.99	26.63%
5245 · Postage	1,000.00	708.33	291.67	141.18%
5250 · Legal Expenses	0.00	11,666.67	-11,666.67	0.0%
5255 · Interest Expense	3,431.67	1,208.33	2,223.34	284.0%
5256 · Interest Exp-Financed Items	0.00	66.67	-66.67	0.0%
5260 · Accounting & Bookkeeping	0.00	3,083.33	-3,083.33	0.0%
5266 · Engineering Svcs-Dist Wide	0.00	83.33	-83.33	0.0%
5270 · Automotive - Repair & Maint	513.79	833.33	-319.54	61.66%
5280 · Conferences, Meetings, Seminars	80.00	41.67	38.33	191.99%
5290 · Travel Expenses	0.00	41.67	-41.67	0.0%
5300 · Books & Subscriptions	0.00	125.00	-125.00	0.0%
5305 · Water Conservation Program	0.00	125.00	-125.00	0.0%
5320 · Membership Fees and Dues	120.00	1,583.33	-1,463.33	7.58%
5326 · Licenses and Certifications	0.00	166.67	-166.67	0.0%
5330 · Telephone	1,274.59	1,416.67	-142.08	89.97%
5340 · Burglar Alarm Monitoring	78.00	62.50	15.50	124.8%
5370 · Fuel - Trucks	1,932.31	2,000.00	-67.69	96.62%
5390 · Bank Charges	0.00	16.67	-16.67	0.0%
5391 · Credit Card Transaction Fees	496.55	625.00	-128.45	79.45%
5400 · Miscellaneous Expense	0.00	16.67	-16.67	0.0%
6560 · Payroll Processing Expenses	0.00	50.00	-50.00	0.0%
6577 · COP Debt Service - Interest	0.00	6,666.67	-6,666.67	0.0%
<b>Total INDIRECT</b>	<b>153,599.84</b>	<b>129,512.49</b>	<b>24,087.35</b>	<b>118.6%</b>
5190 · Soil and Water Tests	1,900.50	2,833.33	-932.83	67.08%
5220 · Water System - Repair & Maint	18,634.15	16,666.67	1,967.48	111.81%
5225 · Street Maintenance	252.92	2,720.83	-2,467.91	9.3%

**Pajaro/Sunny Mesa Community Services District**  
**Profit & Loss Budget vs. Actual**  
January 2020

	Jan 20	Budget	\$ Over Budget	% of Budget
5230 · Park - Repair & Maint	0.00	83.33	-83.33	0.0%
5265 · Engineering Expenses	1,103.16	83.33	1,019.83	1,323.85%
5310 · Utilities - Well Site	7,835.78	14,000.00	-6,164.22	55.97%
5315 · Utilities - Street Lighting	2,118.44	2,333.33	-214.89	90.79%
5325 · Permits	0.00	2,083.33	-2,083.33	0.0%
5360 · Fuel - Generator	0.00	125.00	-125.00	0.0%
5427 · Improvement Project-Springfield	72.50			
5428 · COP Bond Expense	1,258.31	291.67	966.64	431.42%
5433 · Pajaro Water Bond Interest Exp	0.00	1,029.17	-1,029.17	0.0%
6575 · Vega Debt Service-Interest	0.00	12,333.33	-12,333.33	0.0%
<b>Total Expense</b>	<b>186,775.60</b>	<b>184,095.81</b>	<b>2,679.79</b>	<b>101.46%</b>
<b>Net Ordinary Income</b>	<b>-60,262.51</b>	<b>-15,454.15</b>	<b>-44,808.36</b>	<b>389.94%</b>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
4100 · Late Payment Penalties	407.35	416.67	-9.32	97.76%
4101 · Billing Adjustments	0.00	41.67	-41.67	0.0%
4110 · Hydrant Sales	1,140.38	333.33	807.05	342.12%
4115 · Testing Fees	640.00	625.00	15.00	102.4%
4140 · Connection Fees	0.00	358.33	-358.33	0.0%
4141 · Application Fees	0.00	45.83	-45.83	0.0%
4146 · Other Fees	0.00	33.33	-33.33	0.0%
4200 · Street Maintenance-Reimb	0.00	5,316.67	-5,316.67	0.0%
4210 · Vega Bond Assessments	0.00	22,750.00	-22,750.00	0.0%
4280 · Pro-Rata Tax Collection Share	0.00	2,083.33	-2,083.33	0.0%
4285 · P.V.W.M.A. Collection Fee	1,607.90	2,250.00	-642.10	71.46%
4300 · Collection of Previous W/O Acct	0.00	41.67	-41.67	0.0%
4305 · Miscellaneous Revenue	500.11	125.00	375.11	400.09%
4307 · Returned Check Charges	25.00			
4340 · Utility Reimbursements	0.00	2,333.33	-2,333.33	0.0%
4341 · Lighting Admin Reimbursements	0.00	1,000.00	-1,000.00	0.0%
4346 · District 25% Overhead Fee	0.00	41.67	-41.67	0.0%
4350 · Interest Revenue	393.90	475.00	-81.10	82.93%

**Pajaro/Sunny Mesa Community Services District**  
**Profit & Loss Budget vs. Actual**  
 January 2020

	<u>Jan 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
4355 · Audit/Bookkeeping Reimbursement	0.00	58.33	-58.33	0.0%
4360 · Legal Counsel Reimbursement	0.00	33.33	-33.33	0.0%
5424 · Springfld Bottled Wtr Gr Reimb	371.07			
5794 · Water Bond Assessments	0.00	3,312.50	-3,312.50	0.0%
Total Other Income	5,085.71	41,674.99	-36,589.28	12.2%
Other Expense				
5435 · Improvement Project-Pajaro	1,405.00			
Total Other Expense	1,405.00			
Net Other Income	3,680.71	41,674.99	-37,994.28	8.83%
Net Income	<u>-56,581.80</u>	<u>26,220.84</u>	<u>-82,802.64</u>	<u>-215.79%</u>

**Total Income**  
 \$ 131,598.80

**Total Expense**  
 \$ 188,180.60

**Difference**  
 \$ (56,581.80)

**December Cash**  
 \$ 302,619.09

**January Cash**  
 \$ 295,526.84

**Difference**  
 \$ (7,092.25)



2020005280

RECORDING REQUESTED BY )  
AND WHEN RECORDED RETURN TO: )

Stephen L. Vagnini )  
Monterey County Clerk-Recorder )  
01/31/2020 03:02 PM )

County of Monterey )  
Resource Management Agency (RMA) )  
c/o RMA-Real Property Specialist )  
1441 Schilling Place, South Bldg., 2<sup>nd</sup> Floor )  
Salinas, California 93901-4527 )

Recorded at the request of: )  
COUNTY OF MONTEREY RMA )

Titles: 1 Pages: 3

Fees: \$0.00  
Taxes: \$0.00  
AMT PAID: \$0.00



No Documentary Transfer Tax Required -  
Granting and Acquiring Agencies are Political Subdivisions  
of the State of California  
(Revenue & Taxation Code 11922)

Space above this line for Recorder's use

**QUITCLAIM DEED**

APN: 117-322-006-000

The County of Monterey, a political subdivision of the State of California (hereinafter referred to as "County"), does hereby remise, release and forever quitclaim "as is" to the Pajaro/Sunny Mesa Community Services District, a community services district of Monterey County formed pursuant to Title 6, Division 3 of the Government Code (hereinafter referred to as "District"), all its rights, title and interest in the real property situated in the County of Monterey, State of California, described as follows:

Lot # 6 as the same shown and designated on a Map entitled "Fanny G. Porter Subdivision No. 3, Recorded on the 17<sup>th</sup> day of February 1941, in Volume 4, of Cities and Towns at Page 53, Records of Monterey County, California. (hereafter referred to as, "real property" or "premises")

Provided, however, that the herein described real property is being conveyed by County to the District, for the sole purpose of creating and maintaining a public park or playground; and, that as long as the said real property is so used, occupied, and maintained, it shall remain the property of the District. If, however the District shall fail to occupy, maintain or use the herein described real property as a public park or playground for a period of one (1) fiscal year, July 1 through June 30, then said real property shall revert to and vest in the County, its successors and assigns in fee.

TOGETHER with the tenements, hereditaments, appurtenances thereunto belonging or appertaining, and the revision and revisions, remaining and remainder, rents, issues, and profits thereof.

TO HAVE AND TO HOLD the said premises, together with the appurtenance, unto the District, and to its successors and assigns forever. Except as herein set forth.





ACCEPTANCE AND CONSENT TO RECORDATION

This is to certify that the interest in real property conveyed by the Quitclaim Deed dated January 17, 2020 from the County of Monterey, a political subdivision of the State of California, to the Pajaro/Sunny Mesa Community Services District, a community services district of Monterey County formed pursuant to Title 6, Division 3 of the Government Code, is hereby accepted, and consents to recordation thereof by its duly authorized officer.

Pajaro/Sunny Mesa Community Services District

Dated: January 28, 2020 Harry R. Wiggins  
Harry Wiggins, Chair, Board of Directors

Approved as to Form:  
District Counsel

[Signature]  
Dated: 1-28-2020

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

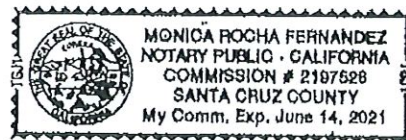
STATE OF CALIFORNIA  
SANTA CRUZ <sup>MISS.</sup>  
COUNTY OF ~~MONTEREY~~

On 01-28-2020 before me, MONICA ROCHA FERNANDEZ  
a Notary Public, personally appeared HARRY WIGGINS  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

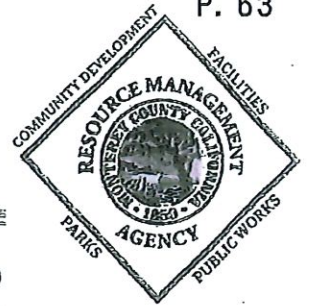
WITNESS my hand and official seal.

Monica Rocha Fernandez  
Signature





**MONTEREY COUNTY**  
**RESOURCE MANAGEMENT AGENCY**  
 Carl P. Holm, AICP, Director



LAND USE & COMMUNITY DEVELOPMENT | PUBLIC WORKS & FACILITIES | PARKS  
 1441 Schilling Place, South 2<sup>nd</sup> Floor (831)755-4800  
 Salinas, California 93901-4527 www.co.monterey.ca.us/rma

**NOTICE OF SCOPING MEETING**

To: Responsible Agencies/Interested Parties  
 Subject: Notice of Scoping Meeting regarding preparation of an Environmental Impact Report (EIR) for Miller Clinton F. Jr. & Karen V. Trust, aka "Miller Trust Commercial Project"

The County of Monterey (County), as lead agency, will prepare an EIR for the Miller Trust Commercial Project (Planning File Number PLN060217, Miller Clinton F. Jr. & Karen V. Trust). The County will host a Scoping Meeting to gather additional input on the content and focus of the environmental analysis and the potential alternatives to be considered in the EIR. The date, time, and location of the Scoping Meeting are:

**Thursday, February 20, 2020, 4:00 p.m. to 6:00 p.m.**  
**Our Lady of the Assumption Church,**  
**100 Salinas Rd, Pajaro, California 95076**

The County welcomes all comments regarding the potential environmental impacts of the proposed project and potential alternatives for consideration in the preparation of the EIR. Written comments must be submitted by March 12, 2020. Please direct your comments to:

Monterey County RMA - Planning  
 Attn: Mary Israel or email to: [israelm@co.monterey.ca.us](mailto:israelm@co.monterey.ca.us)  
 1441 Schilling Place, 2nd Floor  
 Salinas, California 93901

cc: State Clearinghouse, Office of Planning and Research 1400 10th Street #12, Sacramento, CA 95814

## Pajaro/Sunny Mesa Community Services District

### Discontinuation of Residential Water Service Policy

#### Reference

Senate Bill No. 998: Discontinuation of Residential Water Service California Government Code Sections 60370-60375.5

#### Purpose

Residential water service disconnection shall be conducted in compliance with State law including The Water Shutoff Protection Act beginning with California Health and Safety Code 116900. *This policy is to be posted on the District's website in English and Spanish and any the other languages required under in Section 1632 of the Civil Code.*

#### Delinquent Account

Accounts that remain unpaid by the 26<sup>th</sup> day of month.

#### Section 1. Process for discontinuation of residential water:

1. All written communications concerning water service will be in both English and Spanish, as required by Civil Code Section 1632.
2. No residential water customer's water service will be disconnected until payment by the customer has been delinquent for at least sixty (60) days. Any balance on a bill of \$20 or less may be carried over and added to the next billing period without being considered delinquent.
3. No less than seven (7) business days before discontinuation of service, the District will contact the customer to provide notice of the discontinuation.

Prior to discontinuation of water service for delinquent accounts, all of the following will apply:

- A. 7-day Shut off Notice. The District will contact the customer at least seven (7) business days prior to disconnection, by mailing a copy of the 7-day Shut off Notice and a copy of this policy to the customer upon request.
- B. On the 8<sup>th</sup> day District Staff will visit the involved customer's address and leave a 24 Hour Shut off Notice on door or in a conspicuous place at the customer's residence and by contacting the customer by telephone giving verbal notice of discontinuation of service. The District does not assume responsibility for phone information that has not been kept up to date by the customer. In addition to both the written notice, or telephone notice, the District shall also offer to discuss with the customer the options for alternative payments and the procedures for review and appeal of a customer's bill as set forth in this policy. If the customer's



address is not the address of the property to which residential service is provided, the District shall also leave a 24 hour Shut off Notice at the door or in a conspicuous place at the residence to which the service is provided.

C. 7-day Shut off Notice shall include:

- Customer's name and address
- Amount that is past due
- The date by which payment or arrangement for payment is required in order to avoid discontinuation of service
- Description of process to apply for an extension of time to pay delinquent charges
- A description of the procedure to petition for bill review and appeal
- The procedure to request alternative payments, reduced fees, or deferred fees

D. As applicable, tenants have a right to become customers

**Section 2.** Water service shall not be discontinued for nonpayment if ALL the following conditions are met:

- A. Customer provides certification by a Primary Care Provider as defined in the California Welfare and Institutions Code 14088, (General Practitioner, Obstetrician/Gynecologist, Pediatrician, Family Practice Physician, Primary Care Clinic, Hospital, or Outpatient Clinic) that the termination of the service will be life threatening or pose a serious threat to the health and safety of any resident of the premises where water service is provided ; and
- B. The customer demonstrates they are financially unable to pay (determined by whether any member of the customer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or the California Supplemental Nutrition Program for Woman, Infants, and Children, or the customer declares that the household's annual income is less than two hundred percent (200%) of the federal poverty level; and
- C. The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment.

**Section 3.** If the conditions listed above are met, the District shall offer the customer one or more of the following options:

- A. Amortization of the unpaid balance
- B. Participation in an alternative payment schedule
- C. A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers
- D. Temporary deferral of payment



The District shall have the option of choosing which of the payment options described in Section 3. above, the customer shall undertake and the District may set the parameters of that payment option, including a repayment of any outstanding balance within 12 months, which time line can be extend to avoid undue hardship.

The burden of proving compliance with the conditions described in Section 2 above is on the customer. In order to allow the District sufficient time to process any request for assistance, customers are encouraged to provide documentation establishing the applicability of Section 1. A. and 1. B., and consent to Section 1. C., as far in advance of any proposed date for discontinuance of service as possible. The District shall have seven (7) calendar days to review submitted materials and either request additional information or to notify a customer of the terms of any available alternative payment arrangement in which the District will allow the customer to participate. If the District requests additional information, it must be provided by customer within five (5) calendar days of the date of the request. Within five (5) calendar days thereafter, District shall either notify the customer in writing that the customer does not meet the conditions under Section 1. above, with a Final Notice of Intent to Discontinue water service or notify the customer that he/she is qualified for an alternative payment plan and the terms of the plan in which the District will allow the customer to participate. Any customer who fails to meet the conditions described in Section 1. must pay the delinquent amount, including any penalties and other charges, owed to the District within five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.

Customers with household incomes below 200% of the federal poverty line shall have interest charges on delinquent bills waived once every 12 months.

### **Section 3. Reconnection of Water Service**

- a. Water service will only be reconnected if either 1 or 2 and b.
  1. The same family or resident may not reconnect water service unless account is paid in full.
  2. Change of name may occur only with new recent rental agreement or documentation of recently purchased property in the name of the new water service user.
- b. Water service deposits must be at current levels.
- c. If pursuant to the test set forth in Section 2. above, a customer's household income is below two hundred percent (200%) of the federal poverty line, any reconnection fees charged to said customer during normal operating hours cannot exceed \$50, and reconnection fees during non-operation hours cannot exceed \$150. The fees cannot exceed the actual cost of reconnection if that cost is less than the caps set forth herein. Additionally, interest fees shall not be imposed on customers in this category.



**Section 4. Alternative Payment Plans** For any customer who meets the three conditions under Section 2 above, the District shall offer the following alternative payment arrangements: (i) amortization of the unpaid balance; (ii) alternative payment schedule; (iii) partial or full reduction of unpaid balance, or ;(iv) temporary deferral of payment. The District Manager, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the customer and taking into consideration the customer's financial situation and District's payment needs.

- A. Amortization: Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section 2 above, as the District shall confirm, may enter into an amortization plan with the District on the following terms:
1. Term. The customer shall pay the unpaid balance, with the administrative fee and interest, over a period not to exceed six (6) months. The District shall have discretion to apply an amortization period of up to twelve (12) months in order to avoid an undue hardship on the customer. The unpaid balance, together with the applicable administrative fee and any interest to be applied, shall be divided by the number of months in the amortization period and that amount shall be added to the customer's ongoing monthly bills for water service.
  2. Administrative Fee: Interest. For any approved amortization plan, the customer will be charged an administrative fee, in an amount established by the District from time to time, representing the cost to the District of initiating and administering the plan. Interest at an annual rate not to exceed 8% may be applied to any amounts to be amortized.
  3. Compliance. The customer must comply with the amortization plan and remain current as charges accrue in in each subsequent billing period. The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Where the customer fails to comply with the terms of the amortization plan for sixty (60) calendar days or more, District may discontinue service at least five (5) business days after District posts at the customer's residence a final notice of its intent to discontinue service.
- B. Alternative Payment Schedule. Any customer who is unable to pay for water service within the normal payment period and meets the three conditions under Section 2. above, as the District shall confirm, may enter in an alternative payment schedule for the unpaid balance in accordance with the following:
1. Repayment Period. The customer shall pay the unpaid balance, with the administrative fee and interest set forth in subsection 2 below, over a period not to exceed twelve (12) months, as determined by the District Manager or his or her designee.



2. Administrative Fee, Interest. For any approved alternative payment schedule, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering a payment schedule. At the District Manager or designee's discretion, interest at an annual rate not to exceed eight percent (8%) shall be applied to any amounts to be paid under this subsection.
  3. Schedule. After consulting with the customer and considering the customer's financial limitations, the General Manager or his or her designee shall develop an alternative payment schedule to be agreed upon with the customer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the District's established payment date, may provide for payments to be made more frequently than monthly, or may provide that payments be made less frequently than monthly, provided that in all cases, the unpaid balance and administrative fee shall be paid in full within twelve (12) months of establishment of a payment schedule.
  4. Compliance with Plan. The customer must comply with the agreed upon payment schedule and remain current as charges accrue in each subsequent billing period. The customer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previously agreed upon schedule. Where the customer fails to comply with the terms of the agreed upon schedule for sixty (60) calendar days or more, or fails to pay customer's current service charges for sixty (60) days or more, the District may discontinue water service to the customer's property at least five business (5) days after the District posts at the customer's residence a final notice of its intent to discontinue service.
- C. Reduction of Unpaid Balance. Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section 2. above, as the District shall confirm, may, if the District approves this alternative, receive a reduction of the unpaid balance owed by the customer, not to exceed one percent (1%) of that balance without approval of the District Board of Directors, provided that such reduction shall be funded from some other source that does not result in additional charges being imposed on other customers. The proportion of any reduction shall be determined by the customer's financial need, the District's financial condition and needs and the availability of funds to offset the reduction of the customer's unpaid balance.
1. Repayment Period: The customer shall pay the reduced balance by the due date determined by the District Manager or his or her designee, which dates (the Reduced Payment Date"), shall be at least fifteen (15) calendar days after the effective date of the reduction of the unpaid balance.



2. Compliance with Reduced Payment date: The customer must pay the reduced balance on or before the Reduced Payment Date and must remain current in paying in full any charges that accrue in each subsequent billing period. If the customer fails to pay the reduced payment amount within sixty (60) calendar days after the Reduced Payment Date, or fails to pay the customer's current service charges for sixty (60) calendar days or more, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service
- D. Temporary Deferral of Payment. Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section 2 above, as the District shall confirm, may have the unpaid balance temporarily deferred for a period of up to six (6) months after the payment is due. The District shall determine, in its discretion, how long the deferral shall be provided for the customer.
1. Repayment Period. The customer shall pay the unpaid balance by the deferral date (the "Deferred Payment Date") determined by the District Manager or his or her designee. The Deferred Payment date shall be within twelve (12) months from the date the unpaid balance became delinquent.
  2. Compliance with Deferred Payment Date. The customer must pay the deferred balance on or before the Deferred Payment Date and must remain current in paying in full any charges that accrue in each subsequent billing period. If the customer fails to pay the unpaid amount within sixty (60) calendar days after the Deferred Payment Date, or fails to pay the customer's current services charges for sixty (60) calendar days or more, the District may discontinue water service to the customer at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.

**Section 4. Contesting water charges – Appealing a bill**

- a. Customers may appeal the amount of their water bill to the Pajaro/Sunny Mesa Community Services District within ten (10) days of receipt of the bill for service. In addition, any customer who receives a 7-Day Shut off Notice has the right to initiate an appeal and review of the amount due on the bill to which the 7-Day Shut off Notice relates at least five (5) business days after the date of the 7-Day Shut off Notice if the customer alleges the bill is in error with respect to the quantity of water consumed. All appeal requests must be in writing and should include documentation supporting the appeal or the reason for review.
- b. The District Manager or designee shall receive any appeal for reduced payments and investigate such matter.
- c. No customer shall be disconnected while appealing water charges.
- d. The District Manager or designee shall decide of findings on the appeal within 10 business days. A meeting between the District Manager or designee and the customer may be scheduled if the District Manager or designee deems it



necessary. The District Manager's or designee's decision shall be set forth in a brief written summary of decision.

- i. If the water charges are determined to be incorrect, the District will provide a corrected invoice and payment of the revised charges will be due within ten (10) calendar days of the invoice date for the revised charges. If the revised charges remain unpaid for more than sixty (60) calendar days after the corrected invoice is provided, water service will be disconnected after provision of a Notice of Imminent Disconnection in accordance with this policy. Water service will only be restored upon full payment of all outstanding water charges, penalties, and any and all applicable reconnection charges.
  - ii. If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the District Manager's or designee's decision is rendered. At the time the District Manager's or designee's decision is rendered, the customer will be advised of the right to further appeal before the District Board of Directors as set forth in subsection e. below.
- e. The customer may appeal the determination of the General Manager or Designee to the Board of Directors at the next regular meeting. Any such appeal must be filed in writing within seven (7) calendar days after the District Manager's or designee's decision is rendered. The parties may agree to a later appeal date if desired. Rules and procedures for appeals to the Board of Directors will be set by separate policy.

#### Customer contact number for billing information

- a. A customer contact number to contact the District shall be listed on all utility billing correspondence and notices.
- b. (831) 722-1389 shall be the District contact number available for customer billing information and program involvement during normal business hours.
- c. This District phone connection will be in English and Spanish when available. If a needed language is required for full understanding, and that language is not immediately available, someone with that language skill will make reasonable attempts over the next 24 business hours to provide needed language services.

The Pajaro/Sunny Mesa Community Services District will post the number of water service disconnections of the District website at least annually.



## DISTRICT OPERATIONS REPORT

February 27, 2019

TOPIC	STATUS	DATE OF PLANNED RESPONSE
Arrowhead Tank Replacement Project	Bid docs prepared by Wyeast Engineering. Documents 100% complete. Project is ready to go out for bid, will need updating. Board has given direction to monitor the integrity of the tanks and report as needed.	No Report
Grants & Loans Active	<p>A. SRF Planning Grant Springfield &amp; IRWMP Grant Pajaro.</p> <ul style="list-style-type: none"> <li>• Pajaro Grant – Ring wall has been installed and foundation has been poured. Project is progressing on schedule.</li> <li>• Springfield Planning Grant – Final PER and 30% Plans have been submitted to State. 123 TCP was not detected in the test well. Staff is working with Sacramento State to complete General information, Technical and Financial Security Packages necessary.</li> </ul>	February 2020  February 2020
Tot Lot Park or Cayetano Park	In the January County Meeting Board of Supervisors approved the Quitclaim Deed. The Quitclaim Deed has been submitted to the RMA Director for his notarized signature, when the Quitclaim is received by County Staff it will be emailed to the District for acceptance and sign off by the District.	On Agenda
Pajaro Park	Northern Monterey County Foundation has awarded a \$3,000.00 grant to Together in Pajaro (TIP) District received \$2,700.00 – TIP administrative fee was \$300.00	On Agenda
Sunny Mesa Sewer	District is holding monies that is to be refunded to the original Sunny Mesa Sewer customers. Balance Sheet Account #2320-Amount \$29,169.90. Staff is currently reviewing, and has spoken to Bianchi, Kasavan, and Pope for their opinion and assistance if needed.	No Report
Emergency Generators	Request for Proposal has been publicly advertised.	On Agenda
Hazard Mitigation Plan	Generate a Disaster Mitigation Plan for submission to Monterey County and FEIMA. <ul style="list-style-type: none"> <li>• Staff has submitted a Pre-Disaster Hazard Mitigation Plan Application for assistance to Cal OES.</li> </ul>	No Report
Water Rate Study	Discuss the Water Rate Study in February 2020.	On Agenda
Compensation Plan Review	Discuss the Compensation Plan Review in February 2020.	On Agenda

# DISTRICT OPERATIONS REPORT

February 27, 2019

SB 998	Present the Board of Directors with a draft of the SB 998 policy February 2020.	February 2020
Multi Community Bottled Water Project	Springfield Water System, Moss Landing Mobile Home Park, Springfield/Bluff/Jensen/Giberson Roads. 189 homes are currently receiving bottled water.	No Report



## Usage Comparison in Gallons 2013-2020

Water Systems	Jan-17	Jan-18	Jan-19	Jan-20
Pajaro	4,847,788	5,604,764	5,489,572	4,885,936
Normco	1,268,608	1,902,912	1,683,748	1,104,796
Sunny Mesa	1,328,448	1,594,736	1,466,828	1,498,992
Moss Landing	1,757,800	1,983,696	2,033,064	1,993,420
Vega	610,368	791,384	722,568	554,268
Vierra Estates	192,236	255,816	175,780	175,032
Springfield (pumped)	563,992	617,848	448,276	393,822
Langley/Valle Pacifico	136,884	181,764	172,040	116,688
Blackie	102,476	130,152	103,972	81,532
District Total	10,808,600	13,063,072	12,295,848	10,804,486

Water Systems	Jan-13	Jan-20		Percentage
Pajaro	5,969,025	4,885,936	↓	-18.1%
Normco	1,935,098	1,104,796	↓	-42.9%
Sunny Mesa	1,730,902	1,498,992	↓	-13.4%
Moss Landing	1,589,500	1,993,420	↑	25.4%
Vega	865,436	554,268	↓	-36.0%
Vierra Estates	316,404	175,032	↓	-44.7%
Springfield (pumped)	454,784	393,822	↓	-13.4%
Langley/Valle Pacifico	187,748	172,040	↓	-8.4%
Blackie	188,496	81,532	↓	-56.7%
District Total	13,237,393	10,859,838	↓	-18.0%

### Large Systems

### Small Systems

