MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on September 24, 2026.

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

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

ABSENT DIRECTOR(S) & STAFF: Vice President Donald Olsen

DISTRICT COUNSEL: Heidi Quinn, absent

ADDITION(S) TO AGENDA:
None

PUBLIC IN ATTENDANCE:
In-Person: Bruce Bongard, manager/representative of DeLany WC; Rosa & Gabriel D.L.P. from Hudson Landing Community; Rafael Ramirez-Felix from Pajaro Water System

Zoom: Marilyn Vierra, Supervisor Church Office Chief of Staff; Michael Miller

PUBLIC COMMENTS:
Ms. Vierra apologized for being absent from District meetings for almost a year. In the Pajaro Townhall meeting that was held on Wednesday, General Manager Vazquez-Varela and Director Coplin were in attendance, and Director Coplin shared his concerns regarding the Pajaro Park planning. General Manager Vazquez-Varela contacted Marilyn to inform Supervisor Church's office of the District plan regarding the Moss Landing Fire.

CONSENT AGENDA: (Action Items)

1. Consider approval of the Minutes of August 27, 2026, Regular Board Meeting
2. Review and Approve September 2026 Payments
3. Consider authorizing the General Manager to submit an amendment request to the State Water Resources Control Board for a time extension and additional funding for the Springfield Water System Improvements Project

- General Fund 633: Total of $0.00
- Operating Account: Check No. 26669-26683 totaling $184,810.94
- Reserve Account: Check No. 155-156 totaling $1,634,082.17
- Street Maintenance Account: Checks No. 615-618 totaling $20,278.95

- Pajaro Park Account: Total of $1,707.24
- COP 2010 Account: Total of $0.00
- Debt Service Reserve Account: Total of $0.00

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

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

OLD BUSINESS:

1. None

NEW BUSINESS: (Action Items)

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

   The Board President opened the public hearing at 5:45 pm and adjourned at 6:22 pm.

   General Manager stated that there are no changes from the previous year. The rates have not changed for three years.

   In public comment, Mr. D.L.P. raised concerns regarding what the District's plans are for the Hudson Landing area lighting; he didn't want the District to charge for additional lighting or removal of lighting.

   A motion was made by Director Anderson and seconded by Director Coplin to approve the Lighting Assessment continuing through 2027. Motion carried.

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

2. Consider approval of Financial Reports for August 2026

   Bookkeeper Saldate reported that the Water Revenue was 14% above budget for August. The Indirect Expense Account for Interest Expense was over budget for the month due to the final interest-only payment on the Reorganization Loan, which will be paid off in March 2027. The Direct Expense account, Water System Repair and Maintenance, was over budget due to a lighting upgrade and well meter repair for the Pajaro Water System. The Miscellaneous Revenue account incurred an increase for the month as the District received funds from the State of California for unclaimed property.

The Income was more than the Total Expenses by $106,078. August's cash on hand, combining the Operating and Reserve Accounts, was $2,539,583, which was less than the previous month.

August's Net Income for Water Enterprise was above the monthly budget by 38% as a combination of increased water sales and low expenses.

A motion was made by Director Anderson and seconded by Director Miller to approve the financial reports for August 2026. Motion carried.

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

3. Consider approval of Letter of Intent to proceed with selected DeLany Consolidation Project

General Manager reported that the DeLany team requested the District approve the selected project, including the 5-water system, which confirmed participation for a total of 56 connections. Director Coplin would like to make sure that requirements stated in Resolution No. 09-01-21 are met. Director Anderson stated that the project is still in the preliminary stage, but policy regulations will be followed.

A motion was made by Director Anderson and seconded by Director Chesterman to approve the Letter of Intent to proceed with the selected project. Motion carried.

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

4. Consider approval of Resolution No. 09-01-26 Authorizing the General Manager to sign and file a financial assistance application for the planning, design, and construction of the DeLany Consolidation Project

General Manager stated that this is a standard Resolution needed by the State in order to apply for funding.

A motion was made by Director Miller and seconded by Director Chesterman to approve Resolution No. 09-01-26 Authorizing the General Manager to submit the financial assistance application. Motion carried.

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

5. Consider authorizing the General Manager to proceed with the purchase of a District vehicle in the amount of $70,100 with funds available in the adopted budget, and authorize the General Manager to execute the necessary purchase documents

   Director Coplin questioned why we are purchasing a gas vehicle instead of an EV. General Manager informed him about our vehicle purchasing arrangement. The District will slowly transition District vehicles to EVs; this will be a gas vehicle and the next an EV.
   Director Miller suggested that Operations Manager Ochoa get the preferred vehicle that would work best for the District's needs.

   A motion was made by Director Chesterman and seconded by Director Miller to approve authorizing the General Manager to proceed with the purchase of a District vehicle. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Structural Fire at Moss Landing Power Plant on September 18, 2026
   - After receiving a shelter-in-place order at 8:20 am on Friday, staff requested the system operator to leave the Moss Landing area until shelter-in-place was lifted. Staff contacted State Water Resources Regulators to provide the District plan to collect volunteer sampling following safe entry post-fire. Regulators approved the plan. Staff contacted the Supervisor's office to provide a water system update.

2. Proposed Mobility Hub for the Community of Pajaro
   - The General Manager provided an overview of the program. Marilyn stated that Supervisor Church and she have concerns about this program. They will continue to assist the District in obtaining more information.
   - Director Coplin requested that Supervisor's office and Monterey County continue to be involved in all Pajaro Park decisions and asked whether they are going to take over the park.

3. Springfield Water System Improvements Project
   - The ML Mobile Home Park lateral line installation is in progress. APEC hit a water main; they quickly isolated and repaired the leak and reinstalled water service to the affected area. Staff completed the bacteriological sampling. Although APEC has encountered wet soil conditions, installation of laterals in the ML Park is near completion. PG&E has installed electrical services and is currently awaiting installation of a meter. The delivery of the booster pumps, along with the cans, is being delayed due to manufacturing issues. Staff will be submitting an amendment request to the State Water Boards for a time extension and additional funding associated with the extended project timeline. The request amendment will not change the approved scope of work.
   - The State Water Board has requested that the project utilize a two-phase startup approach to allow potable water service to be delivered to the community as soon

as practical. Phase 1 interim startup: the new water system will begin operating while bypassing the booster station. This will allow potable water to be delivered to the community prior to completion and installation of the booster pumps. During the interim phase, the system will not have fire suppression capability. The lack of fire suppression during this interim period does not represent a change from the community's current condition. Phase 2 final project completion: following delivery, installation, testing, and startup of the booster pumps, the booster station will be placed into service. At that point, the project will transition to full operation, and the approved project improvements will be considered complete.

4. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)
   - The easement negotiations continue. The property owner has indicated that he would like to see the Phase 2 executed funding agreement before agreeing to sign the easement documents.
   - BKF is working toward providing 60% design. The team met with the SCADA team to go over the system needs.
   - Phase 2 Environmental and Financial Packages were submitted to the State Water Boards-Clean Water State Revolving Funds. We should hear back in early spring.
   - The California Department of Fish and Wildlife (CDFW) has acknowledged submission of our application.

5. District Operations Report

Pajaro & Sunny Mesa WS Motor Control Center Replacement
- Staff met with Tesco to review Water Systems information.

Electric Vehicles Feasibility
- Inquiries have been received from MBARD; staff have responded to all inquiries to date regarding the project.

Current Water System Repairs

Blackie Road #18 WS:
- Sanitary Survey Inspection by State Water Board Regulators.

Langley/Valle Pacifico WS:
- Arsenic media changed by contractor.
- Reclaim pump leaked; repaired by Staff.

Moss Landing WS:
- Broken 2-inch meter was replaced by Staff.

Normco:
- 2-inch service leak repaired by Staff and Contractor.
- Sanitary Survey Inspection by State Water Board Regulators.
- Booster pump #2 in need of reinforcement, reinforced by Staff.

Pajaro WS:
- 1-inch service leak, repaired by Staff and Contractor.
- The 10-inch well #2 meter failed; it was replaced by Staff.

Springfield Road WS:

Sunny Mesa WS:

Vega Road #01 WS:

Vierra Estates WS:

- Sanitary Survey Inspection by State Water Board Regulators.

Parks:

- Pajaro Park irrigation leak, repaired by Staff
- Director Coplin requested that Monterey County Parks Department be informed regarding the possibility of having a Pajaro Park caretaker, he would like for GM, Ms. Vierra, and Supervisor Church to meet about the caretaker and/or master plan.

6. Usage Comparison Report 2025/2026-August
   - General Manager Vazquez-Varela reported that overall, District-wide water usage is up by almost 17.5%. In the Langley/Valle Pacifico, a water leak used about 62 units, creating a big impact: a 52 percent water use increase. In the Blackie Water System, last year a customer leak used 84 units, creating a decrease in water use this year of 25 percent.

CLOSED SESSION:

None

Conference With Real Property Negotiators

Government Code Section 54956.8
Property: 6937 Pacifico, Salinas, California (Assessor's Parcel No. 127-035-028-000)
Agency Negotiators: Judy Vazquez-Varela and Tim Baldwin
Negotiating Party: Miranda McDonnell
Under Negotiation: Price and Terms of Payment for Granting Easement

NEXT BOARD MEETING:

The next Regular Board Meeting is to be held on Thursday, October 22, 2026, at 5:30 pm at the District Office.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:24 pm with a motion made by Director Anderson, seconded by Director Chesterman. Motion carried.

Respectfully submitted by:

Paul Anderson, President

Donald Olsen, Vice President

Rocio Fernandez, Recorder