

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, 2025.

ROLL CALL:

President Paul Anderson
Secretary Clinton Miller
Treasurer Donald Chesterman

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
Assistant Secretary Sanford Coplin

DISTRICT COUNSEL:

Absent

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE:

Margie Kay with Elkhorn Community, Ed Gasco

PUBLIC COMMENTS:

General Manager Vazquez-Varela made a comment regarding the District's collaboration with Monterey County post the Vistra fire. Staff will allow access to tanks and well site.

Margie commended General Manager, Staff and Directors for their work.

Director Miller inquired about our system's distance from the Vistra fire, Operations Manager informed him our closest system is on Dolan Road. General Manager Vazquez-Varela commented that we are collaborating with Monterey County as we are interested in getting our water sampled or getting a list of what we should be testing for. We will not be testing the ground at this time.

Action Items

1. Consider and approve the Minutes of December 19, 2024, Regular Board Meeting

No discussion.

The motion was made by Director Chesterman and seconded by Director Miller to approve the Regular Board Meeting Minutes of December 19, 2024. Motion carried.

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

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2. Review and Approve January 2025 Payments

1. General Fund 633: Total of \$1,807.31
2. Operating Account: Check No. 26055 through Check No. 26082 totaling \$232,816.96
3. Reserve Account: Check No. 128 totaling \$22,346.82
4. Street Maintenance Account: Total of \$510.74
5. Pajaro Park Account: Check No. 858 totaling \$4,355.30
6. COP 2010 Account: Total of \$0.00
7. Debt Service Reserve Account: Total of \$0.00

A motion was made by Director Chesterman and seconded by Director Miller to approve the January 2025 payments. Motion carried.

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

OLD BUSINESS:

1. Review and consider approving the Right of Entry Indemnification Agreement between the County of Monterey and Pajaro/Sunny Mesa Community Services District

The General Manager provided the Board of Directors with an updated version of the agreement, no substantive changes other than the language in the Collaboration section indicating the District will be collaborating with the County of Monterey, instead of collaborating together.

A motion was made by Director Miller and seconded by Director Chesterman to approve the Right of Entry and Indemnification Agreement between the County of Monterey and Pajaro/Sunny Mesa Community Services District. Motion carried.

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

2. Review and consider approving the Response Letter to Moss Landing Commercial Park

Director Chesterman commented that the letter written by District Counsel was clear and to the point.

A motion was made by Director Miller and seconded by Director Chesterman to approve the Response Letter to Moss Landing Commercial Park. Motion carried.

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

3. Review and consider approving the Response Letter to Parks Legacy Project (PLP)

Directors Miller and Chesterman both agreed that the response letter to PLP was good.

A motion was made by Director Chesterman and seconded by Director Miller to approve the Response Letter to Parks Legacy Project. Motion carried.

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

NEW BUSINESS: (Action Items)

1. Review and consider approving financial reports for December 2024

Bookkeeper Saldate reported to the Board of Directors that the Water Revenue of December was 86% of budget projection. In the Indirect Expenses, the District saw an increase in the Office Equipment Repair and Maintenance budget due to a new computer for the front desk. The Auto- Repair and Maintenance account saw an increase due to the 2013 Chevrolet transmission service and steering pump replacement. In the Membership fees and dues, we saw an increase due to the California Special Districts Association annual dues. In the Direct Expenses, the Water Testing-Labs account saw an increase due to quarterly sampling and complete sampling of Sunny Mesa Well 1. The Fuel- Generator account saw an increase due to diesel fuel top-off for generators. In the Other Income, Lighting Admin. and Audit/Bookkeeping and Legal Counsel Reimbursement accounts saw an increase due to the Parcel Assessments.

The Total Income surpassed Total Expenses by \$38,697. December's Cash was more than November's Cash by \$48,596. December's cash on hand was \$1,469,400.

The Net Income had a shortfall in the projected monthly budget due to low water sales.

A motion was made by Director Miller and seconded by Director Chesterman to approve the financial reports for December 2024. Motion carried.

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

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2. Review and consider approving Resolution No. 01-01-25 Authorizing the General Manager to enter into a Funding Agreement with the California State Water Resources Control Board and designate the General Manager as the Authorized Representative for the Springfield Water System Improvements Project

General Manager Vazquez-Varela mentioned that the agreement language is standard and consistent with other agreements received. The 15 million grant will provide construction funding to consolidation the new Springfield Water System to the Mobile Home Park and approximately some homes along Springfield Road. This project will provide potable water to folks who have not been able to drink their water in many years.

Director Anderson inquired about the approval of payouts; General Manager Vazquez-Varela replied that the District Engineer Tom Yeager would do the initial approval with verification from Staff.

General Manager Vazquez-Varela discussed the bid opening, the District received five bids all within budget. A special meeting will be held in February to award the bid. The low bidder pulled their bid due to a mathematical error; further discussion will be held at the special meeting.

A motion was made by Director Chesterman and seconded by Director Anderson to approve Resolution No. 01-01-25 Authorizing the General Manager to enter into a Funding Agreement with the California State Water Resources Control Board and designate the General Manager as the Authorized Representative for the Springfield Water System Improvements Project. Motion carried.

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

3. Review and consider approving Design-Build Procurement Method and Selection Criteria for the Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project

Director Anderson mentioned that typically the Board will approve the delivering method for a project, the Design-Build method provides more ability for collaboration.

A motion was made by Director Miller and seconded by Director Chesterman to approve Design-Build Procurement Method and Selection Criteria for the Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project. Motion carried.

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

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STAFF/COMMITTEE REPORTS: (Informational Only)

1. Delany WC Feasibility Study

- The study will be divided into phases, first phase will include the systems easily intertied, second phase will be those within a 1-mile radius in need of mainline extension, and third phase will be all those outside of the 1-mile radius. Provost and Prichard requested additional Vega Water System information to verify the ability of consolidation.
- Staff will invite Delany Representative and Provost and Prichard consulting representatives to the February meeting.

2. District Operations Report

Pajaro Park

- Awaiting the proposal for fence replacement to determine if we are submitting a claim to the insurance or paying out of cost.

Multi Community Bottled Water Project

- The November reimbursement has been submitted.

Pajaro Long-Term Recovery

- District Counsel has completed revisions to Memorandum of Understanding for Board of Directors approval.

Current Water System Repairs

- All backup generators were topped off with diesel in preparation for winter season.

Blackie Road #18 WS:

Langley/Valle Pacifico WS:

- Arsenic removal media was changed 12/30/24.

Moss Landing WS:

- The San Jose State University saltwater service line was repaired by their contractor.

Normco WS:

Pajaro WS:

- Office, Pajaro Well site and Pajaro Park alarm systems were upgraded by new provider First Alarm on 1/10/25.

Springfield Road WS:

- Held bid opening meeting on 1/15/25.
- Lakeside Organics is farming near well site they have provided a pathway for our well access.

Sunny Mesa WS:

- Well #1 results are still pending DDW for approval.
- Repaired well site gate latch.

Vega Road #01 WS:

- Kari Lane booster station pump and motor failed, a loaner was installed by Maggiora Bros. and Staff, we are currently waiting for the replacement pump and motor.

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Vierra Estates WS:

Parks:

3. Usage Comparison Report 2023/2024-December

- All systems were down except for Springfield. Districtwide we had a 21% decrease in usage compared to this month last year.

Margie commended General Manager, Staff and Directors for their work.

Director Miller inquired about our systems distance from the Vistra fire, Operations Manager informed him our closest system is on Dolan Road.

CLOSED SESSION:

None

NEXT BOARD MEETING:

The next Regular Board Meeting is to be held on Thursday February 27, 2025, at 5:30 pm at the District Office.

There being no further business, the Special and Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:08 pm with motion made by Director Chesterman, seconded by Director Miller. Motion carried.

Respectfully submitted by:



Paul Anderson, President



Donald Olsen, Vice President



Rocio Fernandez, Recorder