

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on March 26, 2026.

ROLL CALL:

President Paul Anderson
Vice President Donald Olsen
Secretary Donald Chesterman
Assistant Secretary Sanford Coplin

ADMINISTRATIVE STAFF:

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

ABSENT DIRECTOR(S) & STAFF:

Treasurer Clinton Miller

DISTRICT COUNSEL:

Heidi Quinn, absent

ADDITION(S) TO AGENDA:

None

PUBLIC IN ATTENDANCE:

In Person: Bruce Bongard, manager/representative of Delany WC.
Zoom: Marilyn Vierra, Supervisor Church's Chief of Staff; Michael.

PUBLIC COMMENTS:

Marilyn Vierra announced that the County of Monterey has scheduled the resurfacing of Dolan Rd to begin tonight. The work will occur during the nighttime hours, is expected to take approximately 4 weeks to complete, and is being funded by Measure AA.

CONSENT AGENDA: (Action Items)

1. Consider approval of the Minutes of February 26, 2026, Regular Board Meeting
2. Consider approval of the Minutes of March 2, 2026, Special Board Meeting
3. Review and Approve March 2026 Payments
 1. General Fund 633: Total of \$2,258.47
 2. Operating Account: Check No. 26491-26495 totaling \$151,994.54
 3. Reserve Account: Check No. 148-149 totaling \$5,838,348.48
 4. Street Maintenance Account: Check No. 600-602 totaling \$1,652.47
 5. Pajaro Park Account: Total of \$1,461.97
 6. COP 2010 Account: Total of \$0.00
 7. Debt Service Reserve Account: Total of \$42,100.00

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

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

OLD BUSINESS:

1. None

NEW BUSINESS: (Action Items)

1. Consider approval of Financial Reports for February 2026

Bookkeeper Saldade reported that the Water Revenue resulted in 90% of the projected budget for February. The Indirect Expense Account of Small Tools- Repair and Maintenance was over budget due to the purchase of a new leaf blower. The Interest Expense Account had an overage due to the biannual interest payment on the 2007 Reorganization Loan. The Credit Card Transaction Fees Account was under budget due to a merchant payment card interchange fee Class Action Settlement check received. In the Direct Expenses category, Water System- Repair and Maintenance had a shortage due to low monthly expenses throughout all water systems. Other Income Miscellaneous Revenue was under budget, as this account was used as a pass-through for the Annual Wellness Grant funds, in which a walking pad was purchased during the month.

The Income was more than the Total Expenses by \$93,568. February's cash on hand, combining the Operating and Reserve Accounts, was \$2,314,752, which was more than the previous month.

The Net Income for Water Enterprise surpassed the monthly budget projection by 38% due to low expenses.

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

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

2. Consider voting for the election of one Alternate LAFCO Special District Representative and return the ballot to LAFCO

All Board Members received a copy of the ballot and nomination forms from the two candidates.

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Motion was made by Director Chesterman and seconded by Director Anderson to approve Bill Lipe as the elected alternate candidate for LAFCO. Motion carried.

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

3. Consider approval authorizing submittal of a Construction Funding Application to the State Water Resources Control Board for the Delany Project

General Manager Vazquez-Varela provided an update on the Delany Project.

Director Coplin mentioned the Water Acquisition Policy for new water systems requires a minimum of two Public Hearings.

Bruce Bongard stated that the project is very promising for the mitigation of Hexavalent Chromium 6, which the general geographic area is already experiencing.

A motion was made by Director Olsen and seconded by Director Coplin to approve authorization to submit a construction funding application. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Springfield Water System Improvements Project
 - Contractors, engineers, and the Community Water Center are coordinating with Springfield Road residents on the location of the lateral line installation from the meter to the house. Construction of the lateral service is to commence this week. Chemical building construction is in progress. Water line installation in the Moss Landing Mobile Home Park is complete. The generator concrete pad is in progress. A Build America, Buy America Act (BABA) compliant well pump has been procured.
2. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)
 - The \$33.5 million grant has been executed. Project completion is December 31, 2028. The \$1 million bridge loan application to RCAC is in progress. The consultant contracts will be issued this week.
 - One of the property owners is unwilling to sign the easement agreement. Staff requested assistance from the Board to contact the property owner to gather additional information and attempt to persuade the owner to execute the easement agreement.

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3. District Operations Report

ACWA JPIA 2025 Wellness Grant

- A walking pad was purchased with the wellness grant funds.

Pajaro Long-Term Recovery

- The Pajaro Park Reopening Ceremony took place on March 13, 2026, at 1:00 pm.

Water Rate Study Update

- The contract was issued to NBS.

Electric Vehicles Feasibility

- Staff provided the necessary information to move forward with the design.

Current Water System Repairs

Blackie Road #18 WS:

- Leak on the well post water meter, repaired by staff.
- Water system hydrant flush.

Langley/Valle Pacifico WS:

- Hose bib leak, repaired by staff.
- Water system hydrant flush.

Moss Landing WS:

- Water leak on the customer service line before the meter; contractor and staff repaired.

Normco:

- Water system hydrant flush.

Pajaro WS:

- The walnut tree was removed from the well #1 site; the tree trunk was rotted.
- Water system hydrant flush.

Springfield Road WS:

Sunny Mesa WS:

Vega Road #01 WS:

- Water system hydrant flush.

Vierra Estates WS:

- Water system hydrant flush.

Parks:

4. Usage Comparison Report 2025/2026-February

- General Manager Vazquez-Varela reported that at Normco, Sunny Mesa, and Vega Water Systems, there were several customers with leaks. In Langley/Valle Pacifico, customers had low water usage last year in February compared to this year. Blackie Rd WS, one customer had a water leak this month last year. Overall, district-wide was up by 18 percent in February compared to the same month last year.

CLOSED SESSION:

None

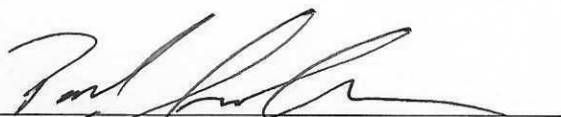
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NEXT BOARD MEETING:

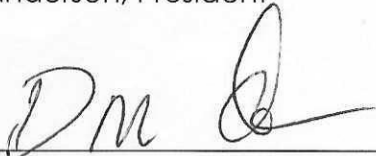
The next Regular Board Meeting is to be held on Thursday, April 23, 2026, at 5:30 pm at the District Office.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:11 pm with a motion made by Director Anderson, seconded by Director Olsen. Motion carried.

Respectfully submitted by:



Paul Anderson, President



Donald Olsen, Vice President



Rocio Fernandez, Recorder