

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on February 22, 2024.

ROLL CALL:

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

None

DISTRICT COUNSEL:

Absent

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: Marilyn Vierra, Supervisor Church Office Chief of Staff

PUBLIC COMMENTS:

Ms. Vierra addressed issues that had been brought up in the previous meeting. She began by discussing that the Pajaro Park is on the radar for the master plan for parks with Parks Commission covering the whole County, she will continue to provide updates of plan. Also, Revitalization funds will be allocated to Pajaro Park to meet public needs like replacing the turf and benches. Regarding the concerns with security and illegal activity at Pajaro Park, Ms. Vierra reached out to Jessica Madueno with CHP, CHP would like to have the new hires patrol the area, she encouraged calling 911 when illegal activity is happening. Director Coplin informed Ms. Vierra of Bryan Flores opposition to fund the Pajaro Park as he is part of the team working on the master plan, she will inform Supervisor Church.

Action Items

1. Consider and approve the Minutes of the January 25, 2024, Regular Board Meeting

The motion was made by Director Coplin and seconded by Director Chesterman to approve the Regular Board Meeting Minutes of January 25, 2024. Motion carried.

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

OLD BUSINESS:

1. Review and consider approving the 2022-2023 Financial Audit Final Revised Draft

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General Manager Vazquez-Varela informed the Board of Directors that the Natural Disaster Note was moved to page 14 under note 1, following the sequence of the financial statements. Staff will request that Auditors add the following information to the Subsequent Events; A claim of \$1,320,928.65 was submitted to ACWA-JPIA. Of this submitted claim \$237,443.65 was for expenses incurred during the flood event, \$899,355 was for proposals received for the replacement of the Motor Control Centers for Pajaro and Sunny Mesa Water Systems, and \$184,130 was for proposed mitigation work also for the Motor Control Centers. ACWA-JPIA reimbursed the District \$130,401.70 for the expenses incurred retaining the \$100,000 deductible, the balance of is pending the completion of the Motor Control Centers work. A claim of \$779,683.13 was submitted to FEMA of which \$534,711.742 is pending environmental review and 75 percent of \$244,971.71 has been obligated for reimbursement pending ACWA-JPIA finalized claim payment.

The motion was made by Director Coplin and seconded by Director Anderson to approve the 2022-2023 Audit Final Revised Draft with language explaining the Subsequent Events. Motion carried.

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

NEW BUSINESS: (Action Items) None

1. Review and consider approving financial reports for January 2024

Bookkeeper Saldate reported to the Board of Directors that the Water Revenue for January was 80 percent of the budget projection. The District saw an increase in Salaries and Wages due to annual sick leave and vacation accruals for the calendar year, and the end of year vacation payouts. The Legal Expenses budget experienced an increase due to November and December service invoices being received in the same month. There was an increase in the Direct Expenses-Fuel Generator and 2021 Bond Expense budget, 5 generators had a fuel top-off. January's total Expenses surpassed the Total Income by \$41,857. January's Cash was more than December's Cash by \$99,074. January's Cash on Hand was \$1,077,894.

Bookkeeper Saldate informed the Board that the Net Income for January was negative \$41,857 due mainly to calendar year sick leave and vacation accruals and, of calendar year vacation payouts and membership expenses.

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

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

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MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF PAYMENTS:

2. Review and consider approving February 2024 payments
 1. General Fund 633: Total of \$2,149.09
 2. Operating Account: Check No. 25728 through Check No. 25745 totaling \$121,255.85
 3. Reserve Account: Total of \$57,953.43
 4. Street Maintenance Account: Total of \$1,150.43
 5. Pajaro Park Account: Total of \$1,661.64
 6. COP 2010 Account: Total of \$0.00
 7. Debt Service Reserve Account: Total of \$38,937.50

A motion was made by Director Miller and seconded by Director Chesterman to approve the February 2024 payments. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. 2023 Flood Damage Report
 - Staff reported that JPIA mailed two checks for \$50,131.73 and for \$80,269.97 both have been received.
2. 2024 Water Justice Leadership Award
 - The District was selected to receive the 2024 Water Justice Leadership Award by the Community Water Center. Director Miller will be attending to receive the award.
3. Committee met with Heidi A. Quinn of Noland, Hamerly, Etienne & Hoss on February 13, 2024
 - The Board of Directors were provided with Ms. Quinn's Profile. Director Chesterman reported that Ms. Quinn is well qualified to represent the District, and the Firm currently represents Castroville Community Services District.
4. Parks Legacy Project (Pajaro Valley Golf Club)
 - Staff met with Andy Sterbenz of Schaaf & Wheeler to discuss the Parks Legacy Project which includes 156 single family homes, 87 cabins, 58 RV hook ups, a club house and community market. Mr. Sterbenz is requesting water service from the Sunny Mesa Water System, at the moment the Sunny Mesa WS does not have the capacity to meet the requested Project demand.
 - Staff will be meeting with the owner of the Parks Legacy on February 28, 2024, Directors Miller and Coplin will attend the meeting.

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5. District Operations Report

Springfield

- The Technical, Design and Environmental packets are complete and under review. MNS Engineers is working on 100 percent plans and design, which is not holding up the review process. The construction funding agreement is probably a few months out from execution. The team is working on finalizing the staging area, an area next to the new well site has been approved by the School District. This project began approximately 10 years ago.

Pajaro Park

- The District received \$25,000 from Monterey County. The District also received \$25,000 from the Susan Street Project which is the first installment of five.

Generator Project

- Staff is working with Monterey Bay Air Resources District to finalize permit process for the new generators.

Multi Community Bottled Water Project

- Reimbursements requests have been submitted for October, November and December 2023 totaling \$29,244.

ACWA JPIA 2023 Wellness Grant

- Staff is working on scheduling a speaker from Blue Zones Project to present Staff with healthy lifestyle choices, left over funds will be provided to Staff in prizes.

LIHWAP

- The District has received \$54,111 to date.

Current Water System Repairs

Langley/Valle Pacifico WS:

- Arsenic media change out completed on February 15, 2024.
- A boat was abandoned on our well site, it has been tagged by CHP and Monterey County vehicle abatement to pick up. Ms. Vierra recommended we contact Tammy Young to report.

Moss Landing Harbor WS:

- Maggiora Bros installed a submersible well pump and motor. Electricians are replacing all electrical components.

Normco WS:

- The tank site booster pump #1 is showing signs of wear, will be replaced.

Pajaro WS:

- Pajaro water system generator locked out, to be inspected by Quinn Caterpillar.
- 4-inch meter replaced smoothly at the Pajaro Middle School.
- On February 2, 2024, Pajaro Regional Flood Management Agency delivered approximately 25 pallets of muscle wall and a 20-foot Connex container filled with flood prevention equipment.

Springfield WS:

- Minor leak near well, to be repaired when weather conditions permit.

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Sunny Mesa WS:

- Replaced a waterlogged 85-gallon hydropneumatics tank, VFD continues to have issues, will schedule a replacement.

Vega Road #01 WS:

- Vista Verde well generator had a radiator leak which was repaired by Quinn.

6. Usage Comparison Report 2023/2024-January

- Usage is down in most systems except for Moss Landing and Vierra. District wide we saw a 2 percent decrease in usage compared to this month last year.

CLOSED SESSION: None

NEXT BOARD MEETING:

The next Regular Board Meeting is to be held on Thursday March 28, 2024, 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 6:29 pm with motion made by Director Chesterman seconded by Director Anderson. Motion carried.

Respectfully submitted by:



Donald Olsen, President



Sanford Coplin, Vice President



Rocio Fernandez, Recorder