

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 24, 2022.

ROLL CALL:

President Sanford Coplin
Vice President Darlene Lamboley
Secretary Donald Olsen
Assistant Secretary Vacant
Treasurer Clinton Miller

ADMINISTRATIVE STAFF:

General Manager Don Rosa
Bookkeeper Amy Saldate
Recorder Judy Vazquez-Varela

ABSENT DIRECTOR(S) & STAFF:

None

DISTRICT COUNSEL:

Attorney Alan Smith

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: None

PUBLIC COMMENTS: None

Action Items

1. Consider and approve the Minutes of the January 27, 2022, Regular Board Meeting

Operations Manager Vazquez-Varela pointed out two (2) edits, starting on page 9, under item No. 4 to replace the word stations with stating and on page 12 to replace signature line Robert Moody with new Vice President Darlene Lamboley.

Motion was made by Director Olsen and seconded by Director Miller to approve the Regular Board Meeting Minutes of January 27, 2022, with edits. Motion carried.

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

OLD BUSINESS:

1. Consider adoption of AB-361 to allow teleconference and virtual meetings Resolution No. 02-01-22

The Board of Directors received the Draft Resolution 02-01-22 to allow teleconference and virtual meetings based on the Governor's Executive Order No. N-08-21 (Jun. 11, 2021) and the Legislature adopted AB 361 as an Urgency Measure. Staff recommends considering the proposed resolution to continue with virtual meetings unless the Governor rescinds the Executive Order No. N-08-21 Staff will prepare for an in-person meeting. General Manager pointed out necessary edits to the Resolution, all the January 2022 dates will be replaced with February 2022.

Motion was made by Director Miller and seconded by Director Olsen to approve Resolution No. 02-01-22 AB-361 to allow teleconference and virtual meetings with edits. Motion carried.

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

2. Consider adoption of Resolution No. 02-02-22 Private Placement Loan \$340,000 and Appointing Bond Counsel, Robert Haight, Loan Consultant, Stinson Securities, LLC., and Counsel for First Foundation, Nixon Peabody, LLC.

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General Manager Rosa provided an update as to Automated Meter Reading Project. The cost to implement the automated meter reading could be as high as \$800,000 due to the current infrastructure does not accommodate new equipment. Also, grants may be available to fund automated meter reading. The project could impact the rate payer with an increase of approximately \$14.00 per month.

Director Lamboley opposes placing any more financial burden on the rate payers. Director Olsen is now hesitant to direct staff to continue with project since the price could double or triple. Also, he would like to pursue grant funding. Director Miller is concerned with the technology becoming obsolete in two (2) years. Director Coplin proposed not to proceed with automated meter reading.

Motion was made by Director Olsen and seconded by Director Coplin to approve Resolution No. 02-02-22 Private Placement Loan \$340,000 and Appointing Bond Counsel, Robert Haight, Loan Consultant, Stinson Securities, LLC., and Counsel for First Foundation, Nixon Peabody, LLC. Motion Failed.

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

NEW BUSINESS: (Action Items)

1. Review and consider approving financial reports for January 2022

Bookkeeper Saldade informed the Board of Directors that the Total Income was 16 percent under budget for the month representing a revenue shortfall of \$31,700. We saw an increase in Salaries and Wages due to the annual vacation/sick leave accruals and yearend payouts which is normal to occur every January. We had increases in the Credit Card Transactions Fees due, staff met with credit card processor sales representative to discuss fee reduction, the reduction will be effective as of February, Staff will report during the March meeting. We also saw an increase in the Vega Debt Service-Interest due to the biannual interest payment to US Bank for the 2015 Vega Bond. Total Expenses surpassed Total Income by \$41,834. January Cash was less than December Cash by \$78,421. December's cash was so heightened due to the parcel assessment collected.

The Aging Report for the Pajaro area 90 days and over balance is \$437.03 composed of one customer in Pajaro requesting Covid relief assistance from a local agency, the relief was approved and is currently awaiting disbursement. The 90 days and over for Prunedale area is \$12,191.78 the customer from the Springfield area has continue making monthly payments.

Bookkeeper Saldade informed the Board of Directors of the \$25,000 for the Pajaro Park that is received from Monterey County annually. Also, mentioned that the Miscellaneous Revenue reflected the \$55,000 received for covid relieve funds affected the true water income, this item will be backout to reflect actual income.

Motion was made by Director Lamboley and seconded by Director Olsen to approve the financial reports for January 2022. Motion carried.

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF PAYMENTS:

2. Review and consider approving February 2022 payments and authorization for Staff to sign checks
 1. General Fund 633: Total of \$157,640.95
 2. Operating Account: Check No. 24979 through Check No. 25006 for a total of \$83,300.76

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3. Reserve Account: Total of \$5,257.34
4. Street Maintenance Account: Check No. 549 for a total of \$18,164.97
5. Pajaro Park Account: Check No. 850 for a total of \$1,243.10
6. COP 2010 Account: Total of \$168,680.45
7. Debt Service Reserve Account: Total of \$25,760.13

Motion was made by Director Olsen seconded by Director Miller to approve the February 2022 payments. Motion carried.

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

3. Motion to Authorize Board Member Signature Cards for All Financial Institutions

Staff would like to get authorization from the Board Members to remove former Directors Harry Wiggins, Michael Moore, and Robert Moody and add new Directors Don Olsen and Clinton J. Miller.

Motion was made by Director Miller seconded by Director Olsen to direct Staff to initiate the change of all signature cards. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. District Operations Update: due to COVID-19

- No changes to COVID-19 District Operations
- Office remains closed to public; continuing to take payments by phone or drop off
- Office will be at ¾ staffing beginning January 3, 2022, with physical distancing requirements met and health screening protocols in place; masks or face coverings to be worn at all times while indoors.
- No vendors or members of the public are allowed into Office

2. Director Robert Moody has resigned from the Board

- Supervisor Phillips will appoint a replacement.

3. District Operations Report

Springfield Planning Grant

- Staff attended teleconference with Community Water Center and State to revise workplan to support the Springfield Water System Construction Project.

Hazard Mitigation Plan (LHMP)

- Committee met on February 22, 2022, at 1:00 pm and set up public workshop to be held virtually on March 23, 2022 at 1:30 pm. We will notice the meeting in the bills, you Directors are welcomed to join.

21-22 Work Plan- Vega Marlin Lane Generator

- The generator has arrived in Texas for final inspections and should be in Salinas next week.

4. Usage Comparison Report 2020/2021

- The water usage in January has increased by approximately 2.5 percent in a few systems. We will probably see a decrease next month due to the conservation notice.

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5. Pajaro Park Funding for Operation and Maintenance

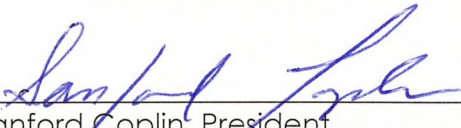
- Director Coplin would like to have a two (2) person committee to brainstorm Funding ideas for the Pajaro Park. Directors Miller and Lamboley volunteered for the committee.

NEXT BOARD MEETING:


The next Regular Board Meeting is to be held on Thursday March 24, 2022, at 5:30 pm via Zoom videoconferencing.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:27 pm with motion made by Director Olsen seconded by Director Miller. Motion carried.

Respectfully submitted by:



Sanford Coplin, President



Darlene Lamboley, Vice President



Judith Vazquez-Varela, Recorder