MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on October 22, 2026.

ROLL CALL:

Vice President Donald Olsen
Secretary Donald Chesterman
Assistant Secretary Sanford Coplin
Treasurer Clinton Miller

ADMINISTRATIVE STAFF:

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

ABSENT DIRECTOR(S) & STAFF: President Paul Anderson

DISTRICT COUNSEL: Heidi Quinn, absent

ADDITION(S) TO AGENDA:
None

PUBLIC IN ATTENDANCE:
Zoom: Bruce Bongard, manager/representative of DeLany WC; Michael Miller

PUBLIC COMMENTS:
Director Coplin – Suggested increasing the Service Availability Fee rather than the water commodity rate. Director Chesterman – has had several complaints about the Service Availability fee being too high.

CONSENT AGENDA: (Action Items)

1. Consider approval of the Minutes of September 24, 2026, Regular Board Meeting
2. Review and Approve October 2026 Payments

- General Fund 633: Total of $1,606.16
- Operating Account: Check No. 26684 - 26710 totaling $291,600.68
- Reserve Account: Total of $411,100.84
- Street Maintenance Account: Checks No. 619-620 totaling $1,768.13
- Pajaro Park Account: Total of $1,715.79
- COP 2010 Account: Total of $0.00
- Debt Service Reserve Account: Total of $0.00

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

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

OLD BUSINESS:

1. 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 Manager mentioned that the additional amount requested was $702,821, for a total project amount of $16,449,945, and extending the project completion date to Summer 2027.

A motion was made by Director Chesterman and seconded by Director Miller to approve the final amendment request. Motion carried.

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

NEW BUSINESS: (Action Items)

1. Consider approval of Financial Reports for September 2026

Bookkeeper Saldate reported that the monthly Water Revenue was 3% above budget. The Indirect Expense Account for District-Wide Repair and Maintenance was over budget for the month due to the purchase of traffic control safety equipment. The Direct Expense account, Water System Repair and Maintenance, was over budget due to main line leak repairs requiring contractor services.

The Income was more than the Total Expenses by $64,681. September's cash on hand, combining the Operating and Reserve Accounts, was $2,465,888, which was less than the previous month.

September's Net Income for Water Enterprise came in at 84% of the budget.

A motion was made by Director Chesterman and seconded by Director Olsen to approve the financial reports for September 2026. Motion carried.

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

2. Consider formation of Finance Committee for Annual Audit

Directors Miller and Chesterman volunteered to serve on the Finance Committee for the Annual Audit.

A motion was made by Director Olsen and seconded by Director Coplin to approve the Finance Committee for the Annual Audit. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Pajaro Business Group
   - General Manager attended the Pajaro Business Group (PBG) meeting where the group discussed a Christmas tree lighting event at the Pajaro Park. The event would take place on December 5, 2026. Supervisor Church is donating the tree, and the PBG will be leading the event planning. PBG plans to seek community donations to provide refreshments and treats.
   - In addition, PBG is also working to secure community donations to support holiday decorations throughout Pajaro. Those efforts include Christmas Street banners and Christmas wreaths displayed along Porter Drive.

2. Community Water Center Platica Meeting
   - On October 9, 2026, the Community Water Center (CWC) held a Platica/Meeting and invited State Water Resources Control Board members to learn about CWC's ongoing projects and community outreach efforts.
   - CWC discussed its coordination and partnership with our District on several regional projects, including the Springfield Water System Improvements Project and Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS).
   - Chad Fisher of the Division of Drinking Water SAFER Engagement team expressed his appreciation to the District's Staff and Board of Directors for the collaborative partnership with CWC. He acknowledged the District's efforts to support projects that extend drinking water services to communities outside of the District's existing service area, helping to expand access to safe and reliable drinking water.

3. Springfield Water System Improvements Project
   - The ML Mobile Home Park lateral line installation is complete; the team's focus is on thorough Park cleanup in preparation for the forecasted rain. The final amendment request to the State Water Board is for a time extension and additional funding associated with the extended project schedule. The team is working toward the two-phase startup to allow potable water service to be delivered to the community as soon as practical.
   - Two mobile homes need to be added to the project. General Manager is working to submit a change order for approval to the State.

4. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)
    - The easement negotiations continue. The property owner has indicated that he will consider signing the easement documents once Phase 2 executes a funding agreement.
    - BKF continues working toward providing 60% design.
    - Phase 2 funding package was submitted to the State Water Boards-Clean Water State Revolving Funds. The State Water Board is currently evaluating the possibility of amending the existing Expedited Drinking Water Funding Agreement to incorporate Phase 2. This approach could significantly expedite the funding award process and allow the project land acquisition to move forward quickly.

5. District Operations Report

DeLany Consolidation Feasibility Study
- A project has been confirmed, including 5 water systems, totaling 56 connections. Provost & Prichard Engineers have drafted an Engineer's Report, which has been circulated for comments.

Pajaro & Sunny Mesa WS Motor Control Center Replacement
- Communications with Tesco continue.

Prunedale Regional Consolidation
- The Prunedale Project has reduced its scope to meet the District's ability to operate; a feasibility study is in progress.

Pajaro Park
- Per Ms. Vierra, the Supervisor's Office is ok with moving forward with the Mobility Hub; a letter of intent was submitted to the County of Monterey Sustainable Program to complete the grant funding application.

Vierra Estates Tank Replacement Project
- The agreement has been carried out, and design will be scheduled.

Water Rate Study Update
- Staff continues to provide the requested information.

Electric Vehicles Feasibility
- At the October 1, 2026, MBARD Committee meeting, the District's Charging Station Grant Application was approved.

Current Water System Repairs

Blackie Road #18 WS:
- The contractor repaired a 2-inch service line leak. The leak caused some road damage; it was repaired by the contractor.

Langley/Valle Pacifico WS:
- A 2-inch customer leak drained the water storage tanks. Received 6 loads of hauled water from the contractor.

Moss Landing WS:
- The contractor repaired a ¾ inch service line leak.

- Alarm callout failed; AT&T service issues repaired.

Normco:

- The Well 2 Alkalinity, pH, and chlorine analyzer was repaired.
- The Well 2 8-inch check valve was plugged, causing issues; it was cleaned and is working properly.

Pajaro WS:

Springfield Road WS:

Sunny Mesa WS:

Vega Road #01 WS:

- Storm preparation: tree branches over Storage Water Tanks trimmed back away from tanks.
- Asphalt was repaired on Vega Road due to water damage.

Vierra Estates WS:

- Arrowhead tanks low water level; operator discovered an automatic pool valve stuck open, overfilling the pool, discussed with customer, and the issue was resolved.

Parks:

6. Usage Comparison Report 2025/2026-September
   - General Manager Vazquez-Varela reported that overall, District-wide water usage is down by almost 12 percent. In the Langley/Valle Pacifico and Vierra Estates Water Systems, customers overall are using less water. The Blackie Water System, the loss of a high water-use customer is causing a big impact on the reduction in water use.

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, November 19, 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 6:17 pm with a motion made by Director Miller, seconded by Director Chesterman. Motion carried.

Respectfully submitted by:

Paul Anderson, President

Donald Olsen, Vice President

Rocio Fernandez, Recorder