

PAJARO/SUNNY MESA
COMMUNITY SERVICES DISTRICT
136 San Juan Road, Royal Oaks, CA 95076
O (831) 722-1389 | Fax (831) 722-2137
www.pajarosunnymesa.com

AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS
DISTRICT CONFERENCE BOARD ROOM
136 SAN JUAN ROAD, ROYAL OAKS, CA 95076

AUGUST 27, 2026
5:30 P.M.

The Pajaro/Sunny Mesa Community Services District welcomes you to its meetings regularly scheduled on the fourth Thursday of each month, and your interest and participation is encouraged and appreciated.

Contact the District office at the email address or telephone number above if you believe you require any modification or accommodation for any disability which might impair your ability to participate in the meeting.

Members of the public may join the meeting from their computers via Zoom Meeting by entering the following link: <https://us06web.zoom.us/j/81088439070?pwd=ustwTokc0i4BH60BNbOhVCqI7PgtiZ.1> or by calling **1 (669) 444-9171** and when prompted, enter meeting ID: **810 8843 9070#** and passcode **541435#**. A link to the Zoom Meeting may also be found on our District's home page at www.pajarosunnymesa.com identified as "Board Meeting Zoom Link" You may submit written comments in writing either at District Office in person or by email info@pajarosunnymesa.com through and including the time of the meeting.

Documents provided to the District after the agenda has been published will be available at the District office and available for photocopying during ordinary business hours as Public Records at the cost set by resolution by the Board from time to time. This is ordinarily \$.25 per page. Documents provided to the Board for agenda items will ordinarily be placed on the District website if time permits. Otherwise, late documents will be provided to the Board at the meeting and a copy placed with the agendas available to the Public at Board meetings.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Pajaro Sunny Mesa Community Services District at (831) 722-1389 before the meeting to allow the District to make reasonable accommodations.

1. PLEDGE OF ALLEGIANCE

2. CALL TO ORDER AND ROLL CALL

- o (11/27) President Paul Anderson _____
- o (11/29) Vice President Donald Olsen _____
- o (11/27) Secretary Donald Chesterman _____
- o (11/29) Assistant Secretary Sanford Coplin _____
- o (11/29) Treasurer Clinton Miller _____

ADMINISTRATIVE STAFF: General Manager Judy Vazquez-Varela _____
Operations Manager Sergio Ochoa _____
Bookkeeper Amy Saldate _____
Recorder Rocio Fernandez _____

DISTRICT COUNSEL: Heidi Quinn _____

P/SMCSD REGULAR BOARD MEETING AGENDA – August 27, 2026**3. ADDITIONS TO AGENDA [SUBDIVISION (b), CALIFORNIA GOVERNMENT CODE § 54954.2]**

The Board may act on items of business not appearing on the posted agenda if (1) three members determine that an emergency (as defined in California Government Code Section 54956.5 exists), and (2) two-thirds vote of the members present, or, if less than two-thirds of the members are present, a unanimous vote of those members present, find a need to take immediate action and that the need for action came to the attention of the District after the agenda was posted.

4. COMMENTS FROM PUBLIC OR MEMBERS OF BOARD ON ITEMS NOT ON AGENDA

Any person may address the Board on any item not on the agenda when recognized by the Board President. Please limit your comment to three (3) minutes. Any Board member may comment on any item not on the agenda. The public may comment on listed Action and Public Hearing items at the time they are considered by the Board.

ACTION ITEMS**Consent Agenda**

All items appearing on the Consent Agenda are recommended actions which are routine and will be acted upon as one consensus motion. Any items removed will be considered immediately after the consensus motion. The Board Chair will allow public input prior to the approval of the Consent Agenda.

CONSIDER APPROVAL OF CONSENT AGENDA

1. DRAFT MINUTES OF JULY 23, 2026, REGULAR MEETING¹
2. AUGUST PAYMENTS (CHECK LISTING)
3. APPOINT AGENCY NEGOTIATORS FOR CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO 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

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Consent Agenda

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____

Roll Call Vote:

- o (11/27) President Paul Anderson _____
- o (11/29) Vice President Donald Olsen _____
- o (11/27) Secretary Donald Chesterman _____
- o (11/29) Assistant Secretary Sanford Coplin _____
- o (11/29) Treasurer Clinton Miller _____

Old Business:

None

New Business:

1. REVIEW AND APPROVE FINANCIAL REPORTS FOR JULY 2026
 - Financial notes

¹ Robert's Rules of Order Newly Revised, 12th edition says: "It should be noted that a member's absence from the meeting for which minutes are being approved does not prevent the member from participating in their correction or approval." 41:11. A newly elected member may vote to approve minutes for a meeting held before the member was appointed, and a member who was not present at a meeting also has the right to move approval of the minutes of that meeting.

See also <https://jurassicparliament.com/approving-minutes-if-you-were-absent/>

P/SMCSD REGULAR BOARD MEETING AGENDA – August 27, 2026

- Report from Staff

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Financial Reports for July 2026

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____

Roll Call Vote:

- o (11/27) President Paul Anderson _____
- o (11/29) Vice President Donald Olsen _____
- o (11/27) Secretary Donald Chesterman _____
- o (11/29) Assistant Secretary Sanford Coplin _____
- o (11/29) Treasurer Clinton Miller _____

2. CONSIDER APPROVAL OF RESOLUTION NO. 08-01-26 AUTHORIZING SUBMISSION OF AN APPLICATION TO LAFCO FOR A SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION

- Copy of Resolution

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Resolution No. 08-01-26 Authorizing submission of an application to LAFCO

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____

Roll Call Vote:

- o (11/27) President Paul Anderson _____
- o (11/29) Vice President Donald Olsen _____
- o (11/27) Secretary Donald Chesterman _____
- o (11/29) Assistant Secretary Sanford Coplin _____
- o (11/29) Treasurer Clinton Miller _____

STAFF/COMMITTEE REPORTS: (INFORMATION ONLY, NO ACTION)

This part of the agenda is for the Staff to report to the Board on District operations; however, no action is agendized, and no action may be taken other than asking for an action item to be brought to the Board at a future meeting.

1. Lighting Assessment Hearing Notice for September 24, 2026, at 5:45 pm
 - Copy of sample notice
2. 2025-2026 Annual Audit
 - Bianchi, Kasavan, & Pope will be in our office for field audit beginning September 29th
3. Discussion of an on-site Caretaker Residence at Pajaro Park
 - Staff Report
4. Springfield Water System Improvements Project
 - Progress Report

P/SMCSD REGULAR BOARD MEETING AGENDA – August 27, 2026

5. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)
 - Progress Report
 6. District Operations Report
 7. Usage Comparison Report 2025/2026
-

CLOSED SESSION:**1. 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

MOTION TO ADJOURNNext Board meeting date: September 24, 2026

Moted by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Motion passed: _____ Motion Failed: _____

Adjournment Time: _____ p.m.

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:31 pm on July 23, 2026.

ROLL CALL:

President Paul Anderson
Secretary Donald Chesterman
Assistant Secretary Sanford Coplin
Treasurer Clinton Miller

ADMINISTRATIVE STAFF:

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

ABSENT DIRECTOR(S) & STAFF:

Vice President Donald Olsen

DISTRICT COUNSEL:

Heidi Quinn, absent

ADDITION(S) TO AGENDA:

None

PUBLIC IN ATTENDANCE:

In-Person: Bruce Bongard, manager/representative of DeLany WC
Zoom: Michael Miller

PUBLIC COMMENTS:

Director Miller discussed the current situation affecting the City of Stockton involving the invasive Golden Mussel, which has been identified as clogging pipelines in water infrastructure. He recommended the District proactively assess the potential risk to its water system and prepare for possible impacts should these invasive species reach our water systems.

CONSENT AGENDA: (Action Items)

1. Consider approval of the Minutes of June 25, 2026, Regular Board Meeting
2. Review and Approve July 2026 Payments

- General Fund 633: Total of \$1,547.17
- Operating Account: Check No. 26614 – 26628 totaling \$209,933.71
- Reserve Account: Check No. 153 totaling \$336,493.45
- Street Maintenance Account: Check No. 611 totaling \$483.53
- Pajaro Park Account: Total of \$1,809.99
- 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 Chesterman to approve the Consent Agenda. Motion carried.

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

OLD BUSINESS:

1. None

NEW BUSINESS: (Action Items)

1. Consider approval of Financial Reports for June 2026

Bookkeeper Saldate reported that the Water Revenue was 10% of the above projected budget for June. The Indirect Expense Account for District-Wide Repair and Maintenance was over budget due to purchasing a pipe freeze kit and parts for inventory. Also, Computer Software was over budget for the purchase of additional licenses from Microsoft to assign operator email accounts. The addition of a 1.5" connection to Springfield Water System contributed to an increase in Other Income for Connection Fees.

The Income was more than the Total Expenses by \$131,364. June's cash on hand, combining the Operating and Reserve Accounts, was \$2,819,569, which was more than the previous month.

June's Net Income for Water Enterprise was above the monthly budget by 95%, attributed to high water sales and new connection revenue. The Fiscal Year net income for Water Enterprise totaled 95% of budget projection.

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

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

2. Consider and approve Resolution No. 07-01-26 Authorizing General Manager to accept and sign acceptance of Grant of Easement and Right-of-Way Contract for above grade facilities inclusive of a tank, pump station, building, generator, and transformers and those appurtenances

The Board discussed and considered acceptance of the grant of easement and Right-of-Way Contract. Staff noted that these facilities and associated improvements are funded through the Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS) Grant.

MINUTES OF REGULAR BOARD MEETING July 23, 2026

A motion was made by Director Chesterman and seconded by Director Miller to approve Resolution No. 07-01-26 Authorizing General Manager to accept and sign acceptance of Grant of Easement and Right-of-Way Contract. Motion carried.

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

3. Consider and approve Resolution No. 07-02-26 Certifying Compliance with State Law with Respect to Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges

Bookkeeper Saldate reported that this Resolution is necessary annually for the purpose of processing Assessments.

A motion was made by Director Coplin and seconded by Director Miller to approve Resolution No. 07-02-26 Certifying Compliance with State Law with Respect to Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges. Motion carried.

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

4. Discuss and consider approving changes to Regular Board Meeting start time

General Manager Vazquez-Varela received a request to change the meeting time to either 4:30 pm or 5:00 pm. Three Board members expressed concern with the proposed changes to the District's meeting start time and stated their preference to maintain the current meeting start time.

A motion was made by Director Coplin and seconded by Director Miller to maintain the current Regular Board Meeting start time. Motion carried.

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

5. Discuss potential funding to pay off the Vega Bond in lieu of applying connection fees to the DeLany Consolidation Project and provide direction to Staff

Director Anderson discussed exploring creative options regarding the Vega Water System connection fee and noted it may be too premature to make a determination of Vega Bond payment this early in the project. He would like to continue discussion with Division of Financial Assistance. Staff will follow up and provide additional information as it becomes available.

MINUTES OF REGULAR BOARD MEETING July 23, 2026

Bruce Bongard informed the directors that Kip from Manzanita had been contacted and is interested in the feasibility study.

A motion was made by Director Chesterman and seconded by Director Coplin to direct Staff to consider exploring creative options regarding the Vega WS connection fee. Motion carried.

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

6. Consider and approve the General Manager's recommendation for a sole source professional services proposal with BKF for Planning and Engineering Services for the Vierra Estates Water System Storage Tank Project in the amount of \$51,356

General Manager Vazquez-Varela discussed the condition of the storage tanks and the need for replacement. Director Anderson explained that the project would be paid with the 2021 Bond to avoid paying arbitrage fees to the IRS.

A motion was made by Director Anderson and seconded by Director Chesterman to approve the proposal for Engineering Services in the amount of \$51,356. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Profit and Loss Budget Performance Report for Fiscal Year 2025-2026. Report given by Bookkeeper Saldade.
 - Income from water sales totaled 98% of budget
 - Building Repair & Maintenance: Office windows replaced through Beautification Grant, partial out-of-pocket expense led to budget overage
 - Computer Software: over budget due to the addition of DocAccess compliance services to District website and internet service change to Cruzio
 - Casualty & Liability Insurance: Change in coverage period leading to a renewal timing overlap
 - Legal Expenses: District Counsel professional services related to the Langley Well Site property resulted in budget overage
 - Water System-Repair & Maintenance: Cla-valve servicing performed at multiple well sites and several main line leaks requiring contractor repairs caused budget overage
 - Street Maintenance: Slurry seal resurfacing performed at 7 subdivisions, pass-through account
 - 2021 Bond Expense Fees: Over budget for Arbitrage Rebate Analysis, due every 5 years
 - Connection Fees: Increase in revenue from the addition of 3 new connections

MINUTES OF REGULAR BOARD MEETING July 23, 2026

2. Discussion of an on-site Caretaker Residence at Pajaro Park
 - After Board discussion, Director Anderson would like Staff to follow up with District Counsel and Insurance about the possibility of having an on-site Caretaker Residence. Director Miller agrees with Director Anderson. Director Coplin would like to know if the County of Monterey has the intention of taking over the park. We would not need an on-site Caretaker Residence.
3. Springfield Water System Improvements Project
 - HCD permit approved; the ML Mobile Home Park lateral line installation from water main to the meter and from meter to the house is in progress. Chemical building decking construction is in progress. The hydropneumatic tank installation is in progress. Backup generator installation is in progress. PG&E is gearing up to provide electrical services on site.
4. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)
 - One easement is on the Agenda pending approval.
 - The DDA contract is in progress.
 - The team is preparing to present the project to the Planning Commission in August.
5. District Operations Report

Pajaro & Sunny Mesa WS Motor Control Center Replacement

- Tesco Controls provided the Field Instrumentation Submittal for Pajaro WS and a few RFIs; the District Electrician is reviewing.

ACWA JPIA 2026 Wellness Grant

- The 2026 Wellness Grant application has been approved by ACWA JPIA; they will be sending the \$360 check in a few weeks.

Current Water System Repairs

Blackie Road #18 WS:

Langley/Valle Pacifico WS:

- A leak developed on tank #1, repaired by Staff
- Arsenic media change out by contractor.

Moss Landing WS:

- Well #1 Cla-valve was replaced by contractor.

Normco:

- Customer placed a Pod container on our Well #1 property; customer has been notified to remove as soon as possible.

Pajaro WS:

Springfield Road WS:

Sunny Mesa WS:

- Air compressor failed to stop running, causing air in our water lines; compressor placed offline and bled air from line.
- Surface rust on the top of the tank was removed, damaged areas were patched, and protective paint was applied.

Vega Road #01 WS:

Vierra Estates WS:

MINUTES OF REGULAR BOARD MEETING July 23, 2026

- Customer left irrigation on, depleting the water level in the tanks to three feet. Three loads of water were hauled in to prevent a water outage.
- A leak developed on tank #1, contained by Staff.

Parks:

- Park Staff reported multiple burn spots on the turf near the t-ball diamond.

6. Usage Comparison Report 2025/2026-June

- General Manager Vazquez-Varela reported that June's District-wide water usage was up 10.6%. The Vierra Estates Water System had an irrigation line left on, largely impacting the small system. Langley Valle Pacifico had an increase due to seasonal usage. Moss Landing Harbor Water System usage was higher due to several customer leaks. Springfield Water System customers used less water overall this month compared to last year.

CLOSED SESSION:

None

NEXT BOARD MEETING:

The next Regular Board Meeting is to be held on Thursday, August 27, 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 6:24 pm with a motion made by Director Anderson, seconded by Director Miller. Motion carried.

Respectfully submitted by:

Paul Anderson, President

Donald Olsen, Vice President

Rocio Fernandez, Recorder

10:39 AM

Pajaro/Sunny Mesa Community Services District

August 24, 2026

Operating Account - Check Listing

Accrual Basis

July 21 - August 24, 2026

Type	Date	Num	Name	Split	Amount
1001 · WCCB - Operating Account					
Liability Check	07/21/2026		QuickBooks Payroll Service	2110 · Direct Deposit Lia...	-27,876.88
Liability Check	07/22/2026	EDD	Employment Development Dept	-SPLIT-	-2,183.97
Liability Check	07/22/2026	EFTPS	Internal Revenue Service	-SPLIT-	-5,192.50
Check	07/22/2026	PARS	US Bank - PARS #6746022400	-SPLIT-	-5,334.99
Check	07/27/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-0.50
Bill Pmt -Check	07/29/2026	26629	Blinds 4 Design	2000 · Accounts Payable	-2,707.28
Check	07/31/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-30.20
Check	08/03/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-0.25
Liability Check	08/04/2026		QuickBooks Payroll Service	2110 · Direct Deposit Lia...	-28,261.62
Liability Check	08/05/2026	EDD	Employment Development Dept	-SPLIT-	-2,242.37
Liability Check	08/05/2026	EFTPS	Internal Revenue Service	-SPLIT-	-5,348.34
Liability Check	08/05/2026	VALIC	V.A.L.I.C.-Online	-SPLIT-	-3,747.14
Liability Check	08/05/2026	AFLAC	Aflac	-SPLIT-	-862.88
Check	08/05/2026	PARS	US Bank - PARS #6746022400	-SPLIT-	-5,358.80
Bill Pmt -Check	08/06/2026	26641	Carlson's Fire Extinguisher-Online	2000 · Accounts Payable	-112.01
Bill Pmt -Check	08/06/2026	26642	CLA-VAL, Griswold Industries	2000 · Accounts Payable	-5,522.29
Bill Pmt -Check	08/06/2026	26643	Monterey County Auditor-Controller	2000 · Accounts Payable	-4,160.61
Bill Pmt -Check	08/06/2026	26644	Noland, Hamerly, Etienne & Hoss	2000 · Accounts Payable	-546.00
Bill Pmt -Check	08/06/2026	26645	Underground Service Alert- ACH	2000 · Accounts Payable	-539.78
Check	08/06/2026	AP	FP Mailing Solutions-Online	5245 · Postage	-1,000.00
Bill Pmt -Check	08/06/2026	AP	A. L. Lease Company, Inc.-Online	2000 · Accounts Payable	-1,601.78
Bill Pmt -Check	08/06/2026	AP	AAA Business Supplies LP-ACH	2000 · Accounts Payable	-72.35
Bill Pmt -Check	08/06/2026	AP	Ace Hardware Prunedale- ACH	2000 · Accounts Payable	-677.72
Bill Pmt -Check	08/06/2026	AP	Ace Hardware Watsonville- ACH	2000 · Accounts Payable	-460.84
Bill Pmt -Check	08/06/2026	AP	ACWA-JPIA (med ins)-ACH	2000 · Accounts Payable	-19,690.66
Bill Pmt -Check	08/06/2026	AP	Agee Electric, Inc.- ACH	2000 · Accounts Payable	-1,268.87
Bill Pmt -Check	08/06/2026	AP	C & N Tractors- ACH	2000 · Accounts Payable	-28.06
Bill Pmt -Check	08/06/2026	AP	California Tire Mobil Service- Online	2000 · Accounts Payable	-20.00
Bill Pmt -Check	08/06/2026	AP	Castroville Ace Hardware-ACH	2000 · Accounts Payable	-198.12
Bill Pmt -Check	08/06/2026	AP	Chevrolet of Watsonville- Online	2000 · Accounts Payable	-1,313.19
Bill Pmt -Check	08/06/2026	AP	Corbin Willits Systems, Inc-Online	2000 · Accounts Payable	-589.06
Bill Pmt -Check	08/06/2026	AP	Core & Main- ACH	2000 · Accounts Payable	-436.69
Bill Pmt -Check	08/06/2026	AP	Ferguson Waterworks- ONLINE	2000 · Accounts Payable	-1,686.72
Bill Pmt -Check	08/06/2026	AP	First Alarm- ACH	2000 · Accounts Payable	-107.00
Bill Pmt -Check	08/06/2026	AP	GreatAmerica Financial-Online	2000 · Accounts Payable	-472.92
Bill Pmt -Check	08/06/2026	AP	Green Rubber Kennedy Ag- ACH	2000 · Accounts Payable	-494.94
Bill Pmt -Check	08/06/2026	AP	J Johnson & Company, Inc.- ACH	2000 · Accounts Payable	-904.03
Bill Pmt -Check	08/06/2026	AP	Judy Vazquez-Varela -1	2000 · Accounts Payable	-300.00
Bill Pmt -Check	08/06/2026	AP	Linde Gas & Equipment Inc.	2000 · Accounts Payable	-57.63
Bill Pmt -Check	08/06/2026	AP	Maggiore Bros. Drilling, Inc.- ACH	2000 · Accounts Payable	-350.00
Bill Pmt -Check	08/06/2026	AP	MBAS, Inc.- ACH	2000 · Accounts Payable	-806.40
Bill Pmt -Check	08/06/2026	AP	Mid Valley Supply- ACH	2000 · Accounts Payable	-2,293.56
Bill Pmt -Check	08/06/2026	AP	PG&E 0819-Online	2000 · Accounts Payable	-13,761.05
Bill Pmt -Check	08/06/2026	AP	PG&E 1438-Online	2000 · Accounts Payable	-2,809.56
Bill Pmt -Check	08/06/2026	AP	PG&E 1826-Online	2000 · Accounts Payable	-32.28
Bill Pmt -Check	08/06/2026	AP	PG&E 6022-Online	2000 · Accounts Payable	-21.61
Bill Pmt -Check	08/06/2026	AP	Santa Cruz Answering Service-ACH	2000 · Accounts Payable	-128.00
Bill Pmt -Check	08/06/2026	AP	Singh Computech- ACH	2000 · Accounts Payable	-285.00
Bill Pmt -Check	08/06/2026	AP	Sturdy Oil Company- ACH	2000 · Accounts Payable	-3,406.10
Bill Pmt -Check	08/06/2026	AP	TH Electric	2000 · Accounts Payable	-6,821.10
Bill Pmt -Check	08/06/2026	AP	Thomas E Yeager, P.E.- ACH	2000 · Accounts Payable	-831.25
Bill Pmt -Check	08/06/2026	AP	Univar-ACH	2000 · Accounts Payable	-2,874.40
Bill Pmt -Check	08/06/2026	AP	US Bank	2000 · Accounts Payable	-2,332.00
Bill Pmt -Check	08/06/2026	AP	USA Blue Book- ONLINE	2000 · Accounts Payable	-284.63
Bill Pmt -Check	08/06/2026	AP	Valvoline- online	2000 · Accounts Payable	-242.94
Bill Pmt -Check	08/06/2026	AP	Vestis	2000 · Accounts Payable	-507.04
Bill Pmt -Check	08/06/2026	AP	WM / Carmel Marina - Office-Online	2000 · Accounts Payable	-391.61
Check	08/10/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-0.25
Check	08/11/2026	PARS	US Bank - PARS #6746022400	-SPLIT-	-5,382.68

10:39 AM

Pajaro/Sunny Mesa Community Services District**Operating Account - Check Listing**

August 24, 2026

July 21 - August 24, 2026

Accrual Basis

Type	Date	Num	Name	Split	Amount
Bill Pmt -Check	08/13/2026	AP	PG&E 6857-Online	2000 · Accounts Payable	-8,022.53
Check	08/13/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-0.50
Check	08/17/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-0.25
Liability Check	08/18/2026		QuickBooks Payroll Service	2110 · Direct Deposit Lia...	-27,977.72
Liability Check	08/19/2026	EDD	Employment Development Dept	-SPLIT-	-2,094.73
Liability Check	08/19/2026	EFTPS	Internal Revenue Service	-SPLIT-	-5,206.16
Check	08/19/2026	PARS	US Bank - PARS #6746022400	-SPLIT-	-5,407.17
Check	08/24/2026	AP	Total Merchant Services	5391 · Credit Card Trans...	-0.25
Bill Pmt -Check	08/24/2026	AP	Agee Electric, Inc.- ACH	2000 · Accounts Payable	-9,982.16
Bill Pmt -Check	08/24/2026	AP	AT&T 1782-Online	2000 · Accounts Payable	-31.76
Bill Pmt -Check	08/24/2026	AP	AT&T 2627-Online	2000 · Accounts Payable	-31.76
Bill Pmt -Check	08/24/2026	AP	AT&T 3439-Online	2000 · Accounts Payable	-31.76
Bill Pmt -Check	08/24/2026	AP	AT&T 6542-Online	2000 · Accounts Payable	-62.18
Bill Pmt -Check	08/24/2026	AP	CALNET/ AT&T 2506	2000 · Accounts Payable	-240.07
Bill Pmt -Check	08/24/2026	AP	Canon Financial Services Inc.- ACH	2000 · Accounts Payable	-166.26
Bill Pmt -Check	08/24/2026	AP	Corbin Willits Systems, Inc-Online	2000 · Accounts Payable	-589.06
Bill Pmt -Check	08/24/2026	AP	Elan-Online	2000 · Accounts Payable	-1,374.01
Bill Pmt -Check	08/24/2026	AP	First Security Finance - ACH	2000 · Accounts Payable	-1,050.00
Bill Pmt -Check	08/24/2026	AP	Mr. Diego Patlan	2000 · Accounts Payable	-250.00
Bill Pmt -Check	08/24/2026	AP	NBS- ACH	2000 · Accounts Payable	-1,100.00
Bill Pmt -Check	08/24/2026	AP	Pajaro Valley Printing- ACH	2000 · Accounts Payable	-2,495.81
Bill Pmt -Check	08/24/2026	AP	PARS- ACH	2000 · Accounts Payable	-543.63
Bill Pmt -Check	08/24/2026	AP	PG&E 0819-Online	2000 · Accounts Payable	-15,573.77
Bill Pmt -Check	08/24/2026	AP	PG&E 1826-Online	2000 · Accounts Payable	-37.19
Bill Pmt -Check	08/24/2026	AP	Pure Water- ACH	2000 · Accounts Payable	-11,440.20
Bill Pmt -Check	08/24/2026	AP	Tom's Site Service- ACH	2000 · Accounts Payable	-222.50
Bill Pmt -Check	08/24/2026	26657	Monterey County Environmental Health	2000 · Accounts Payable	-1,077.00
Total 1001 · WCCB - Operating Account					-269,978.88
TOTAL					-269,978.88

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Pajaro/Sunny Mesa Community Services District

August 24, 2026

Reserve Account - Check Listing

Accrual Basis

July 21 - August 24, 2026

Type	Date	Num	Name	Memo	Split	Amount
1002 · WCCB Reserve Account						
Check	08/05/2026	ACH	Anderson Pacific Engineering Co...	Pay Est. #13 6/6/26-7/5/26 Springfiel...	1826 · CIP-Sprin...	-383,881.51
Check	08/05/2026	ACH	Anderson Pacific Engineering Co...	Retention #13 6/6/26-7/5/26	1826 · CIP-Sprin...	-20,204.29
Bill Pmt...	08/06/2026	154	Noland, Hamerly, Etienne & Hoss	Prof. services: thru 7.13.26	2000 · Accounts ...	-420.00
Bill Pmt...	08/06/2026	AP	Thomas E Yeager, P.E.- ACH	June-July 2026 svcs: PSMS & Stor...	2000 · Accounts ...	-87.50
Bill Pmt...	08/07/2026	ACH	Denise Duffy & Associates, Inc- ...	Springfield Improv. Project: thru 6/3...	2000 · Accounts ...	-29,738.91
Check	08/11/2026	Inter...	West Coast Community Bank	Interest Payment: transaction activity...	5443 · Springfield...	-6,623.39
Total 1002 · WCCB Reserve Account						-440,955.60
TOTAL						-440,955.60

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Pajaro/Sunny Mesa Community Services District

August 24, 2026

Pajaro Park Account- Check Listing

Accrual Basis

July 21 - August 24, 2026

Type	Date	Num	Name	Split	Amount
1036 · PSM Pajaro Park Acct					
Check	08/04/2026	AP	Cruzio	5231 · Pajaro Park Expense	-84.94
Bill Pmt -Check	08/06/2026	AP	First Alarm- ACH	2000 · Accounts Payable	-53.50
Bill Pmt -Check	08/06/2026	AP	Mid Valley Supply- ACH	2000 · Accounts Payable	-498.25
Bill Pmt -Check	08/06/2026	AP	Panther Protective Services- ACH	2000 · Accounts Payable	-552.50
Bill Pmt -Check	08/06/2026	AP	PG&E 3540 Pajaro Park-Online	2000 · Accounts Payable	-145.96
Bill Pmt -Check	08/06/2026	AP	WM / Carmel Marina - Pajaro Park-Onlin	2000 · Accounts Payable	-325.90
Bill Pmt -Check	08/24/2026	AP	CALNET/ AT&T 2506	2000 · Accounts Payable	-65.13
Total 1036 · PSM Pajaro Park Acct					-1,726.18
TOTAL					-1,726.18

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August 24, 2026

Accrual Basis

Pajaro/Sunny Mesa Community Services District**Street Maintenance - Check Listing****July 21- August 24, 2026**

Type	Date	Num	Name	Split	Amount
1004 · WCCB - Street Maint Acct					
Bill Pmt -Check	08/06/2026	612	DeCamara Management, Inc.	2000 · Accounts Payable	-1,190.00
Bill Pmt -Check	08/06/2026	613	Pajaro/Sunny Mesa Comm Svcs Dist	2000 · Accounts Payable	-241.92
Bill Pmt -Check	08/06/2026	AP	PG&E 9545 Street Maint-Online	2000 · Accounts Payable	-132.99
Bill Pmt -Check	08/24/2026	AP	CALNET/ AT&T 2506	2000 · Accounts Payable	-92.21
Bill Pmt -Check	08/24/2026	614	Ortiz Landscaping	2000 · Accounts Payable	-3,612.18
Total 1004 · WCCB - Street Maint Acct					-5,269.30
TOTAL					-5,269.30

FINANCIAL NOTES - JULY 2026

Account No:	Account Name:	Increase / Decrease	Description
Income:			
4001-4015	Total Income	+	Water Revenue: 3% above budget
Expenses: Indirect			
5040	Worker's Comp. Insurance	+	Normal quarterly payment
5140	Building Repair & Maint.	+	Order placed for new office window coverings
5165	Computer Software	+	Annual renewal of website service by Streamline
5175	Small Tools- Repair & Maint.	+	Meter base spreaders (3)
5266	Engineering Svcs.- District Wide	+	Water Rate Study Update progress payments
5290	Travel Expenses	+	Lodging for CSDA GM Summit
5320	Membership Fees & Dues	+	Annual LAFCO Budget Allocation (7% increase) Underground Service Alert (USA) Membership
Expenses: Direct			
5310	Utilities- Well Site	+	Seasonal high water usage
5428	COP- Bond Expense	+	Annual Trust Admin. Fees to US Bank
Other Income:			
4115	Testing Fees	+	Continued backflow testing
4285	PVWMA Collection Fee	+	Increased usage directly affecting groundwater extraction

Income & Cash Summary

Water Enterprise Income	Expense	Difference
\$270,346.44	\$190,824.44	\$79,522.00
June Cash	July Cash	Difference
\$2,819,569.04	\$2,555,925.57	\$263,643.47

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Pajaro/Sunny Mesa Community Services District

Balance Sheet

As of July 31, 2026

August 24, 2026

Accrual Basis

	Jul 31, 26
ASSETS	
Current Assets	
Checking/Savings	
1001 · WCCB - Operating Account	1,570,529.91
1002 · WCCB Reserve Account	985,395.66
1003 · WCCB - Sick Leave Account	5,501.02
1004 · WCCB - Street Maint Acct	275,149.50
1006 · WCCB-GF 633	241,414.85
1007 · WCCB - Debt Service Reserve	137,554.82
1032 · WCCB-COP Acct	192,050.91
1036 · PSM Pajaro Park Acct	223,174.16
1050 · Cash in County Treasury - DS	2,261.42
1051 · Cash in County Treasury - GF	646.53
1052 · US Bank 2021 Gen. Bond -8000	48.39
1054 · US Bank 2021 Gen. Bond -8002	313,465.28
1055 · US Bank 2021 Gen. Bond -8003	19.33
1056 · US Bank 2021 Gen. Bond -8004	5.78
1057 · US Bank 2021 Gen. Bond -8005	100,624.12
1066 · US Bank Vega 2303	172,634.11
1068 · US Bank Vega 2301	90.81
1069 · US Bank Vega-2302	634.34
1095 · US Bank Wtr Bond-Res 2204	149,124.99
2201 · US Bank-2015 Wtr Rfd Bd 2201	25,814.30
Total Checking/Savings	4,396,140.23
Accounts Receivable	
1110 · Invoice Accounts Recv	1,575.25
1231 · Grants Receivable-A/R	1,008,558.80
Total Accounts Receivable	1,010,134.05
Other Current Assets	
1080 · Petty Cash	400.00
1100 · Water Customer Accounts Recv	312,731.47
1101 · Allowance for Doubtful Accounts	-8,630.02
1115 · Prepaid Expenses	1.31
1153 · Receivable from Monterey County	860.00
1251 · Assess. Rec. - Lighting	3,478.14
1252 · Assessments Rec. - Street Maint	695.00
1253 · Assessments Rec. - Water bond	43,000.00
1253.1 · Assess Rec - Water Bond - Count	939.43
1254 · Advanced Pay - Spec. Asses - WB	-16,561.65
Total Other Current Assets	336,913.68
Total Current Assets	5,743,187.96
Fixed Assets	
1084 · CIP-Springfield/Struve	18,967.36
1500 · Land	139,676.30
1510 · Land Improve (Non-office)	314,656.67
1511 · Land- Moss Landing	45,446.00
1520 · Land Improve (Office)	81,721.46
1521 · A/D - Land Impr (Off)	-121,697.40
1522 · Land - Parks	248,000.00
1530 · Wells	162,488.25
1540 · Pumping Plant Bldg	191,044.92
1541 · A/D - Pumping Plant Bldg	-191,045.00
1550 · District Office Building	163,247.47
1551 · A/D - District Office Building	-138,016.73
1555 · Office Equipment/Furniture	31,363.86
1556 · A/D - Office Equip/Furniture	-27,816.90
1557 · Equipment - Lighting	8,980.18
1559 · A/D - Lighting and Parks	-8,980.18
1560 · Electric Power to Sheds	2,598.59
1561 · A/D - Electric Power to Sheds	-2,599.00
1570 · Equipment - Pumping Plant	477,649.21

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August 24, 2026

Accrual Basis

Pajaro/Sunny Mesa Community Services District

Balance Sheet

As of July 31, 2026

	Jul 31, 26
1571 · A/D - Equipment - Pumping Plant	-449,964.87
1580 · Distribution Mains [P]	1,487,948.01
1581 · A/D - Distribution Mains	-1,222,070.68
1590 · Meters	90,114.13
1591 · A/D - Meters	-87,961.11
1600 · Hydrants	11,792.43
1601 · A/D - Hydrants	-5,534.72
1610 · Automotive Equipment	229,964.13
1611 · A/D - Automotive Equipment	-228,187.31
1620 · Utility Trans/Distr Plant	115,702.65
1621 · A/D - Utility T&D Plant	-107,052.77
1622 · A/D - Moss Landing	-232,392.31
1630 · Utility Plant	107,992.45
1631 · A/D - Utility Plant	-107,992.00
1640 · Source of Supply Plant	54,616.59
1641 · A/D - Source of Supply Plant	-28,271.73
1650 · Trans & Distr Plant	212,329.08
1651 · A/D - Trans & Distr Plant	-129,571.30
1670 · Small Tools/Equipment	10,773.67
1671 · A/D - Small Tools/Equipment	-10,773.51
1680 · ALCO Water Project	155,809.38
1681 · A/D - ALCO Water Project	-140,230.45
1804 · CIP-Springfield	376,510.84
1805 · CIP-Vega Imprvmtnt Project	4,599,594.33
1805.1 · A/D - Vega	-3,345,419.90
1806 · Moss Landing Bridge Project	251,233.09
1807 · CIP-Langley/VP	331,226.39
1807.1 · A/D - Langley/VP	-149,632.74
1808 · CIP-Normco	671,417.52
1808.1 · A/D - Normco Tank	-248,761.73
1811 · CIP-Vierra Estate	313,402.88
1811.1 · A/D - Vierra Estates	-113,716.72
1812 · CIP-Moss Landing Water System	597,378.93
1812.1 · A/D - Moss Landing Water	-202,237.55
1813 · CIP-Normco Water System	10,812.92
1814 · CIP-Pajaro	2,402,106.09
1814.1 · A/D- Pajaro	-485,579.00
1816 · Land - Pajaro Park	781,632.00
1817 · Improvements - Pajaro Park	4,717,110.00
1817.1 · A/D - Improvements -Pajaro Park	-2,320,861.63
1818 · Buildings - Pajaro Park	796,400.00
1818.1 · A/D - Buildings-Pajaro Park	-319,548.26
1819 · Equipment - Pajaro Park	43,381.00
1819.1 · A/D - Equipment-Pajaro Park	-43,380.89
1820 · Normco Treatment Facility	127,374.00
1820.1 · A/D-Normco Treatment Facility	-127,374.85
1821 · CIP-Sunny Mesa	308,655.10
1821.1 · A/D-Sunny Mesa	-30,198.00
1822 · CIP-Vega	160,039.46
1822.1 · A/D-Vega	-19,850.00
1823 · CIP-Blackie	80,200.26
1823.1 · A/D-Blackie	-6,118.00
1824 · CIP- Generator Project	58,390.00
1825 · Spare Equip not yet in Service	10,039.00
1826 · CIP-Springfield Improv. Project	8,272,935.95
Total Fixed Assets	18,619,885.31
Other Assets	
1120 · Due From Gen Fund	0.66
1141 · Due From SC Grant Acct	100.00
1151 · Due from Maint Account	157.19
1220 · Spl Asmnt Revc-Long Term	2,852,384.72
1230 · Grant Receivable	75,000.00
1950 · Deferred amount on refunding	49,917.60

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Pajaro/Sunny Mesa Community Services District

August 24, 2026

Balance Sheet

Accrual Basis

As of July 31, 2026

	Jul 31, 26
1951 · Deferred Amt of Ref-Vega Bds15	60,010.09
Total Other Assets	3,037,570.26
TOTAL ASSETS	27,400,643.53
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	93,138.35
Total Accounts Payable	93,138.35
Credit Cards	
2910 · Elan	1,227.03
Total Credit Cards	1,227.03
Other Current Liabilities	
2005 · Accrued Liabilities	63,638.00
2050 · Accrued Payroll	31,419.47
2100 · Payroll Tax Liabilities	2,658.42
2110 · Direct Deposit Liabilities	0.01
2121 · Customer Security Deposits	16,678.70
2122 · Future Water Conn. Deposits	36,600.00
2123 · Hydrant Meter Deposits	22,550.00
2225 · Accrued Vacation Liability	37,138.57
2230 · Accrued Sick Leave Liability	20,950.34
2263 · 457b EE Plan Payable	3,221.17
2264 · Employee Insurance Payable	-2,360.73
2265 · EE Aflac Insurance Payable	931.30
2320 · Due to 64 Original Sewer Accts	29,169.90
2324 · Payable to Customers	2,347.79
2325 · Payable to P.V.W.M.A.	4,311.71
Total Other Current Liabilities	269,254.65
Total Current Liabilities	363,620.03
Long Term Liabilities	
2257 · Reorganization Loan	40,000.00
2270 · Springfield Project Loan-8290	996,048.78
2355 · Bonds Payable- 2021 Gen. Bond	1,485,000.00
2360 · Bonds Payable-2015 COP Wtr Rf	1,505,000.00
2361 · Bonds Payable-2015 Vega Wtr Rf	2,677,599.67
2400 · Unamortized Discount on 2015	-23,325.01
2401 · Unamortized Discount-2015 Vega	-8,834.72
2402 · 2021 Gen. Bond Premium	37,303.80
Total Long Term Liabilities	6,708,792.52
Total Liabilities	7,072,412.55
Equity	
3000 · Fund Balance	219,540.85
3001 · Restricted-Street Maintenance	218,797.80
3040 · Contributed Capital	248,000.00
3045 · Restricted for Debt Service	4,575,060.23
3050 · Retained Earnings	15,008,625.12
Net Income	58,206.98
Total Equity	20,328,230.98
TOTAL LIABILITIES & EQUITY	27,400,643.53

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Pajaro/Sunny Mesa Community Services District

Profit & Loss

July 2026

August 24, 2026

Accrual Basis

	Jul 26
Ordinary Income/Expense	
Income	
4001 · Route 1 - Pajaro	27,770.28
4002 · Route 2 - Pajaro	34,156.96
4003 · Route 3 - Commercial	36,392.11
4004 · Route 4 - Trailer Park	1,735.06
4005 · Route 5 - San Juan Rd Apts	370.55
4006 · Route 6 - Sunny Mesa	19,074.66
4007 · Route 7 - CSA 73	21,409.84
4008 · Route 8 - Vega	22,843.07
4010 · Route 10 -Springfield	850.00
4011 · Route 11 - Moss Landing	33,184.36
4012 · Route 12 - Blackie Road	5,722.31
4013 · Route 13 - Normco	47,356.48
4014 · Route 14 - Vierra	7,773.21
4015 · Route 15 - Langley/VP	4,340.03
Total Income	262,978.92
Gross Profit	262,978.92
Expense	
INDIRECT	
5000 · Salaries and Wages	85,152.60
5005 · Administrative Fees	543.63
5030 · Payroll Tax Expense	1,093.68
5040 · Worker's Comp Insurance	4,861.04
5050 · Employee Health Insurance	17,964.27
5070 · Employee Retirement	5,334.99
5090 · Other Employee Expense	72.00
5130 · Utilities - Office	408.56
5140 · Building Repair & Maint	3,214.32
5145 · District Wide Repair & Maint	764.88
5150 · Garbage Service	391.61
5160 · Office Equip Rental	639.18
5165 · Computer Software	5,840.91
5175 · Small Tools - Repair & Maint.	1,686.72
5180 · Casualty Ins/Liability Ins	1,282.43
5240 · Office Supplies	72.35
5245 · Postage	1,010.80
5250 · Legal Expenses	546.00
5266 · Engineering Svcs-Dist Wide	5,512.50
5270 · Automotive - Repair & Maint	1,754.66
5280 · Conferences, Meetings, Seminars	16.99
5290 · Travel Expenses	1,096.16
5320 · Membership Fees and Dues	5,239.39
5326 · Licenses and Certifications	366.00
5330 · Telephone	1,398.13
5340 · Burglar Alarm Monitoring	138.00
5370 · Fuel - Trucks	3,406.10
5391 · Credit Card Transaction Fees	37.21
5XXX · Indirect Allocation	0.00
6560 · Payroll Processing Expenses	32.00
Total INDIRECT	149,877.11
5190 · Water Testing- Labs	806.40
5210 · Customer Orders	904.03
5220 · Water System - Repair & Maint	16,019.10
5225 · Street Maintenance	1,026.98
5230 · Park - Repair & Maint	28.06
5231 · Pajaro Park Expense	1,835.58
5310 · Utilities - Well Site	21,821.83
5315 · Utilities - Street Lighting	2,900.21
5392 · Returned Online Payment Fee	20.00
5427 · Improvement Project-Springfield	11,440.20

Pajaro/Sunny Mesa Community Services District

Profit & Loss

July 2026

	Jul 26
5428 · COP Bond Expense	2,332.00
Total Expense	209,011.50
Net Ordinary Income	53,967.42
Other Income/Expense	
Other Income	
4100 · Late Payment Penalties	632.71
4115 · Testing Fees	1,360.00
4285 · P.V.W.M.A. Collection Fee	3,313.53
4345 · Customer Order Reimbursements	227.62
4350 · Interest Revenue	2,061.28
Total Other Income	7,595.14
Other Expense	
5442 · PSMS (N of ML Project)- Exp	420.00
5443 · Springfield Project- Interest	2,335.58
6260 · Lighting Expenses	600.00
Total Other Expense	3,355.58
Net Other Income	4,239.56
Net Income	58,206.98

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August 24, 2026

Accrual Basis

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget Performance- Water Enterprise
July 2026

	Jul 26	Budget	% of Budget	Jul 26	YTD Budget	% of Budget	Annual Budget
Ordinary Income/Expense							
Income							
4001 · Route 1 - Pajaro	27,770.28	32,980.50	84.2%	27,770.28	32,980.50	84.2%	395,766.00
4002 · Route 2 - Pajaro	34,156.96	32,413.50	105.4%	34,156.96	32,413.50	105.4%	388,962.00
4003 · Route 3 - Commercial	36,392.11	32,980.50	110.3%	36,392.11	32,980.50	110.3%	395,766.00
4004 · Route 4 - Trailer Park	1,735.06	1,701.00	102.0%	1,735.06	1,701.00	102.0%	20,412.00
4005 · Route 5 - San Juan Rd Apts	370.55	250.00	148.2%	370.55	250.00	148.2%	3,000.00
4006 · Route 6 - Sunny Mesa	19,074.66	17,104.50	111.5%	19,074.66	17,104.50	111.5%	205,254.00
4007 · Route 7 - CSA 73	21,409.84	19,372.50	110.5%	21,409.84	19,372.50	110.5%	232,470.00
4008 · Route 8 - Vega	22,843.07	20,128.50	113.5%	22,843.07	20,128.50	113.5%	241,542.00
4010 · Route 10 -Springfield	850.00	945.00	89.9%	850.00	945.00	89.9%	11,340.00
4011 · Route 11 - Moss Landing	33,184.36	35,626.50	93.1%	33,184.36	35,626.50	93.1%	427,518.00
4012 · Route 12 - Blackie Road	5,722.31	5,008.50	114.3%	5,722.31	5,008.50	114.3%	60,102.00
4013 · Route 13 - Normco	47,356.48	44,509.50	106.4%	47,356.48	44,509.50	106.4%	534,114.00
4014 · Route 14 - Vierra	7,773.21	7,371.00	105.5%	7,773.21	7,371.00	105.5%	88,452.00
4015 · Route 15 - Langley/VP	4,340.03	4,252.50	102.1%	4,340.03	4,252.50	102.1%	51,030.00
Total Income	262,978.92	254,644.00	103.3%	262,978.92	254,644.00	103.3%	3,055,728.00
Gross Profit	262,978.92	254,644.00	103.3%	262,978.92	254,644.00	103.3%	3,055,728.00
Expense							
INDIRECT							
5000 · Salaries and Wages	85,152.60	89,916.66	94.7%	85,152.60	89,916.66	94.7%	1,079,000.00
5005 · Administrative Fees	543.63	583.33	93.2%	543.63	583.33	93.2%	7,000.00
5030 · Payroll Tax Expense	1,093.68	1,333.33	82.0%	1,093.68	1,333.33	82.0%	16,000.00
5040 · Worker's Comp Insurance	4,861.04	1,666.66	291.7%	4,861.04	1,666.66	291.7%	20,000.00
5050 · Employee Health Insurance	17,964.27	19,058.37	94.3%	17,964.27	19,058.37	94.3%	228,700.00
5070 · Employee Retirement	5,334.99	14,791.74	36.1%	5,334.99	14,791.74	36.1%	177,500.00
5090 · Other Employee Expense	72.00	483.37	14.9%	72.00	483.37	14.9%	5,800.00
5120 · Property Taxes	0.00	250.00	0.0%	0.00	250.00	0.0%	3,000.00
5130 · Utilities - Office	408.56	500.00	81.7%	408.56	500.00	81.7%	6,000.00
5140 · Building Repair & Maint	3,214.32	1,983.33	162.1%	3,214.32	1,983.33	162.1%	23,800.00
5145 · District Wide Repair & Maint	764.88	833.37	91.8%	764.88	833.37	91.8%	10,000.00
5150 · Garbage Service	391.61	433.37	90.4%	391.61	433.37	90.4%	5,200.00
5160 · Office Equip Rental	639.18	666.74	95.9%	639.18	666.74	95.9%	8,000.00
5165 · Computer Software	5,840.91	2,208.37	264.5%	5,840.91	2,208.37	264.5%	26,500.00
5170 · Office Equipment Repair & Maint	0.00	300.00	0.0%	0.00	300.00	0.0%	3,600.00
5175 · Small Tools - Repair & Maint.	1,686.72	250.00	674.7%	1,686.72	250.00	674.7%	3,000.00
5180 · Casualty Ins/Liability Ins	1,282.43	6,083.37	21.1%	1,282.43	6,083.37	21.1%	73,000.00
5200 · Billing Supplies	0.00	375.00	0.0%	0.00	375.00	0.0%	4,500.00
5240 · Office Supplies	72.35	375.00	19.3%	72.35	375.00	19.3%	4,500.00
5245 · Postage	1,010.80	833.37	121.3%	1,010.80	833.37	121.3%	10,000.00

9:29 AM

August 24, 2026

Accrual Basis

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget Performance- Water Enterprise
July 2026

	Jul 26	Budget	% of Budget	Jul 26	YTD Budget	% of Budget	Annual Budget
5250 · Legal Expenses	546.00	3,333.37	16.4%	546.00	3,333.37	16.4%	40,000.00
5255 · Interest Expense	0.00	175.00	0.0%	0.00	175.00	0.0%	2,100.00
5256 · Interest Exp-Financed Items	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
5260 · Accounting & Bookkeeping	0.00	3,750.00	0.0%	0.00	3,750.00	0.0%	45,000.00
5266 · Engineering Svcs-Dist Wide	5,512.50	4,283.37	128.7%	5,512.50	4,283.37	128.7%	51,400.00
5270 · Automotive - Repair & Maint	1,754.66	1,966.74	89.2%	1,754.66	1,966.74	89.2%	23,600.00
5280 · Conferences, Meetings, Seminars	16.99	250.00	6.8%	16.99	250.00	6.8%	3,000.00
5290 · Travel Expenses	1,096.16	250.00	438.5%	1,096.16	250.00	438.5%	3,000.00
5300 · Books & Subscriptions	0.00	125.00	0.0%	0.00	125.00	0.0%	1,500.00
5305 · Water Conservation Program	0.00	41.74	0.0%	0.00	41.74	0.0%	500.00
5320 · Membership Fees and Dues	5,239.39	2,166.74	241.8%	5,239.39	2,166.74	241.8%	26,000.00
5326 · Licenses and Certifications	366.00	166.74	219.5%	366.00	166.74	219.5%	2,000.00
5330 · Telephone	1,398.13	1,083.37	129.1%	1,398.13	1,083.37	129.1%	13,000.00
5340 · Burglar Alarm Monitoring	138.00	166.74	82.8%	138.00	166.74	82.8%	2,000.00
5370 · Fuel - Trucks	3,406.10	3,500.00	97.3%	3,406.10	3,500.00	97.3%	42,000.00
5390 · Bank Charges	0.00	25.00	0.0%	0.00	25.00	0.0%	300.00
5391 · Credit Card Transaction Fees	37.21	58.37	63.7%	37.21	58.37	63.7%	700.00
5400 · Miscellaneous Expense	0.00	16.74	0.0%	0.00	16.74	0.0%	200.00
6577 · COP Debt Service - Interest	0.00	5,261.99	0.0%	0.00	5,261.99	0.0%	63,143.00
Total INDIRECT	149,845.11	169,546.29	88.4%	149,845.11	169,546.29	88.4%	2,034,543.00
5190 · Water Testing- Labs	806.40	2,958.37	27.3%	806.40	2,958.37	27.3%	35,500.00
5220 · Water System - Repair & Maint	16,019.10	15,833.37	101.2%	16,019.10	15,833.37	101.2%	190,000.00
5265 · Engineering Expenses	0.00	250.00	0.0%	0.00	250.00	0.0%	3,000.00
5310 · Utilities - Well Site	21,821.83	18,333.37	119.0%	21,821.83	18,333.37	119.0%	220,000.00
5325 · Permits	0.00	2,083.37	0.0%	0.00	2,083.37	0.0%	25,000.00
5360 · Fuel - Generator	0.00	83.37	0.0%	0.00	83.37	0.0%	1,000.00
5428 · COP Bond Expense	2,332.00	333.37	699.5%	2,332.00	333.37	699.5%	4,000.00
6565 A · 2021 Bond Expense- Fees	0.00	375.00	0.0%	0.00	375.00	0.0%	4,500.00
Total Expense	190,824.44	209,796.51	91.0%	190,824.44	209,796.51	91.0%	2,517,543.00
Net Ordinary Income	72,154.48	44,847.49	160.9%	72,154.48	44,847.49	160.9%	538,185.00
Other Income/Expense							
Other Income							
4100 · Late Payment Penalties	632.71	583.37	108.5%	632.71	583.37	108.5%	7,000.00
4101 · Billing Adjustments	0.00	16.74	0.0%	0.00	16.74	0.0%	200.00
4110 · Hydrant Sales	0.00	83.37	0.0%	0.00	83.37	0.0%	1,000.00
4115 · Testing Fees	1,360.00	750.00	181.3%	1,360.00	750.00	181.3%	9,000.00
4140 · Connection Fees	0.00	25,000.00	0.0%	0.00	25,000.00	0.0%	300,000.00
4141 · Application Fees	0.00	45.87	0.0%	0.00	45.87	0.0%	550.00

9:29 AM

August 24, 2026

Accrual Basis

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget Performance- Water Enterprise
 July 2026

	Jul 26	Budget	% of Budget	Jul 26	YTD Budget	% of Budget	Annual Budget
4146 · Other Fees	0.00	33.37	0.0%	0.00	33.37	0.0%	400.00
4285 · P.V.W.M.A. Collection Fee	3,313.53	2,666.74	124.3%	3,313.53	2,666.74	124.3%	32,000.00
4300 · Collection of Previous W/O Acct	0.00	20.87	0.0%	0.00	20.87	0.0%	250.00
4305 · Miscellaneous Revenue	0.00	83.37	0.0%	0.00	83.37	0.0%	1,000.00
4341 · Lighting Admin Reimbursements	0.00	1,052.50	0.0%	0.00	1,052.50	0.0%	12,630.00
4346 · District 25% Overhead Fee	0.00	41.74	0.0%	0.00	41.74	0.0%	500.00
4350 · Interest Revenue	2,061.28	1,666.74	123.7%	2,061.28	1,666.74	123.7%	20,000.00
4355 · Audit/Bookkeeping Reimbursement	0.00	58.37	0.0%	0.00	58.37	0.0%	700.00
4360 · Legal Counsel Reimbursement	0.00	33.37	0.0%	0.00	33.37	0.0%	400.00
Total Other Income	7,367.52	32,136.42	22.9%	7,367.52	32,136.42	22.9%	385,630.00
Net Other Income	7,367.52	32,136.42	22.9%	7,367.52	32,136.42	22.9%	385,630.00
Net Income	79,522.00	76,983.91	103.3%	79,522.00	76,983.91	103.3%	923,815.00

RESOLUTION NO. 8-01-26

**RESOLUTION OF THE BOARD OF DIRECTORS PAJARO/SUNNY MESA
COMMUNITY SERVICES DISTRICT AUTHORIZING SUBMISSION OF
AN APPLICATION TO LAFCO FOR A SPHERE OF INFLUENCE AMENDMENT AND
ANNEXATION**

WHEREAS, the Pajaro/Sunny Mesa Community Services District ("District") is a Community Services District created pursuant to Government Code Section 61000 et seq.;

WHEREAS, the District provides potable water service to the Pajaro and North Moss Landing Community;

WHEREAS, the District Board of Directors ("Board") approved the Pajaro/Sunny Mesa Springfield Area Regional Consolidation Project ("Project") on February 26, 2026;

WHEREAS, the Project consists of a two (2)-phased project consolidating the Pajaro Water System ("PWS"), Sunny Mesa Water System ("SMWS"), and Springfield Water System ("SWS"), as well as the various water connections in the North of Moss Landing ("NOML") area, into a single water system to be owned and operated by the District;

WHEREAS, this Project will utilize funding from the State Water Resources Control Board Expedited Drinking Water Grant Program for the Phase 1 and California Safe Drinking Water State Revolving Fund ("CA SRF") for the Phase 2;

WHEREAS, the District Board adopted Resolution No. 02-01-26, on February 26, 2026, approving an Initial Study/Mitigated Negative Declaration ("IS/MND") and Mitigation Monitoring and Reporting Program ("MMRP") for the Project, and found that the Project, including the Sphere of Influence Amendment and Annexation, was consistent with the California Environmental Quality Act ("CEQA");

WHEREAS, on August 12, 2026, the County of Monterey Planning Commission ("Planning Commission") considered the adopted IS/MND for the Proposed Project (State Clearinghouse No. 2025110647) and found that no further environmental review was warranted pursuant to CEQA Guidelines Section 15162;

WHEREAS, on August 12, 2026, the Planning Commission also considered and unanimously approved the Project;

WHEREAS, the Project includes properties that are not currently within the District's jurisdictional boundaries such that amendment of the District's SOI and

annexation of those properties are necessary steps toward implementing the Project and extending District water service to the affected areas;

WHEREAS, the proposed annexation, in and of itself, would have a less than significant impact on the environment, as described in District Resolution No. 02-01-26, which included CEQA findings from the adopted IS/MND for the Project;

WHEREAS, the District exercises no land use authority for the areas to be annexed, therefore the boundary modification cannot make any change to the uses to which the affected area may be put;

WHEREAS, the Project and annexation of additional properties would provide clean and safe drinking water to disadvantaged residents of the PWS, SMWS, and SWS service areas, and the NOML domestic well area;

WHEREAS, specific properties as identified in Exhibit A are included in the Project but are not within the District's current jurisdictional boundaries, and therefore the Board desires such properties to be annexed into the District's jurisdictional boundaries;

WHEREAS, the District Board desires to obtain approval from the Local Agency Formation Commission of Monterey County ("LAFCO") to update the District's Sphere of Influence ("SOI") and annex the properties into the District's jurisdictional boundaries.

NOW THEREFORE BE IT RESOLVED, as follows:

1. The District Board hereby finds and determines that the foregoing recitals are severally ratified, confirmed, approved and adopted in all respects.
2. The District Board authorizes the submission of an application to LAFCO for Sphere of Influence Amendment and Annexation for the Project.
3. The District Board authorizes the General Manager or designee to file the SOI amendment and annexation application with LAFCO. and to take all actions and execute all documents as may be necessary or appropriate to give effect to this Resolution.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Pajaro/Sunny Mesa Community Services District this 27th day of August 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Anderson, President

CERTIFICATE OF SECRETARY

I, Donald Chesterman, as the duly elected Secretary of the Board of Directors of the Pajaro / Sunny Mesa Community Services District, Monterey County, California, do hereby certify that the above Resolution is a full, true and correct copy of said Resolution passed and adopted by the Board of Directors at a meeting held on the 27th day of August 2026, and that a copy of this and Exhibit "A" will be included in the minutes of said Board.

Donald Chesterman, Secretary

Exhibit A

List of Assessor Parcels (APN) in the proposed Project Area but outside of the LAFCO Boundary, proposed for annexation:

- 412-032-013-000
- 412-032-006-000
- 117-022-002-000
- 117-042-009-000
- 117-021-008-000
- 117-021-013-000
- 412-032-011-000
- 413-012-014-000

STAFF REPORT

Pajaro/Sunny Mesa Community Services District

Sphere of Influence Amendment and Annexation Application

Date: August 27, 2026

Meeting: Regular Meeting of the Board of Directors

Project Location: The Proposed Project is located north of the community of Moss Landing, south of the City of Watsonville, and near the community of Pajaro. Both Moss Landing and Pajaro are rural, low-density residential areas located in unincorporated Monterey County (“County”).

Agenda Item

Consider adoption of Resolution 08-01-26 authorizing submission of an application to LAFCO for a sphere of influence amendment and annexation

Recommendation

It is recommended that the Board of Directors:

1. Adopt Resolution No. 08-01-26 authorizing submission of the Pajaro/Sunny Mesa Community Services District’s Sphere of Influence (“SOI”) Amendment and Annexation application to LAFCO; and
2. Authorize the General Manager to file the SOI Amendment and Annexation application with LAFCO and to take all actions and execute all documents necessary or appropriate to give effect to the resolution.

Project Background

On February 26, 2026, the Board approved the Pajaro/Sunny Mesa Springfield Area Regional Consolidation Project (“Project”). The Project consists of a two-phase effort to consolidate the Pajaro Water System (“PWS”), Sunny Mesa Water System (“SMWS”), and Springfield Water System (“SWS”), together with water connections in the North of Moss Landing (“NOML”) area, into a single water system owned and operated by the District.

The Project is intended to improve water quality, reliability, operational efficiency, and long-term sustainability throughout the Project area. It will also provide or facilitate access to clean and safe drinking water for residents currently served by small water systems or private domestic wells.

The Project includes properties that are not currently within the District’s jurisdictional boundaries. Amendment of the District’s Sphere of Influence (“SOI”) and annexation of those properties are necessary steps toward implementing the Project and extending District water service to the affected areas.

The Project is anticipated to utilize funding from the State Water Resources Control Board (“SWRCB”) Expedited Drinking Water Grant Program for Phase 1 and California Safe Drinking Water State Revolving Fund (“CA SRF”) financing for Phase 2.

Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project

The proposed SOI amendment and annexation support the Project approved by the Board on February 26, 2026. The Project includes the following general components:

- Consolidation of the Pajaro, Sunny Mesa, and Springfield water systems;
- Water treatment, transmission, storage, pumping, metering, and control improvements;
- Extension of District water service into portions of the NOML area;
- Installation of new transmission and distribution facilities;
- New or upgraded service connections;
- Abandonment of certain existing water infrastructure; and
- Destruction of affected private or local water-supply wells, as applicable.

Project Area and Assessor Parcels.

Assessor Parcels (APNs) in the Proposed Project area but outside of LAFCO Boundary include the following¹:

- 413-012-014-000 (partially included in existing LAFCO boundary)
- 412-032-006-000
- 412-032-011-000
- 412-032-013-000
- 117-042-009-000
- 117-022-002-000
- 117-021-013-000
- 117-021-008-000

See attached **Figure 1** identifying these locations and area of the parcels to be served. The annexation would place the affected properties within the District’s jurisdiction to allow service to be provided.

Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project Background and Need

Water service in the Project area is primarily provided by three (3) public water systems owned and operated by the District. These systems are the PWS, the SMWS, and the SWS. The PWS

¹ A full list of APNs to be served under the Proposed Project is presented in the attachment (table).

has approximately 463 active connections, consisting of 358 residential connections and 105 commercial/industrial connections. The SMWS has approximately 268 active connections, consisting of 257 residential connections and 11 commercial connections. The SWS is currently involved in a design and construction project to expand the service area and improve system reliability and water quality.¹ The improved system would add a further 127 (22 individual homes and 105 mobile homes) and would serve a total 161 residential connections and two (2) commercial/industrial connections. These improvements were part of a separate project and are not part of the Proposed Project. The Proposed Project would add a further eight (8) connections to the SWS. In addition, the NOML area includes 77 households that are dependent on two (2) state regulated water systems, nine (9) locally regulated small water systems, and individual private domestic wells. These water sources face various issues related to water quality, water supply reliability, and vulnerabilities to failure, as described in further detail below. The Proposed Project is necessary to address long-standing contamination and vulnerability within the PWS, SMWS, SWS, and NOML systems. The existing PWS has two (2) sources of water supply, but only one currently meets potable drinking water standards and the other is susceptible to service disruptions during flood events. The SMWS operates two (2) active wells, both of which exceed the previous and proposed maximum contaminant level (“MCL”) for Hexavalent Chromium (10 µg/L). The SWS, following the planned improvement project mentioned above, will have only a single potable supply source. In the NOML area, drinking water wells have elevated levels of nitrate, 1,2,3-TCP, and other contaminants. This Project will provide a clean, safe, and reliable water system to members of the Project area. The consolidated system will be owned and operated by the District.

Environmental Review and Previous Approvals

On February 26, 2026, the Board adopted Resolution No. 02-01-26, adopting the Initial Study/Mitigated Negative Declaration (“IS/MND”) and Mitigation Monitoring and Reporting Program (“MMRP”) for the Project, and determining that the Project, including the SOI amendment and annexation, was consistent with the California Environmental Quality Act (“CEQA”). The IS/MND was prepared for the overall Project, including the proposed jurisdictional changes. The February 26, 2026 adopted Resolution also approved the Project.

On August 12, 2026, the Monterey County Planning Commission considered the adopted IS/MND for the Project, State Clearinghouse No. 2025110647, and determined that no further environmental review was required pursuant to CEQA Guidelines. The Planning Commission also unanimously approved the Project.

Based on the prior environmental review and the nature of the proposed action, the Board may rely on the previously adopted IS/MND and MMRP for purposes of authorizing submission of the LAFCO application. LAFCO will make any additional environmental determinations required for its action on the application.

Board Policy Considerations

The proposed action is consistent with the Board's prior approval of the Regional Consolidation Project and supports the District's purposes of providing reliable potable water service and addressing water-quality and water-supply vulnerabilities in the Project area.

The proposed application also supports coordinated delivery of public water service to disadvantaged residents in the Pajaro, Sunny Mesa, Springfield, and NOML areas.

Proposed Board Action

Adopt Resolution No. 08-01-26, entitled:

A Resolution of the Board of Directors of the Pajaro/Sunny Mesa Community Services District Authorizing Submission of an Application to LAFCO for a Sphere of Influence Amendment and Annexation

ATTACH RESOLUTION

Staff Report Attachments

Tables 1 and 2 and Figure 1

Table 1- APNs Proposed for Annexation

Address(es)	APN
350 Jensen Road (3)	412-032-013-000 412-032-006-000
1046 HWY 1	117-022-002-000
1111 & 1115 Trafton Road	117-042-009-000
3510 Hilltop Road (7)	117-021-008-000 117-021-013-000
1770 HWY 1 (2)	412-032-011-000
174 Struve Road (2)	413-012-014-000

Table 2- Complete List of Project APNs

117-032-001-000 117-031-004-000 117-031-005-000
 117-031-006-000 117-032-002-000 117-032-003-000
 117-032-004-000 117-032-005-000 117-033-003-000
 412-032-013-000 117-033-005-000 117-033-004-000
 117-031-014-000 117-043-026-000 117-043-013-000
 117-043-014-000 117-043-015-000 117-043-032-000
 117-042-005-000 117-042-006-000 117-043-006-000
 117-043-010-000 117-043-022-000 117-043-019-000
 117-043-003-000 117-043-029-000 117-043-023-000
 117-041-017-000 117-041-012-000 117-041-011-000
 117-041-016-000 117-042-010-000 117-042-009-000
 413-012-014-000 413-013-001-000 413-031-001-000
 117-021-008-000 117-052-023-000 117-022-002-000
 117-021-013-000 412-032-011-000



LEGEND

- EXISTING LAFCO BOUNDARY
- PROPOSED LAFCO BOUNDARY

C:\Box\Projects\CWTRC - Community Water Center\CWTRC 2004.76.06 PSMS Proj\5 Engr\ CAD_ Exhibits\LAFCO Boundaries.dwg

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PAJARO/SUNNY MESA

COMMUNITY SERVICES DISTRICT
136 San Juan Road Royal Oaks, CA 95076
(831) 722-1389 • Fax (831) 722-2137

PROPERTY OWNER
MAILING ADDRESS
PARCEL #

August 7, 2026

PUBLIC NOTICE

The Pajaro/Sunny Mesa Community Services District hereby gives notice of a public hearing to be held Thursday, September 24th, 2026, at 5:45 p.m. at Pajaro/Sunny Mesa Community Services District office, at 136 San Juan Road, Royal Oaks, to discuss proposed rates for lighting assessments in the Pajaro/Hudson Landing/Struve Road areas. You may submit comments or protests in writing either at District office in person or by email by 2:00 on September 24, 2026. The Board of Directors shall hear and consider all objections and protests, if any, to said charges and may adopt, revise, change, reduce, or modify any assessment, provided that in no case may the Board increase any assessment over and above the charges stated. All interested persons may appear and object to any said assessment at the above hearing. A majority will cause the assessment to be abandoned as provided by law.

The proposed assessment will fund the cost of the Pajaro Lighting District.

The proposed assessment on your parcel for the 2026-2027 Fiscal Year is **\$34.72**

The estimated proposed total assessment charges for 2026-2027 Fiscal Year are \$48,750.52, no change to previous year.

This is not a bill.

This assessment will appear in your 2026-2027 Property Tax Statement.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT
ATTN: JUDY VAZQUEZ-VARELA
136 SAN JUAN ROAD
ROYAL OAKS, CA 95076
(831)722-1389 / FAX (831)722-2137
Email: info@pajarosunnymesa.com

Thank you

Staff Report
August 27, 2026

Staff/Committee Report Item 3: Discussion of an on-site Caretaker Residence at Pajaro Park

Project Overview

Increase security/Staff presences at Pajaro Park during closed hours.

Discussion

Discuss the concept of establishing an on-site caretaker residence, such as a trailer, to provide a continual presence at Pajaro Park. This living arrangement would be to accommodate, preferably, a current District employee for a continuous presence to help deter vandalism, unauthorized activity, and other security concerns. The discussion is intended to gather Board feedback regarding the feasibility, benefits, operational considerations, and potential next steps. This item is for discussion only, and no action is requested at this time. Per Board request, staff consulted with the District's insurance provider, which provided a list of options to consider;

- Documenting the arrangement as a landlord-tenant relationship
- Keeping housing terms distinct from employment terms where feasible
- Request renter's insurance that includes personal liability coverage
- Including a basic indemnification provision related to the occupant's use of the property

JPIA does not have a specific model for this scenario, but we could utilize their lease-related guidance.

Staff will provide this information to the District Counsel.

Staff Recommendation

Staff recommends that the Board discuss and evaluate the potential benefits, challenges, and implications associated with establishing and onsite caretaker residence at Pajaro Park. Following the Board's discussion and once a preferred direction has been identified, staff recommends consulting with our insurance provider, ACWA JPIA, and the District's legal counsel to review legal, regulatory, and liability considerations before proceeding with any future action.

Progress Report August 27, 2026

Staff/Committee Report Item 4: Springfield Water System Improvements Project

Construction Funding Agreement

Funding for the construction phase of the Project is provided by the Emerging Contaminants in Small or Disadvantaged Communities (ECSDC) program. The agreement has been executed. Amendment 1 has been executed, and the staff has begun monthly reimbursement submittals.

Construction Bidding Documents

Bid Period: November 19 through January 15, 2025. Pre-Bid meeting: December 2, 2024. Bid Opening: January 15, 2025.

Contract award: February 4, 2025.

The Notice of Award was issued to Anderson Pacific Engineering Construction, Inc. (APEC), on March 14, 2025.

Construction

The ML Mobile Home Park lateral line installation from water main to the meter and from meter to the house is in progress. APEC has encountered wet soil conditions delaying progress work in the ML Park. Chemical building decking construction is in progress. The hydropneumatic tank installation is in progress. Backup generator installation is in progress. PG&E has scheduled the installation of electrical services.

Environmental Package

- California Department of Fish and Wildlife (CDFW)- Received the Incidental Take Permit (ITP). The conservation credits were purchased.
- Coastal Development Permit-DD&A continues to work with engineers and the County of Monterey on condition compliance.

Progress Report August 27, 2026

Staff/Committee Report Item 5. Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)

Project Overview

The consolidation of the Pajaro, Sunny Mesa Water Systems, and Springfield Area to provide reliable water quality that meets State water standards.

The project will be constructed in phases. The first phase includes land acquisition; iron/manganese treatment for Pajaro Well 1; consolidation pipeline for Pajaro & Sunny Mesa Water Systems; pump station; Pajaro tank 1 rehabilitation; destruction of Struve #2 and Sunny Mesa Wells; partial SCADA system; and auto-read meter upgrade.

Land Acquisition

Staging areas have been finalized. The offer packets were finalized by District Counsel and sent out to property owners. Staff continues to coordinate with the property owners' requests to move forward with the easement offer.

30% Design

MNS has provided 30% plans for team review.

Project Funding

The Expedited Drinking Water Grant application was submitted on October 22, 2025. The \$33.5 million grant has been executed. Project completion is December 31, 2028. The RCAC loan documents have been signed and are awaiting execution.

Environmental Permitting

Denise Duffy and Associates (DDA) has begun the pre-application process with the County of Monterey. The team met with Pajaro Valley Water Management to discuss the potential impact of the Project on groundwater resources in the area. The IS/MND public review period has ended, and it has been approved. **The team presented the project to the Planning Commission on August 12, 2026. The Planning Commission approved the project unanimously. Included in the agenda is a resolution for the authorization to apply for the District's sphere of influence amendment and annexation for the PSMS Project.**

DISTRICT OPERATIONS REPORT

August 27, 2026

TOPIC	STATUS	DATE OF PLANNED RESPONSE
Springfield Water System Improvements Project	Construction is in progress.	On Agenda
Pajaro-Sunny Mesa-Springfield Area Regional Consolidation Project (PSMS)	EPA Community Change Grant will include land acquisition, Pajaro Well #1 Iron/Manganese treatment, Pajaro and Sunny Mesa Water Systems consolidation pipeline, pump station, Pajaro Tank #1 rehabilitation, partial Scada system, potential destruction of Sunny Mesa Wells, destruction of Struve #2 Well, and auto-read meters upgrade. EPA funding has been canceled; team is now requesting funding from the Expedited Drinking Water Grant Funding Program (EDWG).	On Agenda
DeLany Consolidation Feasibility Study	The Division of Financial Assistance (DFA) has considered Delany a failing system due to 4 quarters of exceedance of the Hexavalent Chromium Maximum Contaminant Level, thereby qualifying them for funding. DFA has increased the per-project cap. The team confirmed interest from 7 water systems, totaling 68 connections, and received potential interest from 2 other water systems. Provost and Prichard held a Community Meeting; they presented a short overview of the Feasibility Study focusing on 3 of the alternatives: the first alternative was DeLany Treatment, the second alternative was DeLany and Manzanita Hills Consolidation to Vega Rd 01 Water System, and the third alternative was 10 small system consolidation to Vega Rd 01 WS.	August 2026
Pajaro & Sunny Mesa WS Motor Control Center Replacement	Replacement and mitigation of the Motor Control Center for the Pajaro and Sunny Mesa Water Systems is in progress. ACWA JPIA will be issuing payments to Tesco Controls directly. The District Staff met with Tesco Controls and Darrel Varni Electric for project verification. Staff has been responding to the submitted RFIs.	August 2026
Parks Legacy Project	The Board has requested more information regarding the environmental impact of the project. The Ad Hoc committee received a copy of the SB 330 preliminary application submitted to the County of Monterey. District Subcommittee, Counsel, Engineer, and Staff will meet with the PLP team on October 20, 2025.	No Report
Pajaro Park	Per Marilyn Vierra, Chief of Staff, Supervisor Church, Co. Mo. will provide \$59,000 per year to the Pajaro Park until the park's master plan is complete. An inquiry was submitted to County Parks regarding their intentions of funding the maintenance of the Pajaro Park.	No Report
Hazard Mitigation Plan	FEMA officially adopted the Local Hazard Mitigation Plan on April 5, 2023. Staff has requested to integrate it into the County of Monterey Multi-Jurisdictional Hazard Mitigation Plan Update 2027, thus relieving the District from an update.	No Report

DISTRICT OPERATIONS REPORT

August 27, 2026

ACWA JPIA 2026 Wellness Grant	The wellness grant check was received, and Staff purchased a stair climber.	August 2026
Tank Replacement/Rehab Grant Project	Presented the District's needs to the State Water Boards- Division of Financial Assistance (DFA). State Representatives requested a pre-application to be submitted to find the correct funding source for the project. Pre-application has been submitted.	No Report
Vierra Estates Tank Replacement Project	The District Counsel will provide an agreement for BKF review.	August 2026
Water Rate Study Update	Staff contacted NBS to initiate the Water Rate Study Update. Staff continues to provide the requested information.	No Report
Electric Vehicles Feasibility	Staff submitted the FY 2026-2027 AB 2766 Clean Air Management Program Application to the Monterey Bay Air Resources District for two charging stations.	August 2026
Current Water System Repairs	Blackie Road #18 WS: Langley/Valle Pacifico WS: • A customer left an irrigation line open using approximately 20 units, dropping our tank level to 4 feet. Three loads of water were hauled in to prevent a water outage. • Water line sand settled, causing damage to the road at the end of Langley Canyon Road. Contractor repaired. • Booster pump tripped and operator was able to troubleshoot and reset pump. Moss Landing Harbor WS: Normco WS: • The well 2-foot valve failed; contractor replaced it, and staff is working through placing the well back online. Pajaro WS: Springfield Road WS: • Contractor repaired a water leak on Struve Road. Sunny Mesa WS: • A hydrant was damaged during construction at Ohlone School. School Staff will replace the hydrant on 8/22/26. Vega Road #01 WS: Vierra Estates WS: Parks:	August 2026
Sunny Mesa Sewer	The district is holding monies that are to be refunded to the original Sunny Mesa Sewer customers. Balance Sheet Account #2320-Amount \$29,169.90. Staff is currently reviewing and has spoken to Bianchi, Kasavan, and Pope for their opinion and assistance if needed. Staff began gathering information to provide District Counsel.	August 2026

Usage Comparison in Gallons 2025-2026

Water Systems	Jul-23	Jul-24	Jul-25	Jul-26
Pajaro	6,170,252	8,648,376	7,189,028	6,357,252
Normco	3,043,612	3,417,612	2,817,716	2,611,268
Sunny Mesa	2,537,964	2,888,776	2,635,204	2,393,600
Moss Landing	2,588,080	3,885,112	2,088,416	2,015,860
Vega	1,392,776	1,576,784	1,516,196	1,323,960
Vierra Estates	374,000	412,148	356,048	337,348
Springfield (pumped)	575,212	550,528	430,100	542,300
Langley/Valle Pacifico	333,608	343,332	305,932	217,668
Blackie	280,500	385,220	346,324	277,508
District Total	17,296,004	22,107,888	17,684,964	16,076,764

Water Systems	Jul-25	Jul-26	Percentage	
Pajaro	7,189,028	6,357,252	↓	-11.6%
Normco	2,817,716	2,611,268	↓	-7.3%
Sunny Mesa	2,635,204	2,393,600	↓	-9.2%
Moss Landing	2,088,416	2,015,860	↓	-3.5%
Vega	1,516,196	1,323,960	↓	-12.7%
Vierra Estates	356,048	337,348	↓	-5.3%
Springfield (pumped)	430,100	542,300	↑	26.1%
Langley/Valle Pacifico	305,932	217,668	↓	-28.9%
Blackie	346,324	277,508	↓	-19.9%
District Total	17,684,964	16,076,764	↓	-9.1%