

**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](http://www.pajarosunnymesa.com)

P. 1

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

SEPTEMBER 29, 2020  
5:30 P.M.

**“Notice of Teleconferenced Meeting”**

Pursuant to Governor Newsom’s March 17, 2020 Executive Order [N-29-20](#) regarding COVID-19, members of the Pajaro/Sunny Mesa Community Services District Board of Directors and staff may participate in this meeting by teleconference.

To reduce the spread of COVID-19, members of the public may listen to the meeting via teleconference by calling **1-425-436-6355** and entering passcode **407147** and then the pound sign (“#”). There will be no in-person participation in the meeting under the authority of Governor Newsom’s Executive Order [N-29-20](#). You may also submit written comments in writing either at District Offices in person or by email by 2:00 pm on September 29, 2020.

To submit a comment by email, please send to [info@pajarosunnymesa.com](mailto:info@pajarosunnymesa.com) and write “Public Comment” in the subject line. Include the item number and/or title of the item in the body of the email and your comments. All comments received by 2:00 pm will be emailed to the Board members and included as an “Add to Packet” on the District’s website before the meeting. Those comments received after 2:00 pm will be added to the record of the meeting and shared with Board members at the meeting.”

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.

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 (11/21) President Harry Wiggins \_\_\_\_\_
- o (11/21) Vice President Sanford Coplin \_\_\_\_\_
- o (11/23) Secretary Robert Moody \_\_\_\_\_
- o (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
- o (11/21) Treasurer Michael Moore \_\_\_\_\_

<u>ADMINISTRATIVE STAFF:</u>	General Manager Don Rosa _____
	Bookkeeper Amy Saldade _____
	Recorder Judy Vazquez-Varela _____
<u>DISTRICT COUNSEL:</u>	Attorney Alan Smith _____

**3. ADDITIONS TO AGENDA [SUBDIVISION (b), 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 Section 54956.5 exists), (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, determine that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was being or (3) the item was posted for a prior Board meeting not more than five calendar days before the date action is taken, and at the prior meeting the item was continued to the meeting at which action is taken. Before discussing any item pursuant to this subdivision, the Board will publicly identify the item.

**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.

Any Board member may comment on any item not on the agenda.

**ACTION ITEMS**

**Consent Agenda**

Any person may comment on any item on the consent agenda.

**1. DRAFT MINUTES OF AUGUST 27, 2020 REGULAR MEETING**

Approval of draft minutes for regular meeting on 8/27/2020

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



Roll Call Vote:

- o (11/21) President Harry Wiggins \_\_\_\_\_
- o (11/21) Vice President Sanford Coplin \_\_\_\_\_
- o (11/23) Secretary Robert Moody \_\_\_\_\_
- o (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
- o (11/21) Treasurer Michael Moore \_\_\_\_\_

2. DRAFT MINUTES OF SEPTEMBER 9, 2020 SPECIAL MEETING

Approval of draft minutes for special meeting on 9/9/2020

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed: \_\_\_\_\_ Motion Tabled: \_\_\_\_\_

Roll Call Vote:

- o (11/21) President Harry Wiggins \_\_\_\_\_
- o (11/21) Vice President Sanford Coplin \_\_\_\_\_
- o (11/23) Secretary Robert Moody \_\_\_\_\_
- o (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
- o (11/21) Treasurer Michael Moore \_\_\_\_\_

Old Business:

1. NONE

New Business:

1. REVIEW AND MOTION TO APPROVE DRAFT FINANCIAL REPORTS FOR AUGUST 2020

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Draft Financial Reports August 2020

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed: \_\_\_\_\_ Motion Tabled: \_\_\_\_\_

Roll Call Vote:

- o (11/21) President Harry Wiggins \_\_\_\_\_
- o (11/21) Vice President Sanford Coplin \_\_\_\_\_
- o (11/23) Secretary Robert Moody \_\_\_\_\_
- o (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
- o (11/21) Treasurer Michael Moore \_\_\_\_\_

2. REVIEW AND MOTION TO APPROVE CHECKS AND DIRECT STAFF TO SIGN CHECKS

- 1. General Fund 605: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 2. Water Account: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 3. Holding Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 4. Street Maint. Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 5. Reorganization Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 6. Construction Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_
- 7. Acct: Check # \_\_\_\_\_ through check # \_\_\_\_\_ for a total of \$ \_\_\_\_\_

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve checks and direct staff to sign checks

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed: \_\_\_\_\_ Motion Tabled: \_\_\_\_\_

- Roll Call Vote:
- o (11/21) President Harry Wiggins \_\_\_\_\_
  - o (11/21) Vice President Sanford Coplin \_\_\_\_\_
  - o (11/23) Secretary Robert Moody \_\_\_\_\_
  - o (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
  - o (11/21) Treasurer Michael Moore \_\_\_\_\_

3. WATER RATE STUDY – FINAL REPORT

- Copy of Final Report
- Consider acceptance of report

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Accept Final Report

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
 Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
 Motion passed: \_\_\_\_\_ Motion Failed: \_\_\_\_\_ Motion Tabled: \_\_\_\_\_

- Roll Call Vote:
- o (11/21) President Harry Wiggins \_\_\_\_\_
  - o (11/21) Vice President Sanford Coplin \_\_\_\_\_
  - o (11/23) Secretary Robert Moody \_\_\_\_\_
  - o (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
  - o (11/21) Treasurer Michael Moore \_\_\_\_\_



**4. RESOLUTION # 09-01-20 AUTHORIZING A PUBLIC HEARING AND NOTICE CONCERNING A PROPOSAL TO INCREASE CERTAIN WATER RATES AND CHARGES**

- Copy or Resolution
- Ad hoc Committee Meeting update:
  - September 14, 2020 meeting minutes
- Meeting location/method needs to be discussed e.g. Zoom, WebEx, teleconference, or physical location
- Copy of draft packet to be sent to ratepayers

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve adoption of Resolution # 09-01-20

Motioned by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
Motion passed: \_\_\_\_\_ Motion Failed: \_\_\_\_\_ Motion Tabled: \_\_\_\_\_

**Roll Call Vote:**

- (11/21) President Harry Wiggins \_\_\_\_\_
- (11/21) Vice President Sanford Coplin \_\_\_\_\_
- (11/23) Secretary Robert Moody \_\_\_\_\_
- (11/23) Assistant Secretary Darlene Lamboley \_\_\_\_\_
- (11/21) Treasurer Michael Moore \_\_\_\_\_

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

This part of 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. District Wide Generator Project**

- District Staff is currently working with the United States Department of Agriculture (USDA), on a possible funding and or grant proposal

**2. District Operations Update: changes due to COVID-19 and “Shelter in Place” order**

- No updates to current operational status
- District office will remain open with strict guidelines
- District Parks have been closed
- Copies of notice at District Office and list of duties for Office
- No vendors or members of public are allowed into Office
- Payments are being received; no change given
- District has a verbal agreement in place for Mutual Aid with both Castroville Community Services District and Aromas Water District. District Counsel is working on a written agreement.
- President Wiggins and Vice President Coplin conducted a conference call with District General Manager and Operations Manager to plan for “worst case scenario”

- President now has District Office keys and alarm codes and has advised staff to have Operations Manuals, keys to facilities and system maps readily available on the conference room table
- Contact info for all Board Members, employees and vendors are in the binder
- Notices mailed to customers with May bills indicating that their water is safe and unaffected by COVID-19 (copy included)
- Office remains closed to public; continuing to take payments by phone or drop-off
- Office will be at full staffing beginning July 6, 2020 with physical distancing requirements met and health screening protocols in place; masks or face coverings to be worn at all times while indoors.
- All field personnel to work from home (stand-by) when air quality is bad

3. District Operations Report

4. Usage Comparison Report 2013/2020

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**CLOSED SESSION:**

A. NONE

**MOTION TO ADJOURN**

Next Board meeting date: \_\_\_\_\_  
Moted by: Director \_\_\_\_\_ Seconded by: Director \_\_\_\_\_  
Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_  
Motion passed: \_\_\_\_\_ Motion Failed: \_\_\_\_\_ Motion Tabled: \_\_\_\_\_

Adjournment Time: \_\_\_\_\_ p.m.



# MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors via teleconference was called to order at 5:33 pm on August 27, 2020.

**ROLL CALL:** President Harry Wiggins  
Vice President Sanford Coplin  
Secretary Robert Moody joined at 6:30 pm  
Assistant Secretary Darlene Lamboley  
Treasurer Michael Moore

**ADMINISTRATIVE STAFF:** General Manager Don Rosa  
Recorder Judy Vazquez-Varela

**ABSENT DIRECTOR(S) & STAFF:** None

**DISTRICT COUNSEL:** Alan Smith

**ADDITION(S) TO AGENDA:** None

**PUBLIC IN ATTENDANCE:** None

**PUBLIC COMMENTS:** None

## **Action Items**

1. Consider and approve the Minutes of the July 23, 2020 Regular Board Meeting

Motion was made by Director Lamboley and seconded by Director Coplin to approve the Regular Board Meeting Minutes of July 23, 2020. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; D. Lamboley; M. Moore  
Noes: None  
Absent: R. Moody  
Abstain: None

**OLD BUSINESS:** None

**NEW BUSINESS:** (Action Items)

1. Review and consider approving the Financial Reports for July 2020

Motion made by Director Coplin and seconded by Director Lamboley to approve the July 2020 Financials. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; D. Lamboley; M. Moore  
Noes: None  
Absent: R. Moody  
Abstain: None

**MONTHLY EXPENDITURES REPORT FOR REVIEW**

**APPROVAL OF CHECKS:**

2. Review and consider approving of checks and directing Staff to sign checks
  1. General Fund 633: Total of \$208,188.29
  2. Operating Account: Check No. 24435 through Check No. 24470 for a total of \$176,191.03
  3. Reserve Account: Check No. 118 for a total of \$7,096.84
  4. Street Maintenance Account: Check No. 522 for a total of \$1,685.41
  5. Pajaro Park Account: Total of \$1,141.93
  6. COP 2010 Account: Total of \$5,814.60
  7. Debt Service Reserve Account: Total of \$6,431.25

Motion was made by Director Wiggins, seconded by Director Lamboley to approve the July 2020 Checks, and direct Staff to sign checks. Motion carried.

Roll Call Vote:	Ayes:	H. Wiggins; S. Coplin; D. Lamboley; M. Moore
	Noes:	None
	Absent:	R. Moody
	Abstain:	None

3. Review and consider acceptance of Draft Water Rate Study  
(This item was moved to be discussed towards the end of the meeting)

The Board of Directors received a copy of the Draft Water Rate Study. All known costs, including generators, reserves and operational costs were considered in the proposed rates shown on figure 16 of the Draft Study. General Manager Rosa suggested exploring other options of higher fixed charge rather than volumetric, possibly a rate structure of 50% of costs from fixed meter charges and 50% from volumetric rates or 60%/40%. This structure would continue to allow the ratepayer more control of the water bill. Once these two options are available, General Manager suggested setting a Special Meeting to discuss and choose an option most comfortable for the Board.

The average water bill proposed in the Draft Study, assuming 6 units, would be \$58.26, if the Generator Project should be removed from the Study, the bill would drop to \$51.50. Possibly the ratepayer would accept the proposed rate better, if we informed them that the Generator Project will be the bulk of the proposed rate increase, approximately \$7.00 per month per connection.

Motion was made by Director Moody, seconded by Director Coplin to accept the Draft Report with edits to final report, and completion date of September 24, 2020. Motion carried.

Roll Call Vote:	Ayes:	H. Wiggins; S. Coplin; R. Moody; D. Lamboley; M. Moore
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Noes: None  
Absent: None  
Abstain: None

4. Review and consider Resolution No. 08-01-20 Authorizing General Manager to Apply for Funding, Sign and Submit Application for Funding from the Drinking Water State Revolving Fund

Staff is working with State in the Springfield Water System Construction Grant Funding Application. MNS' Engineer's report estimated the project cost to be \$8.5 Million.

Motion was made by Director Moore, seconded by Director Lamboley to approve Resolution No. 08-01-20 Authorizing General Manager to Apply for Funding, Sign and Submit Application for Funding from the Drinking Water State Revolving Fund. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; D. Lamboley; M. Moore  
Noes: None  
Absent: R. Moody  
Abstain: None

5. Review and consider Resolution No. 08-02-20 Approving the Application for Per Capita Grant Program

Staff is in communication with Office of Grants and Local Services (OGALS) regarding the application process for the \$177,952.00 allocated to the District for the purpose of capital outlay at the Pajaro Park. Staff has put together a list of possible projects. Director Moore would like the Community to have input in the possible Pajaro Park projects.

Director Wiggins has requested this item be added to next month's Board Meeting for further Discussion

Motion was made by Director Wiggins, seconded by Director Coplin to approve Resolution No. 08-02-20 Authorizing General Manager to Apply for Per Capita Grant Program. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; D. Lamboley; M. Moore  
Noes: None  
Absent: R. Moody  
Abstain: None

6. 2020-2021 Lighting Assessment

Staff would like to set 2020-2021 Lighting Assessment Hearing for October 22, 2020 at 5:45 pm. The Board was presented with a copy of the Hearing Notice to be distributed 45 days prior to Hearing date. The District currently has 213 lights in the assessment district and assesses 793 parcels. There will be no change to the assessment amount from previous year.

Motion was made by Director Lamboley, seconded by Director Coplin to approve 2020-2021 Lighting Assessment Hearing for October 22, 2020 at 5:45 pm. Motion carried.

Roll Call Vote:   Ayes:           H. Wiggins; S. Coplin; D. Lamboley; M. Moore  
                      Noes:           None  
                      Absent:        R. Moody  
                      Abstain:       None

**STAFF/COMMITTEE REPORTS:** (Informational Only)

1. Possible Grant Funding Source Identified for the Purpose of Pajaro Tank #1 Rehabilitation
  - MNS Engineers contact Staff regarding possible Grant Funding for the rehabilitation of the Pajaro Tank #1, estimated at \$750,000 to \$1,000,000. Staff is working with Karen Nilsen a funding consultant.
  
2. Cal-OES
  - Application for funding has been resubmitted with revisions, District is requesting \$150,000.
  - If funded, District will contract with consultant to generate the Local Hazard Mitigation Plan.
  
3. District Wide Generator Project
  - Board requested of Staff to review project scope and cost in attempt to identify cost saving potential.
  - Staff presented the Board with a report of potential savings. Option 1 identified a potential savings of \$35,500 with the removal of 4 generators and the addition of a mobile generator and necessary equipment. Option 2 consists of the removal of 4 smaller generators that serve booster sites leaving a total of 21 connections without water in the event of a power outage. Director Coplin commented that everyone should be considered in the project and no customer should be left out of project.
  
4. Local Wildland Fires-Impact on Operators
  - JPIA recommended all employees work indoors when poor air quality exists.
  - Water Quality Labs-both labs that are utilized by the District are available with limited staffing, no impact to date.
  
5. District Operation: changes due to COVID-19 and "Shelter in Place" order
  - District office will remain open with strict guidelines.
  - District Parks have been closed.
  - Copies of notice at District office and list of duties for office.
  - No Vendors or members of the public are allowed into office.
  - Payments are being received; no change given.
  - District has a verbal agreement in place for Mutual Aid with both Castroville CSD and Aromas WD. District Counsel is working on a written agreement.
  - President Wiggins and Vice President Coplin conducted a conference call with General Manager and Operations Manager to plan for "worst case scenario"



- President now has District Office keys and alarm codes and has advised Staff to have Operations Manuals, keys to facilities and system maps readily available on the conference room table.
- Contact information for all Board Members, employees and vendors are available in binder.
- Notices mailed to customers with May bills indicating that their water is safe and unaffected by COVID-19, copy of notice included in packet.
- Office remains closed to public; continuing to take payments by phone or drop-off.
- Office will be at full staffing beginning July 6, 2020 with physical distancing requirements met and health screening protocols in place; masks or face coverings to be worn always while indoors.
- All field personnel to work from home (stand-by) when air quality is bad.

6. District Operations Report

Pajaro Grant

- New tank connection has been tested, tank has been filled and disinfected. Currently contractor and Staff are completing minor touchups, substantial completion is August 31<sup>st</sup>.

Springfield Planning Grant

- Construction Application: General Information and Financial Packets are under review. Monthly conference call is scheduled on August 26, 2020.

Pajaro Park

- Summer Lunch Program, drive thru and walk-up, ended Friday August 14, 2020. The Park remains closed.

7. Usage Comparison Report 2013/2020

- Water usage is down in most systems except for Springfield Water Systems compared to this month in 2013.

**Closed Session:**

A. Public Comments for Closed Session

No comment

B. Conference with Legal Counsel-Existing Litigation (Government Code § 54957)

1. AWC Holdings Trust and AWC II Holdings Trust vs the County of Monterey through its Board of Supervisors et al Case No. 18CV1746, Monterey County Superior Court, filed May 11, 2018
2. Steve Pacheco, Trustee of the Salinas Land Holding Trust vs Pajaro/Sunny Mesa Community Services District et al Case No. unknown, Monterey County Superior Court, filing date unknown

Closed session opened at 7:04 pm  
Out of closed session at 7:15 pm

No final action taken.

**NEXT BOARD MEETING:**

The next Board meeting is to be held on Thursday, September 24, 2020 at 5:30 pm.

A Special Meeting is to be scheduled on September 9<sup>th</sup> or 10<sup>th</sup>, 2020 at 5:30 pm.

There being no further business, the regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:17 pm with motion made by Director Coplin, seconded by Director Moore. Motion Carried.

Respectfully submitted by:

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Harry Wiggins, President

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Sanford Coplin, Vice President

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Judith Vazquez-Varela, Recorder



# MINUTES

The special meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors via teleconference was called to order at 5:33 pm on September 9, 2020.

**ROLL CALL:** President Harry Wiggins  
Vice President Sanford Coplin  
Secretary Robert Moody  
Assistant Secretary Darlene Lamboley  
Treasurer Michael Moore

**ADMINISTRATIVE STAFF:** General Manager Don Rosa  
Bookkeeper Amy Saldade  
Recorder Judy Vazquez-Varela

**ABSENT DIRECTOR(S) & STAFF:** None

**DISTRICT COUNSEL:** Alan Smith

**ADDITION(S) TO AGENDA:** None

**PUBLIC IN ATTENDANCE:** Greg Clumpner of NBS

**PUBLIC COMMENTS:** None

**SCHEDULED ITEMS:** None

**ACTION ITEMS:** None

**OLD BUSINESS:** None

**NEW BUSINESS:** (Action Items)

## 1. Water Rate Study

The Board of Directors was provided a copy of the three (3) rate alternatives. General Manager Rosa recommended to the Board alternative number 3. This alternative proposes a rate structure of 50 percent fixed charges and 50 percent volumetric charges. This option is more affordable and would impact the rate payer the least, also, it allows for a known fixed District revenue. General Manager also recommended the Board adopt drought rates.

Director Wiggins appointed Directors Lamboley and Moody to Water Rate Study Ad-Hoc committee. Mr. Clumpner and Staff will work with the committee and facilitate meeting at District office, either September 14<sup>th</sup> or 15<sup>th</sup> 2020, to discuss the following concerns:

- Economic
- Wildfire
- Covid-19 (difficulty in gathering people)
- Timing-Holidays
- November Presidential Elections
- Proposition 218 procedures
- Public hearing method-videoconferencing and telephonic challenges

**STAFF/COMMITTEE REPORTS:** (Informational Only) None

**CLOSED SESSION:** None

**NEXT BOARD MEETING:**

The next Board Meeting is to be held on Tuesday, September 29, 2020 at 5:30 pm.

There being no further business, the Special Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:55 pm with motion made by Director Moody, seconded by Director Lamboley. Motion Carried.

Respectfully submitted by:

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Harry Wiggins, President

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Sanford Coplin, Vice President

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Judith Vazquez-Varela, Recorder



## FINANCIAL NOTES - August 2020

Account No:	Account Name:	Increase / Decrease	Description
<b>Income:</b>			
4001-4015	Total Income	+	Increased Usage Overall: ↑20% or more than projected in Commercial Route Pajaro, Vega WS, & all Prunedale Systems
<b>Expenses: Indirect</b>			
5140	Building Repair & Maintenance	+	Exterior painting of office shed; Annual pest treatment of large trees at District office
5255	Interest Expense	+	Biannual Interest Payment: Reorganization Loan
5266	Engineering Svcs- Dist Wide	+	Water Rate Study: NBS progress billing
5391	Credit Card Transaction Fees	+	High volume of phone payments during Covid-19
<b>Expenses: Direct</b>			
5225	Street Maintenance	+	Fair Way Fence Replacement
5360	Fuel- Generator	+	Annual Refueling
5428	COP Bond Expense	+	Annual Admin Fees
5433	Pajaro Water Bond Interest Expense	+	Biannual Interest Payment
<b>Other Income:</b>			
4140	Connection Fees	+	New 3/4" Connection: Pajaro

September 21, 2020  
Accrual Basis

**Balance Sheet**  
As of August 31, 2020

	<u>Aug 31, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1001 · SCCB - Operating Account	172,229.88
1002 · SCCB Reserve Account	203,951.77
1003 · SCCB - Sick Leave Account	14,451.84
1004 · SCCB - Street Maint Acct	210,380.26
1006 · SCCB-GF 633	27,964.78
1007 · SCCB - Debt Service Reserve	68,626.83
1032 · SCCB-COP Acct (aka Const. Acct)	79,138.08
1036 · PSM Pajaro Park Acct	80,463.23
1050 · Cash in County Treasury - DS	28,085.08
1051 · Cash in County Treasury - GF	104,453.70
1066 · Union Bank Vega 2303	148,045.42
1068 · Union Bank Vega 2301	207,327.03
1069 · Union Bank Vega-2302	10,530.79
1095 · Union Bank Wtr Bond-Res 2204	147,881.54
2201 · Union Bank-2015 Wtr Rfd Bd 2201	89.55
<b>Total Checking/Savings</b>	<u>1,503,619.78</u>
<b>Accounts Receivable</b>	
1110 · Invoice Accounts Recv	3,512.99
1231 · Grants Receivable-A/R	93,407.48
<b>Total Accounts Receivable</b>	<u>96,920.47</u>
<b>Other Current Assets</b>	
1080 · Petty Cash	400.00
1100 · Water Customer Accounts Recv	246,410.33
1101 · Allowance for Doubtful Accounts	-8,784.09
1115 · Prepaid Expenses	1.31
1153 · Receivable from Monterey County	860.00
1251 · Assess. Rec. - Lighting	1,660.14
1253 · Assessments Rec. - Water bond	252,000.00
1253.1 · Assess Rec - Water Bond - Count	789.43
1254 · Advanced Pay - Spec. Asses - WB	-16,561.65
<b>Total Other Current Assets</b>	<u>476,775.47</u>
<b>Total Current Assets</b>	<u>2,077,315.72</u>
<b>Fixed Assets</b>	
1084 · CIP-Springfield/Struve	18,967.36
1500 · Land	139,676.30
1510 · Land Improve (Non-office)	253,942.67
1520 · Land Improve (Office)	66,721.46
1521 · A/D - Land Impr (Off)	-45,033.40
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	144,062.43
1551 · A/D - District Office Building	-121,922.73
1555 · Office Equipment/Furniture	30,573.05
1556 · A/D - Office Equip/Furniture	-29,825.90
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	488,652.21
1571 · A/D - Equipment - Pumping Plant	-439,463.87
1580 · Distribution Mains [P]	1,487,948.01
1581 · A/D - Distribution Mains	-1,063,798.68
1590 · Meters	86,141.13
1591 · A/D - Meters	-84,656.11
1600 · Hydrants	7,422.43
1601 · A/D - Hydrants	-4,556.72



September 21, 2020  
Accrual Basis

**Balance Sheet**  
As of August 31, 2020

	<u>Aug 31, 20</u>
1610 · Automotive Equipment	222,919.12
1611 · A/D - Automotive Equipment	-186,634.31
1620 · Utility Trans/Distr Plant	115,702.65
1621 · A/D - Utility T&D Plant	-90,071.77
1622 · A/D - Moss Landing	-157,020.31
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	-15,624.73
1650 · Trans & Distr Plant	81,133.08
1651 · A/D - Trans & Distr Plant	-59,380.30
1670 · Small Tools/Equipment	10,817.67
1671 · A/D - Small Tools/Equipment	-8,096.51
1680 · ALCO Water Project	155,809.38
1681 · A/D - ALCO Water Project	-93,485.45
1804 · CIP-Springfield	393,244.44
1805 · CIP-Vega Imprvmtnt Project	4,590,073.33
1805.1 · A/D - Vega	-1,950,799.90
1806 · Moss Landing Bridge Project	251,233.09
1807 · CIP-Langley/VP	247,543.58
1807.1 · A/D - Langley/VP	-66,136.74
1808 · CIP-Normco	296,974.74
1808.1 · A/D - Normco Tank	-108,521.73
1811 · CIP-Vierra Estate	175,238.16
1811.1 · A/D - Vierra Estates	-40,112.72
1812 · CIP-Moss Landing Water System	297,669.12
1812.1 · A/D - Moss Landing Water	-65,973.55
1814 · CIP-Pajaro	1,581,885.77
1815 · CIP-Normco Improv Project	3,225.00
1816 · Land - Pajaro Park	781,632.00
1817 · Improvements - Pajaro Park	4,717,110.00
1817.1 · A/D - Improvements -Pajaro Park	-1,092,169.63
1818 · Buildings - Pajaro Park	796,400.00
1818.1 · A/D - Buildings-Pajaro Park	-150,374.26
1819 · Equipment - Pajaro Park	43,381.00
1819.1 · A/D - Equipment-Pajaro Park	-23,136.89
1820 · Normco Treatment Facility	111,943.00
1820.1 · A/D-Normco Treatment Facility	-68,865.85
1821 · CIP-Sunny Mesa	48,044.61
1822 · CIP-Vega	23,643.81
1823 · CIP-Blackie	10,230.04
<b>Total Fixed Assets</b>	<b>12,179,403.38</b>
<b>Other Assets</b>	
1120 · Due From Gen Fund	973.66
1141 · Due From SC Grant Acct	100.00
1151 · Due from Maint Account	157.19
1220 · Spl Asmnt Revc-Long Term	3,758,859.72
1900 · Due From Other Funds	159,690.92
1950 · Deferred amount on refunding	69,885.60
1951 · Deferred Amt of Ref-Vega Bds15	90,016.09
<b>Total Other Assets</b>	<b>4,079,683.18</b>
<b>TOTAL ASSETS</b>	<b>18,336,402.28</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	156,610.68
2500 · Due to Other Funds	159,693.06
<b>Total Accounts Payable</b>	<b>316,303.74</b>
<b>Other Current Liabilities</b>	

September 21, 2020

**Balance Sheet**

Accrual Basis

As of August 31, 2020

	<u>Aug 31, 20</u>
2005 · Accrued Liabilities	64,560.00
2050 · Accrued Payroll	11,483.90
2100 · Payroll Tax Liabilities	1,000.00
2121 · Customer Security Deposits	16,702.15
2122 · Future Water Conn. Deposits	36,600.00
2123 · Hydrant Meter Deposits	27,550.00
2225 · Accrued Vacation Liability	35,203.97
2230 · Accrued Sick Leave Liability	49,352.94
2263 · 457b EE Plan Payable	3,172.62
2264 · Employee Insurance Payable	-1,501.60
2265 · EE Aflac Insurance Payable	713.39
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.	-20,626.42
<b>Total Other Current Liabilities</b>	<u>255,728.64</u>
<b>Total Current Liabilities</b>	572,032.38
<b>Long Term Liabilities</b>	
2256 · Vehicle Loan Payable	27,279.35
2257 · Reorganization Loan	245,000.00
2267 · Pajaro Tank Loan-0190	892,991.53
2333 · COP Bonds Payable	-255,000.00
2339 · Vega Project Bonds Payable	-72,100.00
2350 · Bonds Payable - Water Bond	193,000.00
2360 · Bonds Payable-2015 COP Wtr Rf	2,200,000.00
2361 · Bonds Payable-2015 Vga Wtr Rf	3,709,999.67
2400 · Unamortized Discount on 2015	-32,650.01
2401 · Unamortized Discount-2015 Vega	-13,250.72
<b>Total Long Term Liabilities</b>	<u>6,895,269.82</u>
<b>Total Liabilities</b>	7,467,302.20
<b>Equity</b>	
3000 · Fund Balance	219,540.85
3001 · Restricted-Street Maintenance	87,655.80
3040 · Contributed Capital	248,000.00
3045 · Restricted for Debt Service	4,575,060.23
3050 · Retained Earnings	5,685,378.85
3999 · Suspense	13,037.78
Net Income	40,426.57
<b>Total Equity</b>	<u>10,869,100.08</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>18,336,402.28</u></u>



September 21, 2020

## Profit &amp; Loss

August 2020

Accrual Basis

	Aug 20
Ordinary Income/Expense	
Income	
4001 · Route 1 - Pajaro	24,842.87
4002 · Route 2 - Pajaro	24,014.89
4003 · Route 3 - Commercial	28,153.18
4004 · Route 4 - Trailer Park	1,172.86
4005 · Route 5 - San Juan Rd Apts	1,043.99
4006 · Route 6 - Sunny Mesa	13,872.90
4007 · Route 7 - CSA 73	14,662.02
4008 · Route 8 - Vega	18,064.37
4010 · Route 10 -Springfield	850.00
4011 · Route 11 - Moss Landing	24,753.36
4012 · Route 12 - Blackie Road	3,643.97
4013 · Route 13 - Normco	35,402.49
4014 · Route 14 - Vierra	5,442.25
4015 · Route 15 - Langley/VP	3,493.69
Total Income	199,412.84
Gross Profit	199,412.84
Expense	
INDIRECT	
5000 · Salaries and Wages	51,972.95
5005 · Administrative Fees	478.04
5010 · Contract Labor	1,760.00
5030 · Payroll Tax Expense	795.84
5070 · Employee Retirement	8,474.99
5130 · Utilities - Office	85.72
5140 · Building Repair & Maint	1,567.31
5145 · District Wide Repair & Maint	778.63
5150 · Garbage Service	307.46
5160 · Office Equip Rental	758.95
5165 · Computer Software	594.41
5240 · Office Supplies	40.50
5250 · Legal Expenses	2,896.19
5255 · Interest Expense	9,168.63
5266 · Engineering Svcs-Dist Wide	17,700.00
5270 · Automotive - Repair & Maint	123.93
5320 · Membership Fees and Dues	380.69
5330 · Telephone	2,221.17
5340 · Burglar Alarm Monitoring	162.00
5370 · Fuel - Trucks	1,940.64
5391 · Credit Card Transaction Fees	762.34
5XXX · Indirect Allocation	0.00
Total INDIRECT	102,970.39
5190 · Soil and Water Tests	1,475.20
5220 · Water System - Repair & Maint	13,408.16
5225 · Street Maintenance	7,715.49
5230 · Park - Repair & Maint	43.61
5231 · Pajaro Park Expense	845.75
5310 · Utilities - Well Site	12,579.11
5315 · Utilities - Street Lighting	103.23
5360 · Fuel - Generator	776.90
5427 · Improvement Project-Springfield	-171.85
5428 · COP Bond Expense	2,155.00
5433 · Pajaro Water Bond Interest Exp	7,140.00
Total Expense	149,040.99
Net Ordinary Income	50,371.85

September 21, 2020

**Profit & Loss**

Accrual Basis

August 2020

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	<u>Aug 20</u>
Other Income/Expense	
Other Income	
4100 · Late Payment Penalties	374.68
4110 · Hydrant Sales	1,852.99
4140 · Connection Fees	2,152.00
4285 · P.V.W.M.A. Collection Fee	2,969.40
4345 · Customer Order Reimbursements	1,863.46
4350 · Interest Revenue	25.79
5424 · Springfield Bottled Water Reimb	371.07
	<hr/>
Total Other Income	9,609.39
Other Expense	
5435 · Improvement Project-Pajaro	646.00
	<hr/>
Total Other Expense	646.00
	<hr/>
Net Other Income	8,963.39
	<hr/>
Net Income	<u>59,335.24</u>

## Pajaro/Sunny Mesa Community Services District Profit & Loss Budget Performance August 2020

	Aug 20	Budget	% of Budget	Jul - Aug 20	YTD Budget	% of Budget	Annual Budget
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
4001 - Route 1 - Pajaro	24,842.87	22,583.34	110.0%	46,047.14	45,166.68	101.9%	271,000.00
4002 - Route 2 - Pajaro	24,014.89	23,000.00	104.4%	46,738.47	46,000.00	101.6%	276,000.00
4003 - Route 3 - Commercial	28,153.18	23,083.34	122.0%	52,998.67	46,166.68	114.8%	277,000.00
4004 - Route 4 - Trailer Park	1,172.86	1,125.00	104.3%	2,131.11	2,250.00	94.7%	13,500.00
4005 - Route 5 - San Juan Rd Apts	1,043.99	1,116.67	93.5%	1,974.98	2,233.34	88.4%	13,400.00
4006 - Route 6 - Sunny Mesa	13,872.90	11,975.00	115.8%	26,785.30	23,950.00	111.8%	143,700.00
4007 - Route 7 - CSA 73	14,662.02	13,166.67	111.4%	29,131.94	26,333.34	110.6%	158,000.00
4008 - Route 8 - Vega	18,064.37	13,025.00	138.7%	33,210.56	26,050.00	127.5%	156,300.00
4010 - Route 10 - Springfield	850.00	875.00	97.1%	1,700.00	1,750.00	97.1%	10,500.00
4011 - Route 11 - Moss Landing	24,753.36	22,583.34	109.6%	50,173.94	45,166.68	111.1%	271,000.00
4012 - Route 12 - Blackie Road	3,643.97	2,641.67	137.9%	7,293.59	5,283.34	138.0%	31,700.00
4013 - Route 13 - Norrico	35,402.25	28,750.00	123.1%	68,629.75	57,500.00	119.4%	345,000.00
4014 - Route 14 - Vierra	5,442.25	4,383.34	124.2%	10,890.15	8,766.68	124.2%	52,600.00
4015 - Route 15 - Langley/NP	3,493.69	2,741.67	127.4%	6,704.88	5,483.34	122.3%	32,900.00
<b>Total Income</b>	<b>199,412.84</b>	<b>171,050.04</b>	<b>116.6%</b>	<b>384,410.48</b>	<b>342,100.08</b>	<b>112.4%</b>	<b>2,052,600.00</b>
<b>Gross Profit</b>	<b>199,412.84</b>	<b>171,050.04</b>	<b>116.6%</b>	<b>384,410.48</b>	<b>342,100.08</b>	<b>112.4%</b>	<b>2,052,600.00</b>
<b>Expense</b>							
<b>INDIRECT</b>							
5000 - Salaries and Wages	51,972.95	63,500.00	81.8%	143,684.24	127,000.00	113.1%	762,000.00
5005 - Administrative Fees	478.04	500.00	95.6%	478.04	1,000.00	47.8%	6,000.00
5010 - Contract Labor	1,760.00	2,000.00	88.0%	1,760.00	4,000.00	44.0%	24,000.00
5030 - Payroll Tax Expense	795.84	1,333.34	59.7%	1,600.29	2,666.68	60.0%	16,000.00
5040 - Worker's Comp Insurance	0.00	1,666.67	0.0%	0.00	3,333.34	0.0%	20,000.00
5050 - Employee Health Insurance	0.00	15,666.67	0.0%	31,366.78	31,333.34	100.1%	188,000.00
5070 - Employee Retirement	8,474.99	9,525.00	89.0%	21,100.84	19,050.00	110.8%	114,300.00
5090 - Other Employee Expense	0.00	208.34	0.0%	0.00	416.68	0.0%	2,500.00
5120 - Property Taxes	0.00	125.00	0.0%	0.00	250.00	0.0%	1,500.00
5130 - Utilities - Office	85.72	333.34	25.7%	374.53	666.68	56.2%	4,000.00
5140 - Building Repair & Maint	1,567.31	1,250.00	125.4%	8,583.04	2,500.00	343.3%	15,000.00
5145 - District Wide Repair & Maint	778.63	1,333.34	58.4%	2,022.70	2,666.68	75.9%	16,000.00
5150 - Garbage Service	307.46	308.34	99.7%	307.46	616.68	49.9%	3,700.00
5160 - Office Equip Rental	758.95	833.34	91.1%	1,333.70	1,666.68	80.0%	10,000.00
5165 - Computer Software	594.41	833.34	71.3%	1,071.83	1,666.68	64.3%	10,000.00
5170 - Office Equipment Repair & Maint	0.00	300.00	0.0%	1,147.13	600.00	191.2%	3,600.00
5175 - Small Tools - Repair & Maint.	0.00	83.34	0.0%	0.00	166.68	0.0%	1,000.00
5180 - Casualty Ins/Liability Ins	0.00	2,583.34	0.0%	7,241.96	5,166.68	140.2%	31,000.00
5200 - Billing Supplies	0.00	308.34	0.0%	2,511.66	616.68	407.3%	3,700.00
5240 - Office Supplies	40.50	291.67	13.9%	473.46	583.34	81.2%	3,500.00
5245 - Postage	0.00	708.34	0.0%	1,000.00	1,416.68	70.6%	8,500.00
5250 - Legal Expenses	2,896.19	2,250.00	128.7%	5,540.99	4,500.00	123.1%	27,000.00
5255 - Interest Expense	9,168.63	1,083.34	846.3%	9,268.15	2,166.68	427.8%	13,000.00
5256 - Interest Exp-Financed Items	0.00	200.00	0.0%	0.00	400.00	0.0%	2,400.00
5260 - Accounting & Bookkeeping	0.00	3,083.34	0.0%	2,770.00	6,166.68	44.9%	37,000.00
5266 - Engineering Svcs-Dist Wide	17,700.00	3,416.67	518.0%	31,100.00	6,833.34	455.1%	41,000.00
5270 - Automotive - Repair & Maint	123.93	833.34	14.9%	226.13	1,666.68	13.6%	10,000.00
5280 - Conferences, Meetings, Seminars	0.00	41.67	0.0%	0.00	83.34	0.0%	500.00
5290 - Travel Expenses	0.00	41.67	0.0%	0.00	83.34	0.0%	500.00
5300 - Books & Subscriptions	0.00	125.00	0.0%	0.00	250.00	0.0%	1,500.00
5305 - Water Conservation Program	0.00	125.00	0.0%	0.00	250.00	0.0%	1,500.00
5320 - Membership Fees and Dues	380.69	1,666.67	22.8%	780.10	3,333.34	23.4%	20,000.00
5326 - Licenses and Certifications	0.00	166.67	0.0%	0.00	333.34	0.0%	2,000.00



Pajaro/Sunny Mesa Community Services District  
Profit & Loss Budget Performance  
August 2020

	Aug 20	Budget	% of Budget	Jul - Aug 20	YTD Budget	% of Budget	Annual Budget
5330 · Telephone	2,221.17	1,416.67	156.8%	4,517.14	2,833.34	159.4%	17,000.00
5340 · Burglar Alarm Monitoring	162.00	66.67	243.0%	192.00	133.34	144.0%	800.00
5370 · Fuel - Trucks	1,940.64	2,000.00	97.0%	3,638.86	4,000.00	91.0%	24,000.00
5390 · Bank Charges	0.00	16.67	0.0%	0.00	33.34	0.0%	200.00
5391 · Credit Card Transaction Fees	762.34	500.00	152.5%	1,319.16	1,000.00	131.9%	6,000.00
5400 · Miscellaneous Expense	0.00	16.67	0.0%	0.00	33.34	0.0%	200.00
5XXX · Indirect Allocation	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
6560 · Payroll Processing Expenses	0.00	50.00	0.0%	0.00	100.00	0.0%	600.00
6577 · COP Debt Service - Interest	0.00	6,500.00	0.0%	0.00	13,000.00	0.0%	78,000.00
Total INDIRECT	102,970.39	127,291.80	80.9%	285,410.19	254,583.60	112.1%	1,527,500.00
5190 · Soil and Water Tests	1,475.20	2,666.67	55.3%	2,555.20	5,333.34	47.9%	32,000.00
5220 · Water System - Repair & Maint	13,408.16	18,750.00	71.5%	27,937.95	37,500.00	74.5%	225,000.00
5225 · Street Maintenance	7,715.49	2,720.84	283.6%	7,907.68	5,441.68	145.3%	32,650.00
5230 · Park - Repair & Maint	43.61	83.34	52.3%	88.24	166.68	52.9%	1,000.00
5231 · Pajaro Park Expense	845.75	0.00	0.0%	1,937.36	0.00	0.0%	2,000.00
5265 · Engineering Expenses	0.00	166.67	0.0%	0.00	333.34	0.0%	2,000.00
5310 · Utilities - Well Site	12,579.11	14,166.67	88.8%	18,507.05	28,333.34	65.3%	170,000.00
5315 · Utilities - Street Lighting	103.23	2,333.34	4.4%	2,149.01	4,666.68	46.1%	28,000.00
5325 · Permits	0.00	2,083.34	0.0%	0.00	4,166.68	0.0%	25,000.00
5360 · Fuel - Generator	776.90	125.00	621.5%	776.90	250.00	310.8%	1,500.00
5427 · Improvement Project-Springfield	-171.85	0.00	0.0%	-171.85	0.00	0.0%	0.00
5428 · COP Bond Expense	2,155.00	291.67	738.8%	2,155.00	583.34	369.4%	3,500.00
5433 · Pajaro Water Bond Interest Exp	7,140.00	883.34	808.3%	7,140.00	1,766.68	404.1%	10,600.00
6575 · Vega Debt Service-Interest	0.00	11,916.67	0.0%	0.00	23,833.34	0.0%	143,000.00
Total Expense	149,040.99	183,479.35	81.2%	356,392.73	366,958.70	97.1%	2,201,750.00
Net Ordinary Income	50,371.85	-12,429.31	-405.3%	28,017.75	-24,858.62	-112.7%	-149,150.00
Other Income/Expense							
4100 · Late Payment Penalties	374.68	416.67	89.9%	783.90	833.34	94.1%	5,000.00
4101 · Billing Adjustments	0.00	41.67	0.0%	0.00	83.34	0.0%	500.00
4110 · Hydrant Sales	1,852.99	416.67	444.7%	3,157.26	833.34	378.9%	5,000.00
4115 · Testing Fees	0.00	625.00	0.0%	0.00	1,250.00	0.0%	7,500.00
4140 · Connection Fees	2,152.00	358.34	600.5%	2,152.00	716.68	300.3%	4,300.00
4141 · Application Fees	0.00	45.84	0.0%	0.00	91.68	0.0%	550.00
4146 · Other Fees	0.00	33.34	0.0%	0.00	66.68	0.0%	400.00
4200 · Street Maintenance-Reimb	0.00	5,316.67	0.0%	0.00	10,633.34	0.0%	63,800.00
4210 · Vega Bond Assessments	0.00	23,166.67	0.0%	0.00	46,333.34	0.0%	278,000.00
4280 · Pro-Rata Tax Collection Share	0.00	2,083.34	0.0%	0.00	4,166.68	0.0%	25,000.00
4285 · P.V.W.M.A. Collection Fee	2,969.40	2,250.00	132.0%	5,542.25	4,500.00	123.2%	27,000.00
4300 · Collection of Previous W/O Acct	0.00	41.67	0.0%	0.00	83.34	0.0%	500.00
4305 · Miscellaneous Revenue	0.00	125.00	0.0%	0.00	250.00	0.0%	1,500.00
4307 · Returned Check Charges	0.00	0.00	0.0%	25.00	0.00	0.0%	0.00
4340 · Utility Reimbursements	0.00	2,333.34	0.0%	0.00	4,666.68	0.0%	28,000.00
4341 · Lighting Admin Reimbursements	0.00	1,000.00	0.0%	0.00	2,000.00	0.0%	12,000.00
4345 · Customer Order Reimbursements	1,863.46	0.00	0.0%	2,050.96	0.00	0.0%	0.00
4346 · District 25% Overhead Fee	0.00	41.67	0.0%	0.00	83.34	0.0%	500.00
4350 · Interest Revenue	25.79	475.00	5.4%	51.63	950.00	5.4%	5,700.00
4355 · Audit/Bookkeeping Reimbursement	0.00	58.34	0.0%	0.00	116.68	0.0%	700.00
4360 · Legal Counsel Reimbursement	0.00	33.34	0.0%	0.00	66.68	0.0%	400.00
5424 · Springfield Bottled Wtr Gr Reimb	371.07	0.00	0.0%	371.07	0.00	0.0%	0.00

## Pajaro/Sunny Mesa Community Services District Profit & Loss Budget Performance

August 2020

	Aug 20	Budget	% of Budget	Jul - Aug 20	YTD Budget	% of Budget	Annual Budget
5794 - Water Bond Assessments	0.00	3,375.00	0.0%	0.00	6,750.00	0.0%	40,500.00
Total Other Income	9,609.39	42,237.57	22.8%	14,134.07	84,475.14	16.7%	506,850.00
Other Expense							
5435 - Improvement Project-Pajaro	646.00			1,525.25			
6260 - Lighting Expenses	0.00			200.00			
Total Other Expense	646.00			1,725.25			
Net Other Income	8,963.39	42,237.57	21.2%	12,408.82	84,475.14	14.7%	506,850.00
Net Income	59,335.24	29,808.26	199.1%	40,426.57	59,616.52	67.8%	357,700.00

Pajaro/Sunny Mesa Community Services District  
 Profit & Loss Budget vs. Actual

August 2020

	Aug 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4001 · Route 1 - Pajaro	24,842.87	22,583.34	2,259.53	110.01%
4002 · Route 2 - Pajaro	24,014.89	23,000.00	1,014.89	104.41%
4003 · Route 3 - Commercial	28,153.18	23,083.34	5,069.84	121.96%
4004 · Route 4 - Trailer Park	1,172.86	1,125.00	47.86	104.25%
4005 · Route 5 - San Juan Rd Apts	1,043.99	1,116.67	-72.68	93.49%
4006 · Route 6 - Sunny Mesa	13,872.90	11,975.00	1,897.90	115.85%
4007 · Route 7 - CSA 73	14,662.02	13,166.67	1,495.35	111.36%
4008 · Route 8 - Vega	18,064.37	13,025.00	5,039.37	138.69%
4010 · Route 10 -Springfield	850.00	875.00	-25.00	97.14%
4011 · Route 11 - Moss Landing	24,753.36	22,583.34	2,170.02	109.61%
4012 · Route 12 - Blackie Road	3,643.97	2,641.67	1,002.30	137.94%
4013 · Route 13 - Normco	35,402.49	28,750.00	6,652.49	123.14%
4014 · Route 14 - Vierra	5,442.25	4,383.34	1,058.91	124.16%
4015 · Route 15 - Langlely/VP	3,493.69	2,741.67	752.02	127.43%
Total Income	199,412.84	171,050.04	28,362.80	116.58%
Gross Profit	199,412.84	171,050.04	28,362.80	116.58%
Expense				
INDIRECT				
5000 · Salaries and Wages	51,972.95	63,500.00	-11,527.05	81.85%
5005 · Administrative Fees	478.04	500.00	-21.96	95.61%
5010 · Contract Labor	1,760.00	2,000.00	-240.00	88.0%
5030 · Payroll Tax Expense	795.84	1,333.34	-537.50	59.69%
5040 · Worker's Comp Insurance	0.00	1,666.67	-1,666.67	0.0%
5050 · Employee Health Insurance	0.00	15,666.67	-15,666.67	0.0%
5070 · Employee Retirement	8,474.99	9,525.00	-1,050.01	88.98%
5090 · Other Employee Expense	0.00	208.34	-208.34	0.0%
5120 · Property Taxes	0.00	125.00	-125.00	0.0%
5130 · Utilities - Office	85.72	333.34	-247.62	25.72%
5140 · Building Repair & Maint	1,567.31	1,250.00	317.31	125.39%
5145 · District Wide Repair & Maint	778.63	1,333.34	-554.71	58.4%



Pajaro/Sunny Mesa Community Services District  
 Profit & Loss Budget vs. Actual  
 August 2020

	Aug 20	Budget	\$ Over Budget	% of Budget
5150 · Garbage Service	307.46	308.34	-0.88	99.72%
5160 · Office Equip Rental	758.95	833.34	-74.39	91.07%
5165 · Computer Software	594.41	833.34	-238.93	71.33%
5170 · Office Equipment Repair & Maint	0.00	300.00	-300.00	0.0%
5175 · Small Tools - Repair & Maint.	0.00	83.34	-83.34	0.0%
5180 · Casualty Ins/Liability Ins	0.00	2,583.34	-2,583.34	0.0%
5200 · Billing Supplies	0.00	308.34	-308.34	0.0%
5240 · Office Supplies	40.50	291.67	-251.17	13.89%
5245 · Postage	0.00	708.34	-708.34	0.0%
5250 · Legal Expenses	2,896.19	2,250.00	646.19	128.72%
5255 · Interest Expense	9,168.63	1,083.34	8,085.29	846.33%
5256 · Interest Exp-Financed Items	0.00	200.00	-200.00	0.0%
5260 · Accounting & Bookkeeping	0.00	3,083.34	-3,083.34	0.0%
5266 · Engineering Svcs-Dist Wide	17,700.00	3,416.67	14,283.33	518.05%
5270 · Automotive - Repair & Maint	123.93	833.34	-709.41	14.87%
5280 · Conferences, Meetings, Seminars	0.00	41.67	-41.67	0.0%
5290 · Travel Expenses	0.00	41.67	-41.67	0.0%
5300 · Books & Subscriptions	0.00	125.00	-125.00	0.0%
5305 · Water Conservation Program	0.00	125.00	-125.00	0.0%
5320 · Membership Fees and Dues	380.69	1,666.67	-1,285.98	22.84%
5326 · Licenses and Certifications	0.00	166.67	-166.67	0.0%
5330 · Telephone	2,221.17	1,416.67	804.50	156.79%
5340 · Burglar Alarm Monitoring	162.00	66.67	95.33	242.99%
5370 · Fuel - Trucks	1,940.64	2,000.00	-59.36	97.03%
5390 · Bank Charges	0.00	16.67	-16.67	0.0%
5391 · Credit Card Transaction Fees	762.34	500.00	262.34	152.47%
5400 · Miscellaneous Expense	0.00	16.67	-16.67	0.0%
6560 · Payroll Processing Expenses	0.00	50.00	-50.00	0.0%
6577 · COP Debt Service - Interest	0.00	6,500.00	-6,500.00	0.0%
Total INDIRECT	102,970.39	127,291.80	-24,321.41	80.89%
5190 · Soil and Water Tests	1,475.20	2,666.67	-1,191.47	55.32%
5220 · Water System - Repair & Maint	13,408.16	18,750.00	-5,341.84	71.51%

Pajaro/Sunny Mesa Community Services District  
 Profit & Loss Budget vs. Actual  
 August 2020

	Aug 20	Budget	\$ Over Budget	% of Budget
5225 · Street Maintenance	7,715.49	2,720.84	4,994.65	283.57%
5230 · Park - Repair & Maint	43.61	83.34	-39.73	52.33%
5265 · Engineering Expenses	0.00	166.67	-166.67	0.0%
5310 · Utilities - Well Site	12,579.11	14,166.67	-1,587.56	88.79%
5315 · Utilities - Street Lighting	103.23	2,333.34	-2,230.11	4.42%
5325 · Permits	0.00	2,083.34	-2,083.34	0.0%
5360 · Fuel - Generator	776.90	125.00	651.90	621.52%
5428 · COP Bond Expense	2,155.00	291.67	1,863.33	738.85%
5433 · Pajaro Water Bond Interest Exp	7,140.00	883.34	6,256.66	808.3%
6575 · Vega Debt Service-Interest	0.00	11,916.67	-11,916.67	0.0%
<b>Total Expense</b>	<b>148,367.09</b>	<b>183,479.35</b>	<b>-35,112.26</b>	<b>80.86%</b>
Net Ordinary Income	51,045.75	-12,429.31	63,475.06	-410.69%
Other Income/Expense				
Other Income				
4100 · Late Payment Penalties	374.68	416.67	-41.99	89.92%
4101 · Billing Adjustments	0.00	41.67	-41.67	0.0%
4110 · Hydrant Sales	1,852.99	416.67	1,436.32	444.71%
4115 · Testing Fees	0.00	625.00	-625.00	0.0%
4140 · Connection Fees	2,152.00	358.34	1,793.66	600.55%
4141 · Application Fees	0.00	45.84	-45.84	0.0%
4146 · Other Fees	0.00	33.34	-33.34	0.0%
4200 · Street Maintenance-Reimb	0.00	5,316.67	-5,316.67	0.0%
4210 · Vega Bond Assessments	0.00	23,166.67	-23,166.67	0.0%
4280 · Pro-Rata Tax Collection Share	0.00	2,083.34	-2,083.34	0.0%
4285 · P.V.W.M.A. Collection Fee	2,969.40	2,250.00	719.40	131.97%
4300 · Collection of Previous W/O Acct	0.00	41.67	-41.67	0.0%
4305 · Miscellaneous Revenue	0.00	125.00	-125.00	0.0%
4340 · Utility Reimbursements	0.00	2,333.34	-2,333.34	0.0%
4341 · Lighting Admin Reimbursements	0.00	1,000.00	-1,000.00	0.0%
4346 · District 25% Overhead Fee	0.00	41.67	-41.67	0.0%
4350 · Interest Revenue	25.79	475.00	-449.21	5.43%
4355 · Audit/Bookkeeping Reimbursement	0.00	58.34	-58.34	0.0%

**Pajaro/Sunny Mesa Community Services District  
 Profit & Loss Budget vs. Actual**

August 2020

	Aug 20	Budget	\$ Over Budget	% of Budget
4360 · Legal Counsel Reimbursement	0.00	33.34	-33.34	0.0%
5794 · Water Bond Assessments	0.00	3,375.00	-3,375.00	0.0%
<b>Total Other Income</b>	<b>7,374.86</b>	<b>42,237.57</b>	<b>-34,862.71</b>	<b>17.46%</b>
Other Expense				
Total Other Expense	0.00			
Net Other Income	7,374.86	42,237.57	-34,862.71	17.46%
Net Income	58,420.61	29,808.26	28,612.35	195.99%

	Total Income	Total Expense	Difference
July Cash	\$206,787.70	\$148,367.09	\$58,420.61
August Cash	\$362,760.97	\$376,181.65	\$13,420.68



Pajaro/Sunny Mesa Community Services District  
Check Detail - Operating Account

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Check	AP	09/01/2020	Total Merchant Services	1001 · SCCB - Operating Account		-600.09
				5391 · Credit Card Transaction Fees	-600.09	600.09
TOTAL					-600.09	600.09
Check	AP	09/03/2020	FP Mailing Solutions-Online	1001 · SCCB - Operating Account		-1,000.00
				5245 · Postage	-1,000.00	1,000.00
TOTAL					-1,000.00	1,000.00
Bill Pmt -Check	AP	09/10/2020	Mission Uniform Service-Online	1001 · SCCB - Operating Account		-165.03
Bill	5131...	08/24/2020		5140 · Building Repair & Maint	-40.00	40.00
Bill	5131...	08/31/2020		5140 · Building Repair & Maint	-40.00	40.00
				5140 · Building Repair & Maint	-85.03	85.03
TOTAL					-165.03	165.03
Bill Pmt -Check	AP	09/10/2020	Ace Hardware Prunedale-Online	1001 · SCCB - Operating Account		-159.06
Bill	0496...	08/03/2020		5145 · District Wide Repair & Maint	-27.62	28.00
Bill	0497...	08/11/2020		5220 · Water System - Repair & Maint	-48.05	48.05
Bill	0497...	08/12/2020		5220 · Water System - Repair & Maint	-25.82	25.82
Bill	0497...	08/13/2020		5145 · District Wide Repair & Maint	-35.50	35.50
Bill	0497...	08/13/2020		5145 · District Wide Repair & Maint	-22.07	22.07
TOTAL					-159.06	159.44
Bill Pmt -Check	AP	09/10/2020	Ace Hardware Watsonville-Online	1001 · SCCB - Operating Account		-414.89
Bill	198317	08/04/2020		5230 · Park - Repair & Maint	-43.61	43.61
Bill	198389	08/06/2020		5145 · District Wide Repair & Maint	-19.38	19.38
Bill	198405	08/06/2020		5220 · Water System - Repair & Maint	-13.08	13.08
Bill	198411	08/06/2020		5220 · Water System - Repair & Maint	-32.76	32.76
Bill	198429	08/07/2020		5145 · District Wide Repair & Maint	-68.72	68.72
Bill	23001	08/11/2020		5145 · District Wide Repair & Maint	-44.06	44.06
Bill	198621	08/14/2020		5145 · District Wide Repair & Maint	-39.26	39.26
Bill	198624	08/14/2020		5145 · District Wide Repair & Maint	-9.06	9.06
Bill	198655	08/14/2020		5220 · Water System - Repair & Maint	-13.09	13.09
Bill	198777	08/20/2020		5220 · Water System - Repair & Maint	-106.88	106.88
Bill	198877	08/24/2020		5220 · Water System - Repair & Maint	-14.08	14.08
Bill	199033	08/31/2020		5220 · Water System - Repair & Maint	-10.91	10.91
TOTAL					-414.89	414.89
Bill Pmt -Check	AP	09/10/2020	Aramark- Online	1001 · SCCB - Operating Account		-132.28
Bill	7609...	08/07/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7609...	08/14/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7609...	08/21/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7609...	08/28/2020		5140 · Building Repair & Maint	-33.07	33.07
TOTAL					-132.28	132.28
Bill Pmt -Check	AP	09/10/2020	AT&T 2043-Online	1001 · SCCB - Operating Account		-401.58
Bill	Aug 2...	08/26/2020		5330 · Telephone	-401.58	401.58
TOTAL					-401.58	401.58
Bill Pmt -Check	AP	09/10/2020	AT&T 2486-Online	1001 · SCCB - Operating Account		-153.30
Bill	Aug 2...	08/26/2020		5310 · Utilities - Well Site	-153.30	153.30
TOTAL					-153.30	153.30
Bill Pmt -Check	AP	09/10/2020	AT&T 3439-Online	1001 · SCCB - Operating Account		-33.03
Bill	9/1/2...	09/01/2020		5310 · Utilities - Well Site	-33.03	33.03

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

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL					-33.03	33.03
Bill Pmt -Check	AP	09/10/2020	AT&T 3912-Online	1001 · SCCB - Operating Account		-1,329.89
Bill	9/1/2...	09/01/2020		5330 · Telephone	-1,329.89	1,329.89
TOTAL					-1,329.89	1,329.89
Bill Pmt -Check	AP	09/10/2020	Bianchi Kasavan & Pope-Online	1001 · SCCB - Operating Account		-1,670.00
Bill	0110...	07/31/2020		5260 · Accounting & Bookkeeping	-1,670.00	1,670.00
TOTAL					-1,670.00	1,670.00
Bill Pmt -Check	AP	09/10/2020	C & N Tractors/Rentals- online	1001 · SCCB - Operating Account		-51.90
Bill	90083	08/28/2020		5145 · District Wide Repair & Maint	-51.90	51.90
TOTAL					-51.90	51.90
Bill Pmt -Check	AP	09/10/2020	Castroville Ace Hardware-Online	1001 · SCCB - Operating Account		-15.45
Bill	1756...	08/31/2020		5145 · District Wide Repair & Maint	-5.13	5.13
Bill	1757...	09/08/2020		5220 · Water System - Repair & Maint	-10.32	10.32
TOTAL					-15.45	15.45
Bill Pmt -Check	AP	09/10/2020	Corbin Willits Systems-Online	1001 · SCCB - Operating Account		-237.42
Bill	000C...	08/15/2020		5165 · Computer Software	-237.42	237.42
TOTAL					-237.42	237.42
Bill Pmt -Check	AP	09/10/2020	Davis Auto Parts	1001 · SCCB - Operating Account		-34.60
Bill	576252	08/26/2020		5145 · District Wide Repair & Maint	-34.60	34.60
TOTAL					-34.60	34.60
Bill Pmt -Check	AP	09/10/2020	Green Rubber Kennedy Ag-Online	1001 · SCCB - Operating Account		-102.83
Bill	W-55...	08/19/2020		5220 · Water System - Repair & Maint	-102.83	102.83
TOTAL					-102.83	102.83
Bill Pmt -Check	AP	09/10/2020	ICONIX Waterworks (US), Inc-Online	1001 · SCCB - Operating Account		-579.69
Bill	U201...	08/27/2020		5220 · Water System - Repair & Maint	-289.84	289.84
				5220 · Water System - Repair & Maint	-289.85	289.85
TOTAL					-579.69	579.69
Bill Pmt -Check	AP	09/10/2020	MBAS-Online	1001 · SCCB - Operating Account		-5,042.10
Bill	2008...	08/21/2020		5190 · Soil and Water Tests	-112.50	112.50
Bill	2008...	08/24/2020		5190 · Soil and Water Tests	-156.00	156.00
Bill	2008...	08/24/2020		5190 · Soil and Water Tests	-76.50	76.50
Bill	2008...	08/27/2020		5190 · Soil and Water Tests	-180.00	180.00
Bill	2008...	08/31/2020		5190 · Soil and Water Tests	-264.60	264.60
Bill	2008...	09/01/2020		5190 · Soil and Water Tests	-936.00	936.00
Bill	2008...	09/01/2020		5190 · Soil and Water Tests	-675.00	675.00
Bill	2008...	09/03/2020		5190 · Soil and Water Tests	-310.50	310.50
Bill	2008...	09/03/2020		5190 · Soil and Water Tests	-1,377.00	1,377.00
Bill	2008...	09/04/2020		5190 · Soil and Water Tests	-477.00	477.00
Bill	2008...	09/04/2020		5190 · Soil and Water Tests	-477.00	477.00
TOTAL					-5,042.10	5,042.10
Bill Pmt -Check	AP	09/10/2020	Mid Valley Supply-Online	1001 · SCCB - Operating Account		-691.16
Bill	I2482...	08/26/2020		5220 · Water System - Repair & Maint	-150.55	150.55
				5220 · Water System - Repair & Maint	-30.11	30.11

Pajaro/Sunny Mesa Community Services District  
Check Detail - Operating Account

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
				5220 · Water System - Repair & Maint	-60.22	60.22
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5145 · District Wide Repair & Maint	-28.75	28.75
Bill	I2483...	09/02/2020		5220 · Water System - Repair & Maint	-150.55	150.55
				5220 · Water System - Repair & Maint	-60.22	60.22
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.10	30.10
TOTAL					-691.16	691.16
Bill Pmt -Check	AP	09/10/2020	Monterey One Water- Online	1001 · SCCB - Operating Account		-25.73
Bill	Sept. ...	08/31/2020		5130 · Utilities - Office	-25.73	25.73
TOTAL					-25.73	25.73
Bill Pmt -Check	AP	09/10/2020	PG&E 1438-Online	1001 · SCCB - Operating Account		-2,049.12
Bill	7/24/...	08/25/2020		5310 · Utilities - Well Site	-2,049.12	2,049.12
TOTAL					-2,049.12	2,049.12
Bill Pmt -Check	AP	09/10/2020	PG&E 1826-Online	1001 · SCCB - Operating Account		-74.88
Bill	7/17/...	08/18/2020		5310 · Utilities - Well Site	-74.88	74.88
TOTAL					-74.88	74.88
Bill Pmt -Check	AP	09/10/2020	PG&E 6022-Online	1001 · SCCB - Operating Account		-14.46
Bill	07/21...	08/19/2020		5315 · Utilities - Street Lighting	-14.46	14.46
TOTAL					-14.46	14.46
Bill Pmt -Check	AP	09/10/2020	PG&E 6857-Online	1001 · SCCB - Operating Account		-5,494.89
Bill	7/27/...	09/01/2020		5310 · Utilities - Well Site	-1,757.63	1,757.63
				5310 · Utilities - Well Site	-1,324.06	1,324.06
				5130 · Utilities - Office	-282.77	282.77
				5310 · Utilities - Well Site	-79.57	79.57
				5315 · Utilities - Street Lighting	-2,050.86	2,050.86
TOTAL					-5,494.89	5,494.89
Bill Pmt -Check	AP	09/10/2020	R & B Company- Online	1001 · SCCB - Operating Account		-503.48
Bill	M805...	08/07/2020		5220 · Water System - Repair & Maint	-116.78	116.78
Bill	M813...	08/10/2020		5220 · Water System - Repair & Maint	-321.29	321.29
Bill	M904...	08/26/2020		5220 · Water System - Repair & Maint	-65.41	65.41
TOTAL					-503.48	503.48
Bill Pmt -Check	AP	09/10/2020	Santa Cruz Answering Service-Onl...	1001 · SCCB - Operating Account		-94.11
Bill	1009 ...	08/22/2020		5330 · Telephone	-94.11	94.11
TOTAL					-94.11	94.11
Bill Pmt -Check	AP	09/10/2020	Soil Control Lab-Online	1001 · SCCB - Operating Account		-300.00
Bill	0070...	07/31/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0070...	07/31/2020		5190 · Soil and Water Tests	-75.00	75.00
Bill	0070...	07/31/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0080...	08/25/2020		5190 · Soil and Water Tests	-100.00	100.00
Bill	0080...	08/25/2020		5190 · Soil and Water Tests	-75.00	75.00
TOTAL					-300.00	300.00



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

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	09/10/2020	Sturdy Oil Company-Online	1001 · SCCB - Operating Account		-1,541.99
Bill	1431...	08/26/2020		5360 · Fuel - Generator	-265.50	265.50
				5360 · Fuel - Generator	-101.92	101.92
Bill	CL53...	08/31/2020		5360 · Fuel - Generator	-409.48	409.48
				5370 · Fuel - Trucks	-765.09	765.09
TOTAL					-1,541.99	1,541.99
Bill Pmt -Check	AP	09/10/2020	USA Blue Book- ONLINE	1001 · SCCB - Operating Account		-28.98
Bill	333380	08/19/2020		5145 · District Wide Repair & Maint	-28.98	28.98
TOTAL					-28.98	28.98
Bill Pmt -Check	AP	09/10/2020	WM / Carmel Marina - Office-Online	1001 · SCCB - Operating Account		-307.46
Bill	9489...	09/01/2020		5150 · Garbage Service	-307.46	307.46
TOTAL					-307.46	307.46
Check	AP	09/19/2020	Santa Cruz County Bank	1001 · SCCB - Operating Account		-623.25
				2256 · Vehicle Loan Payable	-523.73	523.73
				5255 · Interest Expense	-99.52	99.52
TOTAL					-623.25	623.25
Bill Pmt -Check	AP	09/24/2020	Ace Hardware Prunedale-Online	1001 · SCCB - Operating Account		-68.48
Bill	0499...	09/03/2020		5220 · Water System - Repair & Maint	-42.01	42.01
Bill	0499...	09/10/2020		5220 · Water System - Repair & Maint	-8.18	8.18
Bill	0500...	09/23/2020		5220 · Water System - Repair & Maint	-18.29	18.29
TOTAL					-68.48	68.48
Bill Pmt -Check	AP	09/24/2020	Ace Hardware Watsonville-Online	1001 · SCCB - Operating Account		-293.29
Bill	199270	09/08/2020		5230 · Park - Repair & Maint	-48.74	48.74
Bill	199279	09/08/2020		5220 · Water System - Repair & Maint	-15.27	15.27
Bill	199445	09/14/2020		5220 · Water System - Repair & Maint	-21.83	21.83
Bill	199462	09/15/2020		5175 · Small Tools - Repair & Maint.	-54.61	54.61
Bill	199548	09/17/2020		5220 · Water System - Repair & Maint	-78.62	78.62
Bill	199633	09/21/2020		5220 · Water System - Repair & Maint	-19.63	19.63
Bill	199652	09/22/2020		5230 · Park - Repair & Maint	-54.59	54.59
TOTAL					-293.29	293.29
Bill Pmt -Check	AP	09/24/2020	ACWA-JPIA (med ins)-Online	1001 · SCCB - Operating Account		-17,078.41
Bill	00109A	09/01/2020		5050 · Employee Health Insurance	-15,683.39	15,683.39
				2264 · Employee Insurance Payable	-1,395.02	1,395.02
TOTAL					-17,078.41	17,078.41
Bill Pmt -Check	AP	09/24/2020	Aramark- Online	1001 · SCCB - Operating Account		-99.21
Bill	7609...	09/04/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7609...	09/11/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7609...	09/18/2020		5140 · Building Repair & Maint	-33.07	33.07
TOTAL					-99.21	99.21
Bill Pmt -Check	AP	09/24/2020	AT&T 0646-Online	1001 · SCCB - Operating Account		-223.48
Bill	9/5/2...	09/05/2020		5310 · Utilities - Well Site	-223.48	223.48
TOTAL					-223.48	223.48
Bill Pmt -Check	AP	09/24/2020	AT&T 1782-Online	1001 · SCCB - Operating Account		-33.03
Bill	9/7/2...	09/07/2020		5310 · Utilities - Well Site	-33.03	33.03

**Pajaro/Sunny Mesa Community Services District**  
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Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL					-33.03	33.03
Bill Pmt -Check	AP	09/24/2020	AT&T 2627-Online	1001 · SCCB - Operating Account		-33.03
Bill	977/2...	09/07/2020		5310 · Utilities - Well Site	-33.03	33.03
TOTAL					-33.03	33.03
Bill Pmt -Check	AP	09/24/2020	AT&T 6542-Online	1001 · SCCB - Operating Account		-64.67
Bill	977/2...	09/07/2020		5310 · Utilities - Well Site	-64.67	64.67
TOTAL					-64.67	64.67
Bill Pmt -Check	AP	09/24/2020	AT&T 8925-Online	1001 · SCCB - Operating Account		-384.98
Bill	x090...	09/01/2020		5330 · Telephone	-384.98	384.98
TOTAL					-384.98	384.98
Bill Pmt -Check	AP	09/24/2020	Bianchi Alarm Systems-Online	1001 · SCCB - Operating Account		-84.00
Bill	23384	08/31/2020		5340 · Burglar Alarm Monitoring	-84.00	84.00
TOTAL					-84.00	84.00
Bill Pmt -Check	AP	09/24/2020	Bianchi Kasavan & Pope-Online	1001 · SCCB - Operating Account		-2,000.00
Bill	0110...	08/31/2020		5260 · Accounting & Bookkeeping	-2,000.00	2,000.00
TOTAL					-2,000.00	2,000.00
Bill Pmt -Check	AP	09/24/2020	Elan-Online	1001 · SCCB - Operating Account		-607.70
Bill	Septe...	09/03/2020		5370 · Fuel - Trucks	-255.73	255.73
				5220 · Water System - Repair & Maint	-1.99	1.99
				5240 · Office Supplies	-37.45	37.45
				5140 · Building Repair & Maint	-237.12	237.12
				5090 · Other Employee Expense	-75.41	75.41
TOTAL					-607.70	607.70
Bill Pmt -Check	AP	09/24/2020	GreatAmerica Financial-Online	1001 · SCCB - Operating Account		-506.43
Bill	2774...	09/04/2020		5160 · Office Equip Rental	-506.43	506.43
TOTAL					-506.43	506.43
Bill Pmt -Check	AP	09/24/2020	MBAS-Online	1001 · SCCB - Operating Account		-1,041.00
Bill	2008...	09/09/2020		5190 · Soil and Water Tests	-346.50	346.50
Bill	2008...	09/09/2020		5190 · Soil and Water Tests	-409.50	409.50
Bill	2009...	09/11/2020		5190 · Soil and Water Tests	-90.00	90.00
Bill	2009...	09/11/2020		5190 · Soil and Water Tests	-45.00	45.00
Bill	2008...	09/18/2020		5190 · Soil and Water Tests	-150.00	150.00
TOTAL					-1,041.00	1,041.00
Bill Pmt -Check	AP	09/24/2020	Mid Valley Supply-Online	1001 · SCCB - Operating Account		-903.27
Bill	I2484...	09/09/2020		5220 · Water System - Repair & Maint	-120.44	120.44
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-60.22	60.22
				5220 · Water System - Repair & Maint	-60.22	60.22
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.10	30.10
Bill	I2486...	09/16/2020		5220 · Water System - Repair & Maint	-120.44	120.44
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.10	30.10

**Pajaro/Sunny Mesa Community Services District**  
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Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill	12487...	09/23/2020		5220 · Water System - Repair & Maint	-120.44	120.44
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.10	30.10
<b>TOTAL</b>					<b>-903.27</b>	<b>903.27</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Mission Uniform Service-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-120.00</b>
Bill	5131...	09/07/2020		5140 · Building Repair & Maint	-40.00	40.00
Bill	5132...	09/14/2020		5140 · Building Repair & Maint	-40.00	40.00
Bill	5132...	09/21/2020		5140 · Building Repair & Maint	-40.00	40.00
<b>TOTAL</b>					<b>-120.00</b>	<b>120.00</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>NBS-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-17,700.00</b>
Bill	8200...	08/31/2020		5266 · Engineering Svcs-Dist Wide	-17,700.00	17,700.00
<b>TOTAL</b>					<b>-17,700.00</b>	<b>17,700.00</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>PARS-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-487.60</b>
Bill	46341	09/14/2020		5005 · Administrative Fees	-487.60	487.60
<b>TOTAL</b>					<b>-487.60</b>	<b>487.60</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>PG&amp;E 0819-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-9,987.87</b>
Bill	8/4/2...	09/03/2020		5310 · Utilities - Well Site	-5,090.00	5,090.00
				5310 · Utilities - Well Site	-2,267.50	2,267.50
				5310 · Utilities - Well Site	-242.99	242.99
				5310 · Utilities - Well Site	-889.22	889.22
				5310 · Utilities - Well Site	-341.01	341.01
				5315 · Utilities - Street Lighting	-88.77	88.77
				5310 · Utilities - Well Site	-1,068.38	1,068.38
<b>TOTAL</b>					<b>-9,987.87</b>	<b>9,987.87</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>PG&amp;E 6022-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-14.46</b>
Bill	08/20...	09/18/2020		5315 · Utilities - Street Lighting	-14.46	14.46
<b>TOTAL</b>					<b>-14.46</b>	<b>14.46</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Praxair</b>	<b>1001 · SCCB - Operating Account</b>		<b>-40.30</b>
Bill	9886...	09/10/2020		5220 · Water System - Repair & Maint	-20.15	20.15
Bill	9895...	09/17/2020		5220 · Water System - Repair & Maint	-20.15	20.15
<b>TOTAL</b>					<b>-40.30</b>	<b>40.30</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Pure Water- online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-8,095.35</b>
Bill	365739	09/01/2020	State Water Resources Control Board	5427 · Improvement Project-Springfield	-1,844.40	1,844.40
Bill	365740	09/01/2020	State Water Resources Control Board	5427 · Improvement Project-Springfield	-6,250.95	6,250.95
<b>TOTAL</b>					<b>-8,095.35</b>	<b>8,095.35</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>R &amp; B Company- Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-246.94</b>
Bill	M978...	09/10/2020		5220 · Water System - Repair & Maint	-207.47	207.47
Bill	M971...	09/10/2020		5220 · Water System - Repair & Maint	-39.47	39.47
<b>TOTAL</b>					<b>-246.94</b>	<b>246.94</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Soil Control Lab-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-600.00</b>
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00



**Pajaro/Sunny Mesa Community Services District**  
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Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-75.00	75.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-75.00	75.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-50.00	50.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-50.00	50.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/03/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/16/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/16/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0090...	09/16/2020		5190 · Soil and Water Tests	-75.00	75.00
Bill	0090...	09/16/2020		5190 · Soil and Water Tests	-25.00	25.00
<b>TOTAL</b>					<b>-600.00</b>	<b>600.00</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Staples Credit Plan-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-62.32</b>
Bill	6035 ...	09/08/2020		5240 · Office Supplies	-62.32	62.32
<b>TOTAL</b>					<b>-62.32</b>	<b>62.32</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Sturdy Oil Company-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-836.06</b>
Bill	CL54...	09/15/2020		5370 · Fuel - Trucks	-836.06	836.06
<b>TOTAL</b>					<b>-836.06</b>	<b>836.06</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Taylor's Office City- Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-88.05</b>
Bill	3254...	09/14/2020		5240 · Office Supplies	-88.05	88.05
<b>TOTAL</b>					<b>-88.05</b>	<b>88.05</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>TIAA Commercial Finance, Inc.</b>	<b>1001 · SCCB - Operating Account</b>		<b>-277.09</b>
Bill	7519...	09/08/2020		5160 · Office Equip Rental	-277.09	277.09
<b>TOTAL</b>					<b>-277.09</b>	<b>277.09</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Tom's Site Service-Online</b>	<b>1001 · SCCB - Operating Account</b>		<b>-166.43</b>
Bill	49612	09/13/2020		5145 · District Wide Repair & Maint	-166.43	166.43
<b>TOTAL</b>					<b>-166.43</b>	<b>166.43</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>USA Blue Book- ONLINE</b>	<b>1001 · SCCB - Operating Account</b>		<b>-129.71</b>
Bill	356757	09/11/2020		5145 · District Wide Repair & Maint	-129.71	129.71
<b>TOTAL</b>					<b>-129.71</b>	<b>129.71</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Valvoline</b>	<b>1001 · SCCB - Operating Account</b>		<b>-211.83</b>
Bill	13542	09/16/2020		5270 · Automotive - Repair & Maint	-102.20	102.20
Bill	13806	09/22/2020		5270 · Automotive - Repair & Maint	-109.63	109.63
<b>TOTAL</b>					<b>-211.83</b>	<b>211.83</b>
<b>Bill Pmt -Check</b>	<b>AP</b>	<b>09/24/2020</b>	<b>Wells Fargo- 6120 ONLINE</b>	<b>1001 · SCCB - Operating Account</b>		<b>-116.99</b>
Bill	SEPT...	09/10/2020		5165 · Computer Software	-9.99	9.99
				5165 · Computer Software	-107.00	107.00
<b>TOTAL</b>					<b>-116.99</b>	<b>116.99</b>
<b>Check</b>	<b>FDGL</b>	<b>09/01/2020</b>	<b>FDGL</b>	<b>1001 · SCCB - Operating Account</b>		<b>-38.12</b>
				5160 · Office Equip Rental	-38.12	38.12

**Pajaro/Sunny Mesa Community Services District**  
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Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL					-38.12	38.12
Check	PARS	09/09/2020	US Bank - PARS #6746022400	1001 · SCCB - Operating Account		-4,306.46
				5070 · Employee Retirement	-4,306.46	4,306.46
TOTAL					-4,306.46	4,306.46
Check	PARS	09/23/2020	US Bank - PARS #6746022400	1001 · SCCB - Operating Account		-4,284.01
				5070 · Employee Retirement	-4,284.01	4,284.01
TOTAL					-4,284.01	4,284.01
Bill Pmt -Check	24480	09/04/2020	Agustin Sorroza-Moreno	1001 · SCCB - Operating Account		-1,135.00
Bill	8/26/...	09/04/2020		5010 · Contract Labor	-1,135.00	1,135.00
TOTAL					-1,135.00	1,135.00
Bill Pmt -Check	24481	09/04/2020	Singh Computech-Online	1001 · SCCB - Operating Account		-320.00
Bill	psm8...	08/24/2020		5165 · Computer Software	-240.00	240.00
Bill	8412	09/02/2020		5165 · Computer Software	-80.00	80.00
TOTAL					-320.00	320.00
Bill Pmt -Check	24482	09/10/2020	SWRCB-DWOCP	1001 · SCCB - Operating Account		-90.00
Bill	Rene...	09/02/2020		5326 · Licenses and Certifications	-90.00	90.00
TOTAL					-90.00	90.00
Bill Pmt -Check	24483	09/10/2020	The Pajaronian	1001 · SCCB - Operating Account		-158.62
Bill	229981	09/08/2020		5250 · Legal Expenses	-158.62	158.62
TOTAL					-158.62	158.62
Bill Pmt -Check	24484	09/10/2020	Townsend's Auto Parts- Online	1001 · SCCB - Operating Account		-14.30
Bill	TAP-...	08/25/2020		5270 · Automotive - Repair & Maint	-14.30	14.30
TOTAL					-14.30	14.30
Check	24485	09/14/2020	JD's Plumbing, Inc.	1001 · SCCB - Operating Account		-300.00
				5220 · Water System - Repair & Maint	-300.00	300.00
TOTAL					-300.00	300.00
Bill Pmt -Check	24495	09/24/2020	Agustin Sorroza-Moreno	1001 · SCCB - Operating Account		-960.00
Bill	9/14-...	09/23/2020		5010 · Contract Labor	-960.00	960.00
TOTAL					-960.00	960.00
Bill Pmt -Check	24496	09/24/2020	Carlton's Fire Extinguisher-Online	1001 · SCCB - Operating Account		-147.50
Bill	201789	09/03/2020		5140 · Building Repair & Maint	-147.50	147.50
TOTAL					-147.50	147.50
Bill Pmt -Check	24497	09/24/2020	County of Mntry Sheriff's Alarm-On...	1001 · SCCB - Operating Account		-30.00
Bill	159742	09/08/2020		5340 · Burglar Alarm Monitoring	-30.00	30.00
TOTAL					-30.00	30.00
Bill Pmt -Check	24498	09/24/2020	Department of Motor Vehicles	1001 · SCCB - Operating Account		-3.00

**Pajaro/Sunny Mesa Community Services District**  
**Check Detail - Operating Account**  
September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill	0668...	09/10/2020		5090 · Other Employee Expense	-3.00	3.00
<b>TOTAL</b>					<b>-3.00</b>	<b>3.00</b>
<b>Bill Pmt -Check</b>	<b>24499</b>	<b>09/24/2020</b>	<b>Elizabeth Lucas</b>	<b>1001 · SCCB - Operating Account</b>		<b>-150.00</b>
Bill	Sec. ...	09/01/2020		2121 · Customer Security Deposits	-150.00	150.00
<b>TOTAL</b>					<b>-150.00</b>	<b>150.00</b>
<b>Bill Pmt -Check</b>	<b>24500</b>	<b>09/24/2020</b>	<b>Green Valley Farm Supply, Inc.</b>	<b>1001 · SCCB - Operating Account</b>		<b>-2,500.00</b>
Bill	Dep. ...	09/01/2020		2123 · Hydrant Meter Deposits	-2,500.00	2,500.00
<b>TOTAL</b>					<b>-2,500.00</b>	<b>2,500.00</b>
<b>Bill Pmt -Check</b>	<b>24501</b>	<b>09/24/2020</b>	<b>Grunsky Law Firm</b>	<b>1001 · SCCB - Operating Account</b>		<b>-5,194.06</b>
Bill	Inv. 9...	08/31/2020		5250 · Legal Expenses	-2,896.19	2,896.19
Bill	Inv. 9...	09/08/2020		5250 · Legal Expenses	-2,297.87	2,297.87
<b>TOTAL</b>					<b>-5,194.06</b>	<b>5,194.06</b>
<b>Bill Pmt -Check</b>	<b>24502</b>	<b>09/24/2020</b>	<b>Meriah Long</b>	<b>1001 · SCCB - Operating Account</b>		<b>-5.23</b>
Bill	Credi...	09/01/2020		2121 · Customer Security Deposits	-5.23	5.23
<b>TOTAL</b>					<b>-5.23</b>	<b>5.23</b>
<b>Bill Pmt -Check</b>	<b>24503</b>	<b>09/24/2020</b>	<b>Mr. Gamaliel Pineda</b>	<b>1001 · SCCB - Operating Account</b>		<b>-150.00</b>
Bill	Sec. ...	09/01/2020		2121 · Customer Security Deposits	-150.00	150.00
<b>TOTAL</b>					<b>-150.00</b>	<b>150.00</b>
<b>Bill Pmt -Check</b>	<b>24504</b>	<b>09/24/2020</b>	<b>WorkWell Medical Group</b>	<b>1001 · SCCB - Operating Account</b>		<b>-90.00</b>
Bill	230788	09/10/2020		5090 · Other Employee Expense	-90.00	90.00
<b>TOTAL</b>					<b>-90.00</b>	<b>90.00</b>



**Pajaro/Sunny Mesa Community Services District  
Check Detail - Pajaro Park Account**

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	09/10/2020	Panther Protective Services- Online	1036 · PSM Pajaro Park Acct		-450.00
Bill	009-2...	08/25/2020		5231 · Pajaro Park Expense	-450.00	450.00
TOTAL					-450.00	450.00
Bill Pmt -Check	AP	09/10/2020	PG&E 3540 Pajaro Park-Online	1036 · PSM Pajaro Park Acct		-99.53
Bill	07/20...	08/19/2020		5231 · Pajaro Park Expense	-99.53	99.53
TOTAL					-99.53	99.53
Bill Pmt -Check	AP	09/24/2020	PG&E 3540 Pajaro Park-Online	1036 · PSM Pajaro Park Acct		-100.96
Bill	08/19...	09/18/2020		5231 · Pajaro Park Expense	-100.96	100.96
TOTAL					-100.96	100.96

**Pajaro/Sunny Mesa Community Services District**  
**Check Detail - COP 2010 Account**

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	09/10/2020	Contractor Compliance& Monitorin...	1032 · SCCB-COP Acct (aka Const....		-646.00
Bill	Inv. 1...	08/31/2020		5435 · Improvement Project-Pajaro	-646.00	646.00
TOTAL					-646.00	646.00
Bill Pmt -Check	AP	09/10/2020	Quinn Company-Online	1032 · SCCB-COP Acct (aka Const....		-4,935.35
Bill	E241...	08/24/2020		5220 · Water System - Repair & Maint	-4,935.35	4,935.35
TOTAL					-4,935.35	4,935.35

**Pajaro/Sunny Mesa Community Services District**  
**Check Detail - Street Maintenance Account**

September 1 - 24, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	09/10/2020	AT&T 5203 Street Maint-Online	1004 · SCCB - Street Maint Acct		-192.37
Bill	9/1/2...	09/01/2020		5225 · Street Maintenance	-192.37	192.37
TOTAL					-192.37	192.37
Bill Pmt -Check	AP	09/10/2020	PG&E 9545 Street Maint-Online	1004 · SCCB - Street Maint Acct		-104.56
Bill	6/20/...	08/19/2020		5225 · Street Maintenance	-50.08	50.08
				5310 · Utilities - Well Site	-54.48	54.48
TOTAL					-104.56	104.56
Bill Pmt -Check	AP	09/24/2020	PG&E 9545 Street Maint-Online	1004 · SCCB - Street Maint Acct		-53.63
Bill	7/21/...	09/23/2020		5225 · Street Maintenance	-28.27	28.27
				5310 · Utilities - Well Site	-25.36	25.36
TOTAL					-53.63	53.63
Bill Pmt -Check	524	09/10/2020	Fannin Fencing	1004 · SCCB - Street Maint Acct		-5,980.00
Bill	1620	08/28/2020		5225 · Street Maintenance	-5,980.00	5,980.00
TOTAL					-5,980.00	5,980.00
Bill Pmt -Check	525	09/10/2020	Pajaro/Sunny Mesa Comm Svcs Dist	1004 · SCCB - Street Maint Acct		-183.43
Bill	Aug ...	09/01/2020		5225 · Street Maintenance	-183.43	183.43
TOTAL					-183.43	183.43





# Pajaro / Sunny Mesa Community Services District Water Rate Study Final Report

**September 2020**

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Aerial view via Google Earth



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## Section 1. Purpose & Overview of the Study

---

### A. Purpose

The Pajaro/Sunny Mesa Community Services District (“PSMCSD” or “District”) retained NBS to update the previous water rate study completed in 2015. The 2015 study addressed the ability of the utility to meet future funding requirements, to ensure greater financial stability, to examine drought impacts in light of drought-related water shortages and conservation concerns. Most significantly, it undertook the task of combining water rates that were previously individualized for 10 service areas into a single, District-wide rate schedule for the purpose of improving rate design, making it fairer and more equitable to customers as a whole.

This report summarizes the current analysis of the water rate study performed by NBS, including direction from District staff and the Board of Directors to update the current District-wide approach to rate design to better reflect the allocation of the budgeted costs to the cost causation components. Other key decisions included an overall strategy for funding capital improvement projects and the level of rate increases necessary to meet projected expenses. The methodology, assumptions, and rate alternatives are described herein.<sup>1</sup>

The rates developed in this study are intended to meet certain legal requirements (e.g., California Constitution Article XIII D, Section 6, commonly referred to as Proposition 218 [Prop 218]) and comply with general industry standard cost-of-service principles. This report will assist the District in its effort to maintain transparent communications with the residents and businesses it serves. The rate study process included working cooperatively with District staff and the Board to develop water rates that align with the District’s broader goals and objectives.

### Key Study Services & Tasks

This rate study was intended to provide the District with water rates that are fair and equitable, comply with existing legal requirements, and ensure that water rates collect sufficient revenue to meet the annual operating costs and fund capital improvements. Other key issues that were addressed include:

**Rate Structure** – After discussing the current rates and potential alternative rate structures, the Board directed NBS to update the current rate configuration but collect 50% of the rate revenue from fixed charges and 50% from variable charges, as opposed to the previous 30/70 basis. Volumetric rates will continue to use a single-tiered rate for all customers.

**District Policies** – NBS reviewed the District’s reserve fund policies and other financial practices.

**Financial Planning** – The long-range financial plan was closely examined and adjusted to best meet annual operating expenses and projected capital improvement costs.

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<sup>1</sup> The detailed tables documenting the water rate analysis is provided in Appendix A.

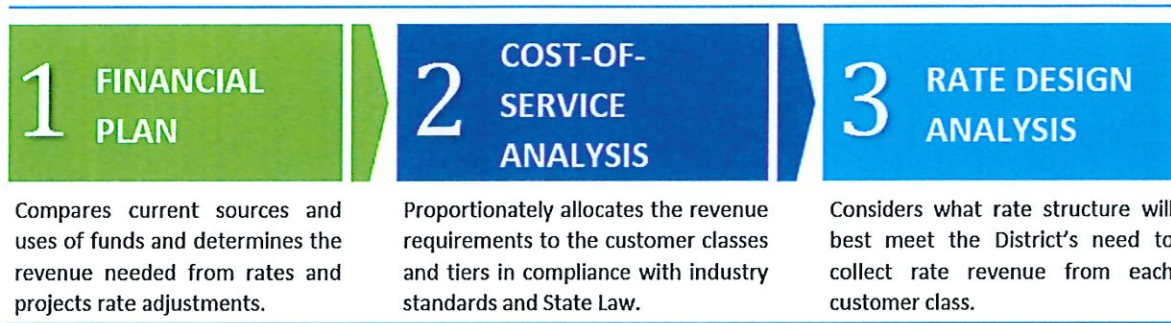
**Drought Rates** – NBS calculated drought rates that will meet revenue requirements under reduced water use scenarios and provide revenue stability during various drought stages.

## B. Overview of the Study

As in the previous rate study, this study addresses the comprehensive technical components outlined in Figure 1:

1. **Financial Plan** – identifies the net revenue requirements for the utility.
2. **Cost of Service Analysis** – determines the cost of providing service to each customer class.
3. **Rate Design Analysis** – evaluates the rate design and results in fair and equitable fixed and volumetric rates.

Figure 1. Primary Components of a Rate Study



These steps are intended to follow industry standards and reflect the fundamental principles of cost-of-service rate making embodied in the American Water Works Association (AWWA) *Principles of Water Rates, Fees, and Charges*,<sup>2</sup> also referred to as the M1 Manual. The rate study also addresses requirements under Proposition 218 that rates: (1) not exceed the cost of providing the service, and (2) be proportionate to the cost of providing service for all customers. These three steps represent the chronology of the rate study process. Detailed tables and figures documenting the development of the proposed rates are provided in *Appendix A*.

### Financial Plan

As a part of this rate study, NBS projected detailed revenues and expenditures on a cash-basis for the next five years. The amount of rate revenue required, which ideally allows maintaining reserves at the recommended levels, is known as the *net revenue requirement*. As current rate revenue falls short of the net revenue requirement, rate adjustments, or more accurately adjustments in the total revenue collected from rates, are recommended. The assumptions and data used to develop the financial plan, which in turn determine the proposed rate increases, are presented in greater detail in the Appendix.

<sup>2</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, M1 Manual, American Water Works Association, Seventh Edition, 2017



## Water Rate Design Analysis

Rate design is used to examine rate alternatives that will meet the District's objectives. One of the objectives in this analysis is to send proper price signals to water customers about the actual cost of their water usage. This is reflected in both the magnitude of the rate adjustments and the rate structure design. In other words, both the amount of revenue collected and the way in which the revenue is collected from customers are important.

Several broader criteria are also typically considered in setting rates and developing sound rate structures. The fundamentals of this process have been documented in a number of rate-setting manuals, such as the American Water Works Association (AWWA) Manual M1. The foundation for evaluating rate structures is generally credited to James C. Bonbright's *Principles of Public Utility Rates*,<sup>3</sup> which outlines pricing policies, theories, and economic concepts along with various rate designs. The following is a simplified list of the attributes of a sound rate structure:

- Rates should be easy to understand from the customer's perspective.
- Rates should be easy to administer from the utility's perspective.
- Rates should promote the efficient allocation of the resource.
- Rates should be equitable and non-discriminating (that is, cost based).
- There should be continuity in the ratemaking philosophy over time.
- Rates should address other utility policies (e.g., encouraging conservation and economic development).
- Rates should provide month-to-month and year-to-year revenue stability.

The following are the basic rate design criteria that were considered in this study:

**Rate Structure Basics** –The District's rate structure follows those used by the vast majority of water utilities and contains a fixed, or minimum, charge along with a volumetric charge. Based on direction from the District Board, the rates proposed in this report are designed to collect 50% of rate revenue from fixed charges and 50% from variable charges.<sup>4</sup> While the District's costs are actually more than 50% fixed, water utilities have generally opted for rates that emphasize conservation and therefore tend to collect more revenue from volumetric charges than fixed charges. The District's 50/50 rate design is a compromise that still emphasizes conservation but also reflects actual costs (and enhances overall revenue stability).

**Fixed Charges** – Fixed charges can be called base charges, minimum monthly charges, fixed meter charges, etc., and typically increase by meter size. From a financial perspective, utilities that recover all of their fixed costs from fixed charges and all of their variable costs from volumetric charges have greater revenue stability; fluctuations in water sales are directly offset by reductions (or increases) in variable expenses.

---

<sup>3</sup> James C. Bonbright, Albert L. Danielsen, and David R. Kamerschen, *Principles of Public Utility Rates*, Public Utilities Report, Inc., Second Edition, 1988, p. 383-384.

<sup>4</sup> The California Urban Water Conservation Council states in its best management practices (BMP 1.4) that the goal of conservation pricing "...is to recover the maximum amount of water sales revenue from volumetric rates that is consistent with water utility costs..." However, water utilities should develop allocations that reflect their actual costs.



**Volumetric (Consumption-Based) Charges** – In contrast to fixed charges, variable costs such as purchased water, the cost of electricity for pumping water, and the cost of chemicals for treatment tend to change with the quantity of water produced. Variable charges are based on metered consumption and charged on a dollar-per-unit cost (i.e., per one hundred cubic feet (HCF), which is approximately 748 gallons). Under a uniform, or single-tier, rate structure, the cost per unit does not change with consumption and provides a simple and straightforward approach that is easy to understand from the customer’s perspective and simple to administer from the utility’s perspective.

## Regulatory Issues

**Drought and Water Conservation** – In response to the severe drought conditions, the Governor declared a State of Emergency throughout California on January 17, 2014. The Governor then issued Executive Order B-29-15 on April 1, 2015, mandating statewide water conservation of 25 percent (25%). Although the drought has now passed and these mandates have expired, the District still faces the threat of future droughts and new State mandates.

According to District records, from Fiscal Year 2013/14 to 2018/19, the District’s total annual consumption decreased by 16 percent (16%) from 293,554 hcf to 245,192 hcf. While conservation is good for many reasons, it introduces financial risks to the utility that impact both revenue and expenses. Drought rates are the mechanism needed to change the consumption charges in response to these risks. Therefore, District directed NBS to develop the drought rates that are presented in Section 2 of this report.

## Key Financial Assumptions

The following is a summary of the key financial assumptions used in the water rate analyses:

- **Funding of Capital Projects** – Without implementing rate increases, the District would find it difficult to pay for the planned capital improvements and meet annual revenue requirements. All capital projects listed in the financial plan are from the District’s capital improvement program.
- **Reserve Targets** – The District maintains reserves for operations, capital rehabilitation and replacement, and other specific needs that are set at levels jointly recommended by District staff and NBS. Details of the utility’s reserve targets are covered in the following section of this report.
- **Inflation and Growth Projections** – Assumptions regarding inflation were incorporated into projected future revenues and expenses:
  - ✓ Customer growth is assumed to be zero (0%).
  - ✓ General inflation is 3.2% annually based on the five-year average change in the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-Hayward areas per the Bureau of Labor Statistics (BLS).
  - ✓ Labor cost inflation is 4.0% annually based on the five-year average change in the San Francisco County Employment and Wage Inflation Index (for all industries) per the BLS.

The next section discusses the water rate study in further detail.

## Section 2. Water Rate Study

---

### A. Key Water Rate Study Issues

The District's water rate analysis was undertaken with several specific objectives, including:

- Generating sufficient revenue to meet rising operating and maintenance costs as well as projected capital funding requirements;
- Incorporating reduced consumption levels and likely water conservation;
- Maintaining reserve fund levels to ensure future financial stability for the water utility;
- Developing a funding strategy for capital improvement costs that balances the impact on customer water bills with the timing and need for significant improvements;
- Developing rates that continue to provide revenue stability by adjusting the current rate structure to a 50/50 split between fixed and variable charges; and,
- Complying with the legal requirements of Proposition 218 to ensure overall equity and fairness among customer classes.

In light of the District's decision to continue to use the same rate schedule for all District customers, the 50/50 mix of fixed and volume-based charges were calculated based on projected net revenue requirements, number of customers, water consumption, and other relevant information provided by the District. The following are the basic components used to calculate new rates:

- **Cost Allocations:** The water revenue requirements were "functionalized" into three categories: (1) fixed capacity costs; (2) variable (or volume-based) costs; and, (3) customer service costs. These functionalized costs were then used to develop unit costs based on various factors, such as water consumption, peaking factors, and number of accounts by meter size.
- **Revenue Requirements by Customer Class:** The total revenue to be collected from each customer class was determined using the functional costs and allocation factors. For example, fixed costs are allocated to customer classes based on their percentage of peak system demand while volume-related costs are allocated based on each customer class' percentage of total annual water consumption. Once the costs are allocated and the net revenue requirement for each customer class is determined, collecting the revenue requirements from each customer class is addressed within the rate design.
- **Rate Design and Fixed vs. Variable Costs:** The revenue requirements for each customer class are collected through a combination of fixed monthly service charges and volumetric rates. The District Board chose a rate design that collects 50% of the revenue from fixed charges and 50% from variable charges (previously a 30% fixed/70% variable design was used). Under California law and general industry practices, there is flexibility regarding the actual percentages collected from fixed and variable rates, so this 50% fixed/50% variable rate design complies with these standards.



## B. Water Utility Revenue Requirements

It is important for municipal utilities to maintain reasonable reserves in order to handle emergencies, fund working capital, maintain a good credit rating, and generally follow sound financial management practices. Rate adjustments are governed by the need to meet operating and capital costs, maintain adequate debt coverage, and build reasonable reserve funds.

A 20-year financial plan was prepared as a part of this study, although the District is only planning to adopt rate increases for the next five years (the maximum allowed under Prop 218). The current state of the District's water utility, with regard to these objectives, is as follows:

- **Meeting Net Revenue Requirements:** For Fiscal Year (FY) 2021/22 through FY 2025/26, the projected annual net revenue requirement (that is, total annual expenses plus debt service and rate-funded capital costs, less non-rate revenues) for the District averages approximately \$2.8 million, increasing from \$2.3 million to over \$3 million by the end of the five-year period. Without rate adjustments, the District has a projected deficit of \$284,000 in FY 2021/22, which would grow to nearly \$1 million annually by the end of the five-year period.
- **Funding Capital Improvement Projects:** The District must also be able to fund necessary capital improvements in order to maintain current service levels and fund strategic goals. District staff has identified roughly \$3.3 million in expected capital expenditures for FY 2021/22 through 2025/26. With the recommended rate increases, these expenditures can be accomplished while increasing reserves to the minimum recommended target.
- **Building and Maintaining Reserve Funds:** Reserve funds provide a basis for a utility to cope with fiscal emergencies, such as revenue shortfalls, asset failure, and natural disasters. Reserve policies provide guidelines for sound financial management, with an overall long-range perspective to maintain financial solvency and mitigate these financial risks. The proposed rate increases would allow the District to reach the recommended reserve target by the end of the rate adoption period. The Utility's three reserve funds that are considered unrestricted reserves are:
  - **The Operating Reserve** is equal to 90 days of operating expenses (reaching approximately \$510,000 by FY 2025/26). An Operating Reserve is intended to promote financial viability in the event of any short-term fluctuation in revenues and/or expenditures. Fluctuations in revenue can be caused by weather patterns, the natural fluctuations of cash during billing cycles, natural variability in revenue from volumetric charges and – particularly in periods of economic distress – changes or trends in the age of receivables.
  - **The Capital Rehabilitation and Replacement Reserve** is equal to 6% of the District's net capital assets (approximately \$275,000 by the end of FY 2025/26), which is set aside to address long-term and routine capital system replacement and rehabilitation needs.
  - **Debt Reserve** equal to the reserve requirement for the outstanding 2015 Pajaro / Sunny Mesa Revenue Refunding Bonds and the newly issued 2020 Pajaro / Sunny Mesa Revenue Bonds to fund the new generator project totaling approximately \$260,000.
  - **Restricted Reserves** include a bond project fund and connection fee reserve, both of which are considered restricted funds and not available to cover any operating costs or planned capital improvements.



- **Inflation and Growth Projections:** Assumptions regarding cost inflation were made in order to project future revenues and expenses for the study period. Based on the final budget for FY 2020/21, the District is not expecting any customer growth during the 5-year rate adoption period. This factor was used in the analysis for some revenues and expenses, while all other factors were set by price indices provided by the U.S. Bureau of Labor Statistics.<sup>5</sup>
- **Maintaining Adequate Bond Coverage:** The District is required by the rate covenant of the 2015 and 2020 revenue bonds to maintain a debt service coverage ratio of at least 1.15. The benefit of maintaining a higher coverage ratio is that it strengthens the District’s credit rating which can help lower the interest rates for debt-funded capital projects and, in turn, reduce annual debt service payments. It is projected that, without the recommended rate increases, the District will not be able to meet the debt coverage requirement in FY 2022/23 and thereafter.

In order to avoid an annual deficit, the District must implement rate increases beginning in FY 2021/22 and throughout the 5-year rate adoption period. These rate increases are necessary to fund operating expenses, planned capital projects, debt service obligations, and build reserves up to the recommended targets by FY 2025/26.

Figure 2 summarizes the sources and uses of funds, net revenue requirements, and the recommended annual percent adjustments in total rate revenue under the proposed financial plan. A detailed version of the water utility’s proposed 10-year financial plan is included in *Appendix A*.

**Figure 2. Summary of Water Revenue Requirements**

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget		Projected				
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Sources of Water Funds</b>							
Rate Revenue Under Prevailing Rates	\$ 2,023,700	\$ 2,052,600	\$ 2,052,600	\$ 2,052,600	\$ 2,052,600	\$ 2,052,600	\$ 2,052,600
Non-Rate Revenues	66,195	67,095	67,095	67,095	67,095	67,095	67,095
Interest Earnings	5,130	5,130	-	-	-	-	-
<b>Total Sources of Funds</b>	<b>\$ 2,095,025</b>	<b>\$ 2,124,825</b>	<b>\$ 2,119,695</b>	<b>\$ 2,119,695</b>	<b>\$ 2,119,695</b>	<b>\$ 2,119,695</b>	<b>\$ 2,119,695</b>
<b>Uses of Water Funds</b>							
Operating Expenses	\$ 1,798,385	\$ 1,797,450	\$ 1,763,642	\$ 1,828,843	\$ 1,896,480	\$ 1,966,647	\$ 2,039,438
Debt Service	188,418	228,718	295,883	300,508	299,700	293,625	302,263
Rate-Funded Capital Expenses	-	235,366	344,317	567,483	696,806	943,769	746,406
<b>Total Use of Funds</b>	<b>\$ 1,986,803</b>	<b>\$ 2,261,534</b>	<b>\$ 2,403,841</b>	<b>\$ 2,696,833</b>	<b>\$ 2,892,986</b>	<b>\$ 3,204,040</b>	<b>\$ 3,088,106</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ 108,223</b>	<b>\$ (136,709)</b>	<b>\$ (284,146)</b>	<b>\$ (577,138)</b>	<b>\$ (773,291)</b>	<b>\$ (1,084,345)</b>	<b>\$ (968,411)</b>
Additional Revenue from Rate Increases	-	-	307,890	614,754	908,163	1,145,024	1,304,905
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ 108,223</b>	<b>\$ (136,709)</b>	<b>\$ 23,744</b>	<b>\$ 37,616</b>	<b>\$ 134,872</b>	<b>\$ 60,678</b>	<b>\$ 336,494</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>15.00%</b>	<b>13.00%</b>	<b>11.00%</b>	<b>8.00%</b>	<b>5.00%</b>
<b>Cumulative Rate Increases</b>	<b>0.00%</b>	<b>0.00%</b>	<b>15.00%</b>	<b>29.95%</b>	<b>44.24%</b>	<b>55.78%</b>	<b>63.57%</b>
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$ 1,915,478</b>	<b>\$ 2,189,309</b>	<b>\$ 2,336,746</b>	<b>\$ 2,629,738</b>	<b>\$ 2,825,891</b>	<b>\$ 3,136,945</b>	<b>\$ 3,021,011</b>

1. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from water rates.

Figure 3 summarizes the projected reserve fund balances and reserve targets for the water utility’s unrestricted funds. A more detailed version of the proposed 5-year financial plan is included in the Appendix. As can be seen in Figure 3, given the proposed rate adjustments, reserves will meet the minimum target by FY 2025/26.

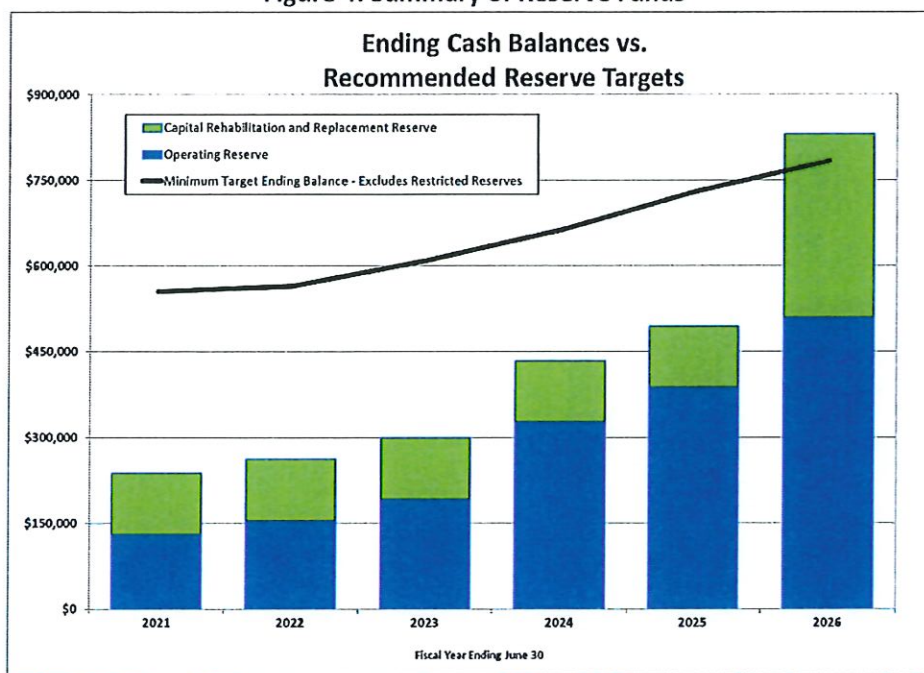
<sup>5</sup> Website: <https://www.bls.gov/>

Figure 3. Summary of Reserve Funds

Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget	Budget	Projected				
	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Operating Reserve</b>							
Ending Balance	\$ 267,693	\$ 130,984	\$ 154,728	\$ 192,343	\$ 327,215	\$ 387,894	\$ 510,000
<i>Recommended Minimum Target</i>	<i>450,000</i>	<i>449,000</i>	<i>441,000</i>	<i>457,000</i>	<i>474,000</i>	<i>492,000</i>	<i>510,000</i>
<b>Capital Rehabilitation &amp; Replacement Reserve</b>							
Ending Balance	\$ 174,753	\$ 106,500	\$ 106,500	\$ 106,500	\$ 106,500	\$ 106,500	\$ 320,888
<i>Recommended Minimum Target</i>	<i>91,600</i>	<i>106,500</i>	<i>123,300</i>	<i>152,700</i>	<i>188,600</i>	<i>237,900</i>	<i>274,200</i>
<b>Debt Reserve</b>							
Ending Balance	\$ 147,820	\$ 149,327	\$ 150,850	\$ 152,389	\$ 153,943	\$ 155,513	\$ 157,099
<i>Recommended Minimum Target</i>	<i>147,820</i>	<i>261,220</i>	<i>261,220</i>	<i>261,220</i>	<i>261,220</i>	<i>261,220</i>	<i>261,220</i>
<b>Other Reserves</b>							
Ending Balance	\$ 169,413	\$ 173,322	\$ 177,271	\$ 181,261	\$ 185,291	\$ 189,363	\$ 193,476
<i>Recommended Minimum Target</i>	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	<b>\$ 759,678</b>	<b>\$ 560,134</b>	<b>\$ 589,350</b>	<b>\$ 632,493</b>	<b>\$ 772,949</b>	<b>\$ 839,269</b>	<b>\$ 1,181,462</b>
<b>Total Recommended Minimum Target</b>	<b>\$ 689,420</b>	<b>\$ 816,720</b>	<b>\$ 825,520</b>	<b>\$ 870,920</b>	<b>\$ 923,820</b>	<b>\$ 991,120</b>	<b>\$ 1,045,420</b>

Figure 4 presents a graphical representation of the projected reserve fund levels.

Figure 4. Summary of Reserve Funds



### C. Cost-of-Service Analysis

Once the net revenue requirements are determined, the cost-of-service analysis proportionately distributes the revenue requirements to each of the customer classes. The cost-of-service analysis consists of two major components: (1) the classification of expenses, and (2) the allocation of costs to customer classes. Ultimately, a cost-of-service analysis is intended to result in rates that are proportional to the cost of providing service to each customer class.



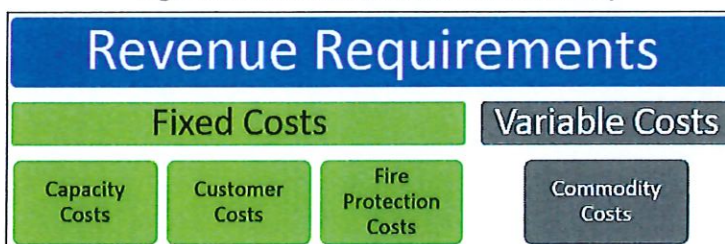
### Classification and Allocation

Most costs are not typically allocated 100 percent to fixed or variable categories, but rather allocated to multiple functions of water service. In the study, costs were classified using the commodity-demand method found in the AWWA M1 Manual.<sup>6</sup> In this method, budgeted costs were “classified” into three categories: (1) commodity-related costs; (2) capacity-related costs; and, (3) customer-related costs. The classification process provides the basis for allocating costs to various customer classes based on three cost causation components:

- **Commodity-related costs** are variable costs that change as the volume of water produced and delivered changes. These commonly include the costs of energy related to pumping for transmission and distribution and source of supply. Each customer class is allocated commodity-related costs based on the percentage of total consumption by that class.
- **Capacity-related costs** are fixed costs associated with infrastructure costs and how they are sized to meet the maximum, or peak demand. This includes both operating costs and capital infrastructure costs incurred to accommodate peak system capacity events.
- **Customer-related costs** are costs associated with having a customer connected to the water system, such as costs for meter reading, postage, billing, and other administrative duties. Customer service costs do not differ among the various meter sizes; therefore, these costs are spread equally among all meters. Each customer class is allocated customer-related costs based on the percentage of total meters in that class.

The District’s costs were reviewed and allocated to these cost causation components which were then used as the basis for establishing new fixed and variable charges. The tables in *Appendix A* show how the District’s expenses were classified and allocated to these cost components. **Figure 5** below summarizes how cost components are grouped with respect to fixed and variable components.

Figure 5. Cost Functionalization Summary



Ideally, utilities would recover all of their fixed costs from fixed charges and all of their variable costs from volumetric charges, and fluctuations in water sales revenues would be directly offset by reductions or increases in variable expenses. While this provides greater revenue stability for the utility, other factors such as conservation and impact on customer bills should also be considered.<sup>7</sup>

<sup>6</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, M1, AWWA, Seventh Edition, 2017, p. 83.  
<sup>7</sup> *Principles of Water Rates, Fees, and Charges*, Manual of Water Supply Practices, M1, AWWA, Seventh Edition, pp. 5 and 96.



Based on the District’s projected costs, the cost-of-service analysis resulted in a distribution that is approximately 80 percent fixed and 20 percent variable. The District considered two additional rate alternatives (i.e., 30% fixed/70% variable and 40% fixed/60% variable) which are presented in *Appendix A*. While consistency in rate design is an important consideration, the District Board decided to adjust the current rate structure to collect 50% of revenue from fixed charges and 50% from variable rates.

Figure 6 summarizes the allocation of net revenue requirements to each cost component for the proposed rate structure.

Figure 6. Summary of Rate Revenue Requirements

Classification Components	Proposed Rate Alternative 50% Fixed / 50% Variable (FY 2021/22)	
Commodity-Related Costs	\$ 1,180,245	50%
Capacity-Related Costs	991,050	42%
Customer-Related Costs	114,514	5%
Fire Protection-Related Costs	74,681	3%
<b>Net Revenue Requirement</b>	<b>\$ 2,360,490</b>	<b>100%</b>

### Characteristics of Water Customers by Class

Customer classes are determined by combining customers with similar demand characteristics and types of use into categories that reflect the cost differentials to serve each type of customer. The amount of consumption, peaking factors, and number of meters by size are used in the cost-of-service analysis to allocate costs to customer classes and determine the appropriate rate structures for each. The District’s most recent consumption data is summarized in Figure 7, peaking factors in Figure 8, and number of customers by customer class is shown in Figure 9.

Figure 7 below summarizes the most recent consumption data by customer class and represents the expected percent of consumption over the 5-year rate period.

Figure 7. Water Consumption by Customer Class

Development of the COMMODITY Allocation Factors		
Customer Class	FY 2018/19 Volume (hcf) <sup>1</sup>	Percent of Total Volume
Single Family Residential	124,878	50.9%
Multi Family Residential	38,296	15.6%
Commercial	69,126	28.2%
Industrial	3,612	1.5%
Institutional	8,432	3.4%
Irrigation	847	0.3%
Fire Service	0	0.0%
<b>Total</b>	<b>245,192</b>	<b>100%</b>

1. Consumption data source: *Data Request NBS-Water Rate Study 2020.xlsx*

Peaking factors, or peaking consumption, for each customer class are shown in Figure 8. A “peaking factor” is the relationship of each customer class’ peak (summer) monthly use to its average monthly use. A peaking factor is indicative of a customer’s share of the water system capacity. Operating and capital infrastructure costs incurred to accommodate peak demand are allocated on the basis of meter size, which reflect its proportional use of system capacity.

Figure 8. Peaking Factors by Customer Class

Development of the CAPACITY (MAX MONTH) Allocation Factors				
Customer Class	Average Monthly Use (hcf)	Peak Monthly Use (hcf) <sup>1</sup>	Peak Month Factor	Max Day Capacity Factor
Single Family Residential	10,407	15,646	1.50	53.7%
Multi Family Residential	3,191	4,165	1.31	14.3%
Commercial	5,760	7,878	1.37	27.0%
Industrial	301	396	1.31	1.4%
Institutional	703	940	1.34	3.2%
Irrigation	71	130	1.84	0.4%
Fire Service	0	0	0.00	0.0%
<b>Total</b>	<b>20,433</b>	<b>29,154</b>	<b>1.43</b>	<b>100%</b>

1. Based on peak monthly data (peak day data not available).

The number of customers in each customer class (the customer allocation factors) is shown in Figure 9.

Figure 9. Number of Accounts by Customer Class

Development of the Customer Allocation Factors		
Customer Class	Number of Meters <sup>1</sup>	Percent of Total
Single Family Residential <sup>2</sup>	1,063	75.8%
Multi Family Residential <sup>2</sup>	101	7.2%
Commercial <sup>2</sup>	180	12.8%
Industrial	1	0.1%
Institutional	12	0.9%
Irrigation	19	1.4%
Unknown Connection Type	0	0.0%
Fire Service	26	1.9%
<b>Total</b>	<b>1,402</b>	<b>100.0%</b>

1. Number of meters is from files: *MOM Vega Customer Report FY 2019.xlsx* & *MOM Pajaro Customer Report FY 2019\_v2.xlsx*.

2. Meter counts include 34 customers in the Springfield area - 31 SFR, 1 MFR, and 2 Commercial. According to the District, these customers are charged a monthly fee of \$25.00, and only have a few meters that are not in use.



### Costs Allocated to Customer Classes

Figure 10 summarizes how the costs for each cost causation component are allocated to each customer class based on the customer characteristics. This process is described in the following sections.

Figure 10. Cost Allocation Methodology

Capacity Related Costs (fixed share)	<ul style="list-style-type: none"> <li>•Allocated based on peak water consumption by customer class</li> <li>•Then, allocated based on the hydraulic capacity of each meter size</li> </ul>
Customer Related Costs	<ul style="list-style-type: none"> <li>•Allocated based on the total number of meters</li> </ul>
Fire Protection Related Costs	<ul style="list-style-type: none"> <li>•Allocated based on the hydraulic capacity of fire meters</li> </ul>
Commodity Related Costs	<ul style="list-style-type: none"> <li>•Allocated based on water consumption by customer class</li> </ul>

#### Capacity-Related Costs

The allocation of the capacity-related costs is summarized in Figure 11. Capacity-related costs are associated with constructing and operating the water system to ensure there is sufficient capacity in the system to meet the peak system demand. These costs are first allocated to customer classes based on monthly peak capacity factors and then by the hydraulic capacity of each meter size.

The fire protection cost allocation is also summarized in Figure 11. Only commercial fire meters are allocated this cost component. A direct allocation is made in the classification step in the cost-of-service analysis to represent their share of system capacity and other related operations and maintenance costs and then allocated to the fire meters through Hydraulic Capacity.

Figure 11. Capacity-Related, Customer-Related & Fire Protection Costs Allocation

Customer Classes	Classification of Components (Fixed Costs)			Total	% of COS Rev. Req't.
	Capacity-Related Costs	Customer-Related Costs	Fire Protection Costs		
Single Family Residential	\$ 531,858	\$ 86,825	\$ -	\$ 618,683	52%
Multi Family Residential	141,578	8,250	-	149,828	14%
Commercial	267,784	14,702	-	282,486	26%
Industrial	13,453	82	-	13,534	1%
Institutional	31,961	980	-	32,941	3%
Irrigation	4,417	1,552	-	5,969	0%
Fire Service	-	2,124	74,681	76,804	3%
<b>Total Net Revenue Requirement</b>	<b>\$ 991,050</b>	<b>\$ 114,514</b>	<b>\$ 74,681</b>	<b>\$ 1,180,245</b>	<b>100%</b>

Since larger meters have the potential to use more of the system capacity, they are allocated a larger share of capacity-related costs. The meter capacity factors by size of meters are established by AWWA<sup>8</sup> and are shown in the third and fifth columns of Figure 12.

<sup>8</sup>Principles of Water Rates, Fees, and Charges, Manual of Water Supply Practices, M1, AWWA, seventh edition, 2017, p. 338.



Figure 12. Meter Equivalency Factors

Customer Classes	Standard Meters		Fire Service Meters	
	Meter Capacity (GPM)	Equivalency to 5/8 x 3/4-inch	Meter Capacity (GPM)	Equivalency to 5/8 x 3/4-inch
	<i>Displacement Meters</i>		<i>Displacement Meters</i>	
5/8 x 3/4 inch	20	1.00	20	1.00
3/4 inch	30	1.00	30	1.50
1 inch	50	2.50	50	2.50
1.5 inch	100	5.00	100	5.00
2 inch	160	8.00	160	8.00
	<i>Turbine Class 1</i>		<i>Fire Service Type I &amp; II</i>	
3 inch	350	17.50	350	17.50
4 inch	630	31.50	700	35.00
6 inch	1,300	65.00	1,600	80.00
	<i>Turbine Class 2</i>		<i>Fire Service Type I &amp; II</i>	
8 inch	2,800	140.00	2,800	140.00
10 inch	4,200	210.00	4,400	220.00
12 inch	5,300	265.00	N/A	N/A

A “hydraulic capacity factor” is calculated by dividing the maximum capacity, or potential flow of large meters, by the capacity of the base meter size which is typically the most common residential meter size (in this case a 5/8 x 3/4-inch meter). For example, Figure 12 shows the hydraulic capacity of a two-inch meter is 8.0 times that of a 5/8 x 3/4-inch meter and, therefore, the capacity component of the fixed meter charge is 8.0 times that of the 5/8 x 3/4-inch meter.

The number of meters by size is multiplied by their capacity ratios to calculate the total equivalent meters and is used to allocate capacity-related costs to each customer class and the meter sizes within each class.

**Customer-Related Costs**

The customer-related cost allocations were also summarized in Figure 11. Customer-related costs are costs related to reading and maintaining meters, customer billing and collection, and other customer service-related costs. The customer service costs do not differ among the various meter sizes; therefore, each customer class is allocated customer-related costs based on their percentage of total meters.

**Commodity-Related Costs**

Commodity-related costs are those costs related to the amount of water sold and commonly include the costs of energy related to pumping for transmission and distribution, source of supply, and chemicals used in the treatment process. Allocating commodity-related cost is based on the percentage of total water consumption shown in Figure 13.

Figure 13. Summary of Water Consumption

Customer Classes	Number of Meters	Water Consumption (ccf/yr)	% of Total Rate Revenue
Single Family Residential	1,063	124,878	51%
Multi Family Residential	101	38,296	16%
Commercial	180	69,126	28%
Industrial	1	3,612	1%
Institutional	12	8,432	3%
Irrigation	19	847	0%
Fire Service	26	0	0%
<b>Total</b>	<b>1,402</b>	<b>245,192</b>	<b>100%</b>

### D. Rate Design Analysis

The process of evaluating the water rate structure provides the opportunity to incorporate a number of rate-design objectives and policies, including revenue stability, equity among customer classes, and water conservation. NBS reviewed several rate design alternatives and methodologies with District Staff and the District Board during the 2015 rate study, including the percentage of revenue collected from fixed vs. variable charges. The District Board reviewed three rate design alternatives in the current rate study, including fixed/variable percentages of 50/50, 30/70, and 40/60.

#### Fixed Charges

Fixed charges recognize that the water utility incurs costs regardless of whether customers use any water and include capacity costs and customer costs. Using the fixed costs allocated to each customer class from Figure 8 and Figure 9, the calculation of monthly charges by meter size are shown in Figure 14.

Figure 14. Fixed Meter Charges for FY 2021/22

Number of Meters by Class and Size	FY 2021/22										Total
	5/8 x 3/4 inch	3/4 inch	1 inch	1.5 inch	2 inch	2 1/2 inch hydrant	3 inch	4 inch	6 inch	8 inch	
Single Family Residential	538	0	413	75	36	0	1	0	0	0	1,063
Multi Family Residential	82	0	2	5	6	1	0	5	0	0	101
Commercial	71	0	37	13	29	5	21	3	0	1	180
Industrial	0	0	0	0	1	0	0	0	0	0	1
Institutional	5	0	2	1	1	0	1	2	0	0	12
Irrigation	12	0	3	2	2	0	0	0	0	0	19
<b>Total Meters/Accounts</b>	<b>708</b>	<b>0</b>	<b>457</b>	<b>96</b>	<b>75</b>	<b>6</b>	<b>23</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>1,376</b>
Hydraulic Capacity Factor	1.00	1.00	2.50	5.00	8.00	17.50	17.50	31.50	65.00	140.00	
Total Equivalent Meters	708	0	1,143	480	600	105	403	315	0	140	3,893
Monthly Fixed Service Charges											
Customer Costs (\$/Acct/mo.)	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	\$6.81	
Capacity Costs (\$/Acct/mo.)	\$21.21	\$21.21	\$53.04	\$106.07	\$169.71	\$371.25	\$371.25	\$668.25	\$1,378.93	\$2,970.01	
<b>Total Monthly Meter Charge</b>	<b>\$28.02</b>	<b>\$28.02</b>	<b>\$59.84</b>	<b>\$112.88</b>	<b>\$176.52</b>	<b>\$378.06</b>	<b>\$378.06</b>	<b>\$675.06</b>	<b>\$1,385.74</b>	<b>\$2,976.82</b>	

#### Variable Charges

The District will continue to use a uniform volumetric rate for all customers. Given the single source of water supply, this is an appropriate rate design. Using the costs allocated to volumetric charges previously shown in Figure 13, the calculation of the per unit volumetric charge is shown in Figure 15.



Figure 15. Calculated Variable Charges for FY 2021/22

Customer Classes	Number of Meters <sup>1</sup>	Water Consumption (ccf/yr) <sup>3</sup>	Target Rev. Req't from Vol. Charges	% of Total Rate Revenue	Uniform Commodity Rates (\$/ccf)	Proposed Rate Structure
Single Family Residential <sup>2</sup>	1,063	124,878	\$ 601,108	25%	\$4.81	Uniform
Multi Family Residential <sup>2</sup>	101	38,296	184,341	8%	\$4.81	Uniform
Commercial <sup>2</sup>	180	69,126	332,741	14%	\$4.81	Uniform
Industrial	1	3,612	17,389	1%	\$4.81	Uniform
Institutional	12	8,432	40,588	2%	\$4.81	Uniform
Irrigation	19	847	4,079	0%	\$4.81	Uniform
Unknown Connection Type	0	0	-	0%	\$4.81	Uniform
Fire Service	26	0	-	0%	\$4.81	Uniform
<b>Total</b>	<b>1,402</b>	<b>245,192</b>	<b>\$ 1,180,245</b>	<b>50%</b>		

- The number of meters by size and class was provided by District staff. Source files: MOM Vega Customer Report FY 2019.xlsx & MOM Pajaro Customer Report FY 2019.xlsx.
- Meter counts and revenue include 34 customers in the Springfield area - 31 SFR, 1 MFR, and 2 Commercial. According to the District, these customers are charged a flat fee of \$25 per month and only have a few meters (sizes are unknown), but none are in use.
- Water consumption is 10% less than FY 2018/19 consumption by customer class to account for conservation.

### E. Current vs. Proposed Water Rates

One of the District's key decisions at the beginning of this study was to maintain the existing rate structure, although a 50/50 fixed/variable percentage replaced the current 30/70 allocation.

Figure 16 compares the current and proposed water rates for FY 2021/22 through FY 2025/26 for each meter size. Projected rates for each fiscal year<sup>9</sup> reflect adjustments based on the cost-of-service analysis that is used to establish the rates for the first year in the five-year rate plan. In the subsequent four years, proposed charges are simply adjusted by the proposed increase in the total rate revenue needed to meet projected revenue requirements. More detailed tables on the development of the proposed water rates are documented in Appendix A.

Figure 16. Current and Proposed Water Rates

Current vs. Proposed Rates	Current Rates <sup>1</sup>	Proposed Water Rates				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Fixed Charges - All Users (Excl. Commercial Fire)</b>						
5/8 x 3/4 inch	\$16.86	\$28.02	\$31.66	\$35.15	\$37.96	\$39.86
3/4 inch	16.86	\$28.02	\$31.66	\$35.15	\$37.96	\$39.86
1 inch	31.03	\$59.84	\$67.62	\$75.06	\$81.07	\$85.12
1.5 inch	54.64	\$112.88	\$127.55	\$141.58	\$152.91	\$160.56
2 inch	82.98	\$176.52	\$199.47	\$221.41	\$239.12	\$251.08
3 inch	172.71	\$378.06	\$427.21	\$474.20	\$512.13	\$537.74
4 inch	304.95	\$675.06	\$762.82	\$846.73	\$914.46	\$960.19
6 inch	621.39	\$1,385.74	\$1,565.89	\$1,738.13	\$1,877.19	\$1,971.04
8 inch	1329.82	\$2,976.82	\$3,363.80	\$3,733.82	\$4,032.53	\$4,234.16
Springfield Customers <sup>2</sup>	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Hydrant Meter Charge (2.1/2 inch)	\$172.71	\$378.06	\$427.21	\$474.20	\$512.13	\$537.74
<b>Volumetric Charges</b>						
Rate per hcf	\$5.65	\$4.81	\$5.44	\$6.04	\$6.52	\$6.85

- Volumetric charges shown are for standard service charges.
- Fixed charges for Springfield customers will remain the same.

<sup>9</sup> The initial rate adjustment and all future rate adjustments are scheduled to be effective on January 1<sup>st</sup> of each year.

### F. Comparison of Current and Proposed Monthly Water Bills

Figure 17 and Figure 18 compare a range of monthly water bills for the current and proposed water rates during the first year of implementation for single-family residential customers (with a 5/8 x 3/4-inch meter) and commercial customers (with a 2-inch meter). These monthly bills are based on typical meter sizes, and the average consumption levels for each customer class are highlighted.

Figure 17. Monthly Bill Comparison for Single Family Customers

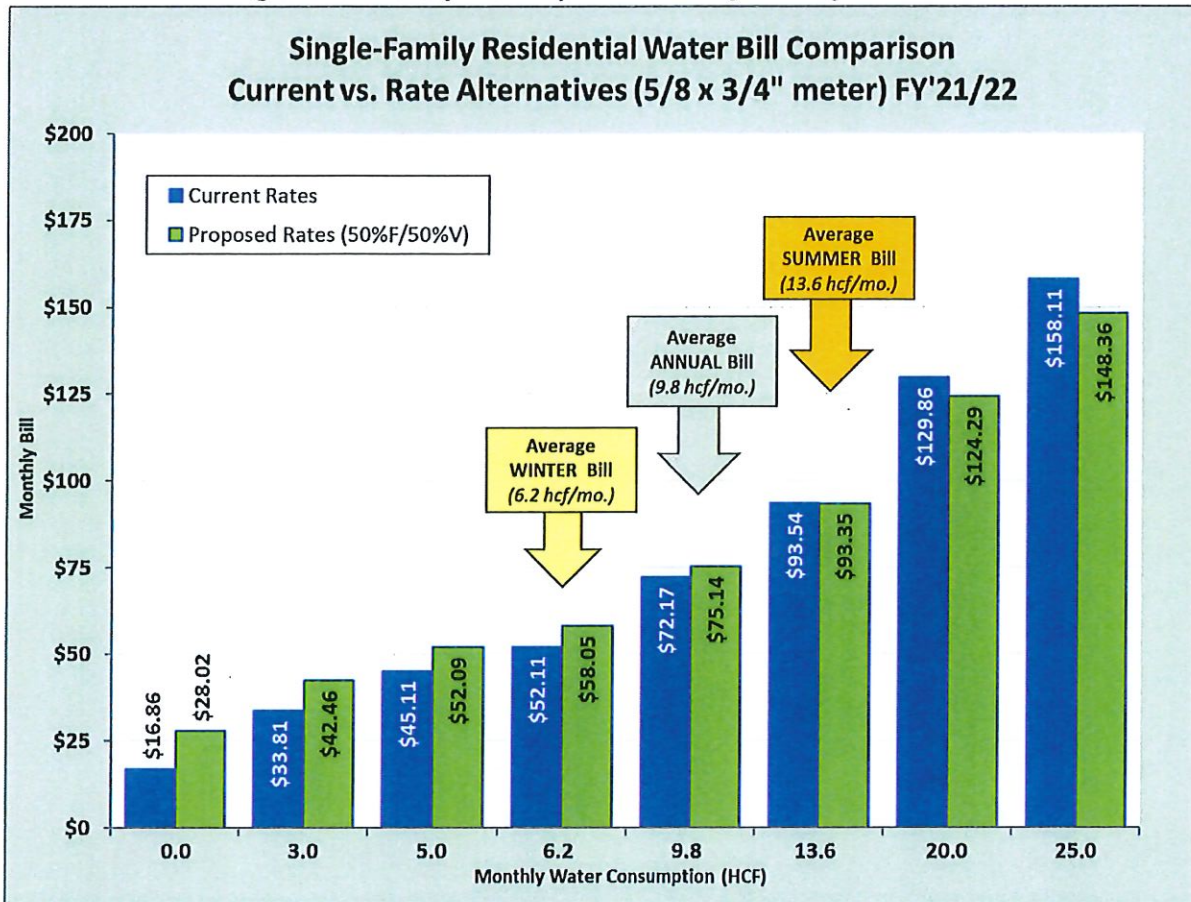
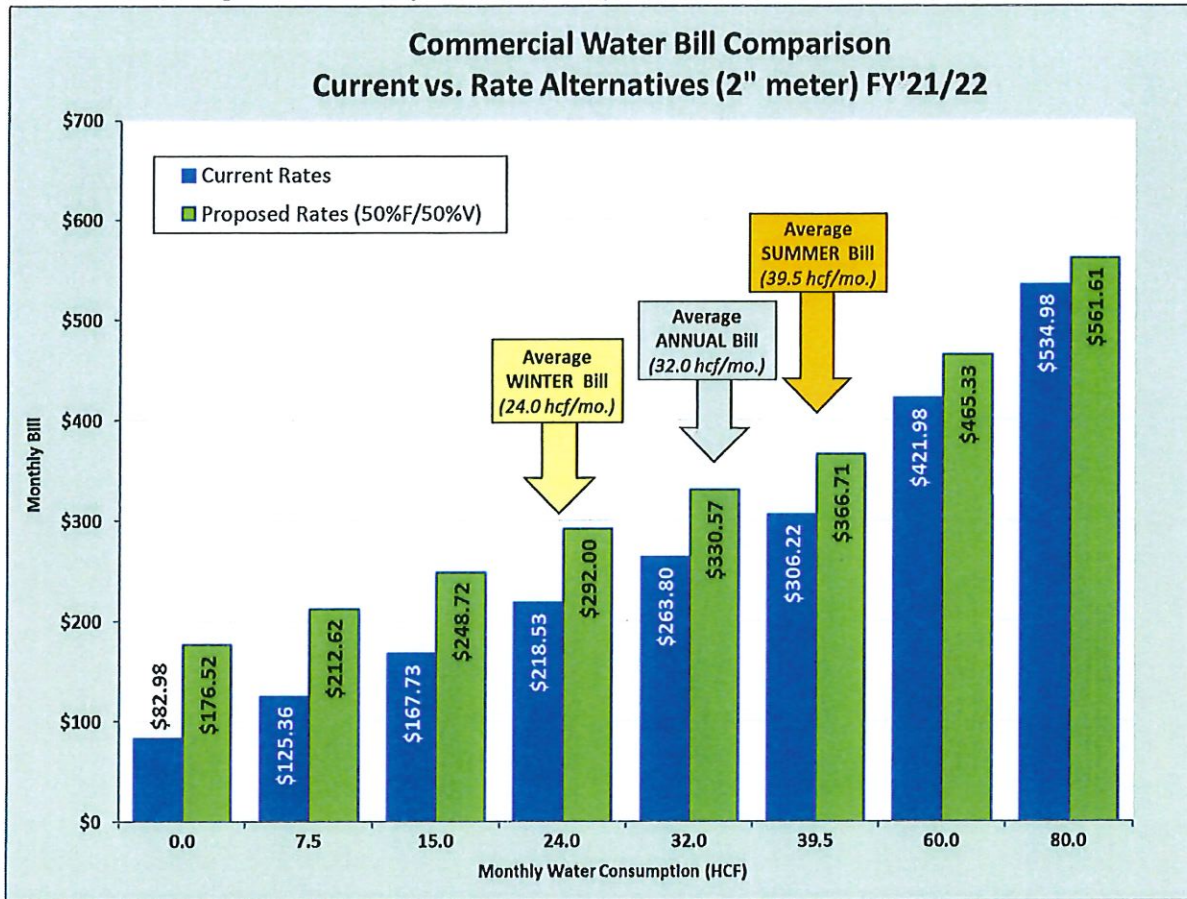




Figure 18. Monthly Water Bill Comparison for Commercial Customers



### G. Drought Rate Analysis

Should consumption decrease from current levels and the District Board declares a drought stage, the District is still obligated to meet its annual net revenue requirements to keep the utility operating and functional. Drought rates have been developed to address this possibility so that the District’s water utility would still be kept financially healthy. These drought rates also include decreases in some costs.

Figure 19 shows the expenses directly impacted by conservation. These expenses are a significant portion of the District’s budget and drought rates will offset the loss of variable revenue.

Figure 19. Expenses Directly Impacted by Conservation

Expense Name	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Variable Portion of Operating Costs<sup>1</sup></b>					
Utilities - Well Site	\$ 157,896	\$ 162,949	\$ 168,163	\$ 173,544	\$ 179,098
Water System - Repair & Maint	208,980	215,667	222,569	229,691	237,041
<b>Total:</b>	<b>\$ 366,876</b>	<b>\$ 378,616</b>	<b>\$ 390,732</b>	<b>\$ 403,235</b>	<b>\$ 416,139</b>

1. Expenses primarily related to the volume of water produced.

Figure 20 shows the updated FY 2021/22 commodity costs and rates for each of the drought stages. Drought rates for each drought stage are summarized in Figure 21 for the next five years.

Figure 20. Calculation of Commodity Costs at Various Levels of Conservation

Proposed Drought Rates						Target Rev. Req't from Vol. Charges: <sup>1</sup>	\$1,180,245
Level of Conservation	Total Expected Consumption <sup>2</sup>	Percent Change	Reduced Expenses Due to Lower Consumption <sup>3</sup>	Additional Drought Expenses <sup>4</sup>	Revised Target Rev. Req't from Vol. Charges	FY 2022/21 Uniform Rate	
Baseline Rate	245,192 ccf	0%	\$ -	\$ -	\$ 1,180,245	\$4.81	
Drought Stage 1	220,673 ccf	-10%	(36,688)	-	1,143,557	\$5.18	
Drought Stage 2	196,154 ccf	-20%	(73,375)	25,000	1,131,870	\$5.77	
Drought Stage 3	171,635 ccf	-30%	(110,063)	50,000	1,120,182	\$6.53	
Drought Stage 4	147,115 ccf	-40%	(146,750)	75,000	1,108,495	\$7.53	
			(366,876)	150,000			

1. Target revenue req't. has been adjusted for the reduction in annual water consumption and subsequent reduction in annual water sales.
2. Total FY 2018/19 water consumed for all customer classes.
3. Reduced expenses that are a direct result when the District sells less water.
4. Addition drought-related expenses at each drought stage.

Figure 21. Proposed 5-Year Drought Rate Schedule

Current vs. Proposed Rates	Current Rates	Proposed Volumetric Drought Rates				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Proposed Rates, Non-Drought (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$4.81	\$5.44	\$6.04	\$6.52	\$6.85
<b>Proposed Rates, Drought Stage 1 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$5.18	\$5.86	\$6.50	\$7.02	\$7.37
<b>Proposed Rates, Drought Stage 2 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$5.77	\$6.52	\$7.24	\$7.82	\$8.21
<b>Proposed Rates, Drought Stage 3 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$6.53	\$7.38	\$8.19	\$8.84	\$9.28
<b>Proposed Rates, Drought Stage 4 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$7.53	\$8.51	\$9.45	\$10.21	\$10.72



## Section 3. Recommendations & Next Steps

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### A. Consultant Recommendations

NBS recommends the District take the following actions:

**Approve and accept this Study:** NBS recommends the Board of Directors formally approve and adopt this report and its recommendations and proceed with the steps required to implement the proposed rates. This report provides the documentation of the rate study required under Prop 218 and the basis for analyzing potential changes to future rates.

**Implement Recommended Levels of Rate Adjustments and Proposed Rates:** Based on successfully meeting the Proposition 218 procedural requirements, the District Board should proceed with implementing the 5-year schedule of proposed rates and rate adjustments previously shown in Figure 16 and Figure 21. These new rates will adequately fund revenue requirements, maintain continuity in the general rate design, and ensure the continued financial health of the District's water utility.

### B. Next Steps

**Annually Review Rates and Revenue:** Any time an agency adopts new utility rates or rate structures, those new rates should be closely monitored over the next several years to ensure the revenue generated is sufficient to meet the annual revenue requirements. Changing economic and water consumption patterns underscore the need for this review, as well as potential and unseen changing revenue requirements—particularly those related to environmental regulations that can significantly affect capital improvements and repair and replacement costs.

*Note: The attached Appendix provides more detailed information on the analysis of the water revenue requirements, cost-of-service analysis and cost allocations, and the rate design analyses that have been summarized in this report.*

### C. NBS' Principal Assumptions and Considerations

In preparing this report and the opinions and recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters, conditions, and events that may occur in the future. This information and these assumptions, including District's budgets, capital improvement costs, and information from District staff were provided by sources we believe to be reliable, although NBS has not independently verified this data.

While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report and its recommendations, some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.

## Section 4. Abbreviations and Acronyms<sup>10</sup>

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Alt.	Alternative
Avg.	Average
AWWA	American Water Works Association
CAP	Capacity
CCF	Hundred Cubic Feet (same as HCF); equal to 748 gallons
CCI	Construction Cost Index
COM	Commodity
Comm.	Commercial
COS	Cost-of-Service
COSA	Cost-of-Service Analysis
CPI	Consumer Price Index
CIP	Capital Improvement Program
Excl.	Exclude
ENR	Engineering News Record
EDU	Equivalent Dwelling Unit
Exp.	Expense
FY	Fiscal Year (e.g., July 1st to June 30th)
GPM	Gallons per Minute
HCF	Hundred Cubic Feet; equal to 748 gallons or 1 CCF
Ind.	Industrial
Irr.	Irrigation
LAIF	Local Agency Investment Fund
MFR	Multi-Family Residential
Mo.	Month
N/A	Not Available or Not Applicable
O&M	Operational and Maintenance Expenses
Prop 218	Proposition 218 (1996) – State Constitutional amendment expanded restrictions of local government revenue collections.
Req't	Requirement
Res.	Residential
Rev.	Revenue
R&R	Rehabilitation and Replacement
SFR	Single Family Residential
SRF Loan	State Revolving Fund Loan
V. / Vs. / vs.	Versus

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<sup>10</sup> This section identifies abbreviations and acronyms that may be used in this report. This section has not been viewed, arranged, or edited by an attorney, nor should it be relied on as legal advice. The intent of this section is to support the recognition and analysis of this report. Any questions regarding clarification of this document should be directed to staff or an attorney specializing in this particular subject matter.



## Appendix A. Detailed Water Study Tables and Figures

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**RESOLUTION NO. 09-01-20**

**RESOLUTION OF THE DISTRICT BOARD OF THE PAJARO SUNNY MESA  
COMMUNITY SERVICES DISTRICT AUTHORIZING A PUBLIC HEARING AND  
NOTICE TO PROPERTY OWNERS CONCERNING A PROPOSAL TO INCREASE  
CERTAIN WATER RATES AND CHARGES**

WHEREAS, the Pajaro/Sunny Mesa Community Services District (hereinafter referred to as District) is a duly formed community services district organized and existing pursuant to Sections 61000 and following of the California Government Code; and

WHEREAS, the Board of Directors of the District desires to consider amendments to increase certain rates and charges for services provided by the District; and

WHEREAS, before the Board can consider and adopt the amendments, the District must comply with the requirements of Proposition 218; and

WHEREAS, it is the intent of the Board by the adoption of this Resolution to establish the procedure to be followed in order to comply with Proposition 218.

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED that the Pajaro/Sunny Mesa Community Services District does hereby authorize that a public hearing be held on November 19<sup>th</sup>, 2020 for the purpose of the consideration and adoption of the amendments set forth on Exhibit A.

BE IT FURTHER RESOLVED AND ORDAINED THAT the District will, between October 1<sup>st</sup>, 2020 and October 2<sup>nd</sup>, 2020, send written notices to all property owners advising such property owners of the date, time and location of the public hearing, and further advising all property owners of the process to follow to protest the adoption of a Resolution amending Ordinance 88-4-1.

BE IT FURTHER RESOLVED AND ORDAINED THAT the General Manager of the District is authorized to execute any documents, and take any steps, necessary to implement this resolution on behalf of the District.

PASSED AND ADOPTED by the Board of Directors of the Pajaro/Sunny Mesa Community Services District on the 29<sup>th</sup> day of September 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

BY \_\_\_\_\_  
Harry Wiggins, Board President



**CERTIFICATE OF SECRETARY**

I, Don Rosa, 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 29<sup>th</sup> day of September 2020, and that said Resolution is now spread upon the minutes of said Board.

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Secretary of the Board of Directors

# Minutes of the Water Rate Study Ad-Hoc Committee

Pajaro/Sunny Mesa Community Services District Water Rate Study Ad-Hoc Committee Meeting was held on d September 14, 2020.

In attendance: Directors Lamboley and Moody, Attorney Smith, General Manager Don Rosa, Recorder Judy Vazquez-Varela and via teleconference Greg Clumpner of NBS.

## **ITEMS FOR REVIEW:**

### 1. Water Rate Study Alternative 3 (50% Fixed/50% Variable)

The Board of Directors was provided with a copy of the 2015 Public Water Hearing Notice: Proposed Increases in Water Rates and Fees with attachments (District Fact Sheet, Figure 10- Current vs Proposed new rates, Figure 11-Monthly Water Bill Comparison for SFR Customers, Capital Improvements Program Costs-Current, Capital Improvements Program Costs-Future), and a copy of a Sample Protest/Ballot.

Mr. Clumpner recommended having the Water Rate Study available on the District website.

Director Moody would like to focus on the importance of the generator project since the State has implemented blackouts periodically thru summer during heat and highest fire danger. The public should be informed that the District is preparing for power outages by acquiring generators to provide backup power and have the ability to generate pressure and water. The protest ballot should be the last page, the public should read the need for the increase and then decide if they complete the protest.

Director Moody volunteered to write the fact sheet to be mailed out with the Public Hearing packet. Public Hearing packet will include, Public Hearing invitation, Fact Sheet, Proposed and Drought Rate Charts and Protest/Ballot.

### 2. Staff discussed with the Committee the following areas of concern; Covid-19, Economics, Wildfire, Holiday Schedule, Elections. As a result of the discussion, the Committee determined that none of the concerns should impede the District from moving forward with the proposed water rate increase process.

Staff asked the Committee if they had any thoughts about moving forward with proposed rate increase to cover only generator project, they responded that there is no interest in doing that because the rest of the increase is just as crucial for the District. Also, they are not interested in removing the generator project from the proposed increase.



**PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT**  
136 SAN JUAN ROAD  
ROYAL OAKS, CALIFORNIA 95076  
831-722-1389

Name  
Address  
Zip

**PUBLIC HEARING NOTICE:  
PROPOSED INCREASES IN WATER RATES AND FEES**

A public hearing on a proposal to increase water rates and fees within the Pajaro/Sunny Mesa Community Services District ("District") will be held as follows:

- **Date:** TBD
- **Time:** TBD
- **Place:** TBD

This notice provides information concerning the proposed rate increases, the place to contact for more information and the process to be followed if you wish to protest the proposed increases.

At the public hearing, the Board of Directors of the District will consider adopting a resolution amending Ordinance No. 88-4-01 which will authorize the implementation of the proposed rate increases. The Board will only proceed to adoption of the Resolution after the public hearing is completed, and fewer than 50% of the affected customers protest the rate increases.

If approved by the Board of the District, the rate increases will become effective on January 1<sup>st</sup>, 2021, and will be in effect for the following five (5) fiscal years. If more than 50% of the affected customers of the District protest the increases, it will be rejected and will not go into effect.

Copies of the complete proposed Resolution and the amended Ordinance are available at the District's office located at 136 San Juan Road, Royal Oaks, CA 95076.

The rate increases are being proposed in order to defray ongoing costs incurred by the District in providing water services to its customers including, but not limited to, the repair, maintenance and operation of such water systems as are necessary for such purposes. Also reserves need to be brought up to sustainable levels.

The Study Report: Water Rate and Capacity Fee Analysis can be viewed on our website [www.pajarosunnymesa.com](http://www.pajarosunnymesa.com) also copies are available at the District office in Pajaro.

**PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT**  
136 SAN JUAN ROAD  
ROYAL OAKS, CALIFORNIA 95076  
831-722-1389

P. 68

TO: All Pajaro/Sunny Mesa Community Services District customers and ratepayers  
FROM: The Pajaro/Sunny Mesa Water District Board of Directors  
SUBJECT: Proposed water service rate increase and reasons therefor

Dear Customers:

Your Water District finds itself facing a difficult and complicated issue: whether to purchase and install back-up diesel powered generators. The generators if purchased will cost approximately \$1,440,000 which would be financed over a period of 25 years and would add approximately \$7 per month per connection. The proposed expenditure for generators constitutes the bulk of the proposed rate increase. Some of the proposed increase will go towards augmentation of our reserves, as well as a few capital projects to be funded by this proposed rate increase.

Why are these generators necessary? Because of the "rolling blackouts" policy adopted a few years ago by the large, state controlled public utilities (PG&E and Southern California Edison). These rolling blackouts historically have occurred during the most extreme heat events of each year, when power demands for air conditioning are at their peak, and, most importantly, when the most extreme fire dangers exist. Since the power grid is increasingly dependent upon renewable energy (wind and solar power), and since these sources of power may not be available at night or in windless conditions, and since many of our fossil-fuel power plants have been permanently shut down, the electrical grid is not always able to provide enough power to go around, so the power shortages have to be spread out among the population by these planned blackouts. **We at Pajaro/Sunny Mesa are all subject to these blackouts, which are unpredictable both as to when they happen and how long they last.** The problem is that if all or part of our District is deprived of electrical power there will be no way for us to pump water from our wells to local fire suppression efforts, not to mention all of the other risks associated with shutting off water to our customers. In a fire event, water stored in tanks will be depleted very quickly. It is important to understand that the fire agencies depend on local water providers for water to fight fires - it is impractical to transport water for that purpose. Back-up diesel powered generators are the only way for us to insure our ability to pump water during blackout periods.

The results of a fire that we could not combat could be catastrophic for those who lose homes. People with rooftop sprinklers would have no water to operate them.

Fire insurance providers have been increasingly reluctant to write new policies, and in fact have often been cancelling existing ones, including some of our customers, and increasing insurance rates threaten to price many people out of the market.

The Board of Directors has carefully reviewed the Water Rate Study, has looked at all of the variables and options available to us concerning the generator issue, and has unanimously recommended to you that the purchase of back-up generators is necessary and prudent. The Board members all serve without compensation of any kind, have no financial interest whatsoever in generators. While we deeply regret the need to spend this money, we have all concluded that the risk of catastrophic losses from fire without the generators is simply unacceptable. We would have to rely on mere hope that none of the above contingencies would occur for the next 25 years.



### Proposed New Water Rates

Current vs. Proposed Rates	Current Rates <sup>1</sup>	Proposed Water Rates				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Fixed Charges - All Users (Excl. Commercial Fire)</b>						
5/8 x 3/4 inch	\$16.86	\$28.02	\$31.66	\$35.15	\$37.96	\$39.86
3/4 inch	16.86	\$28.02	\$31.66	\$35.15	\$37.96	\$39.86
1 inch	31.03	\$59.84	\$67.62	\$75.06	\$81.07	\$85.12
1.5 inch	54.64	\$112.88	\$127.55	\$141.58	\$152.91	\$160.56
2 inch	82.98	\$176.52	\$199.47	\$221.41	\$239.12	\$251.08
3 inch	172.71	\$378.06	\$427.21	\$474.20	\$512.13	\$537.74
4 inch	304.95	\$675.06	\$762.82	\$846.73	\$914.46	\$960.19
6 inch	621.39	\$1,385.74	\$1,565.89	\$1,738.13	\$1,877.19	\$1,971.04
8 inch	1329.82	\$2,976.82	\$3,363.80	\$3,733.82	\$4,032.53	\$4,234.16
Springfield Customers <sup>2</sup>	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Hydrant Meter Charge (2 1/2 inch)	\$172.71	\$378.06	\$427.21	\$474.20	\$512.13	\$537.74
<b>Volumetric Charges</b>						
Rate per hcf	\$5.65	\$4.81	\$5.44	\$6.04	\$6.52	\$6.85

1. Volumetric charges shown are for standard service charges.
2. Fixed charges for Springfield customers will remain the same.

Current vs. Proposed Rates	Current Rates	Proposed Volumetric Drought Rates				
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<b>Proposed Rates, Non-Drought (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$4.81	\$5.44	\$6.04	\$6.52	\$6.85
<b>Proposed Rates, Drought Stage 1 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$5.18	\$5.86	\$6.50	\$7.02	\$7.37
<b>Proposed Rates, Drought Stage 2 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$5.77	\$6.52	\$7.24	\$7.82	\$8.21
<b>Proposed Rates, Drought Stage 3 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$6.53	\$7.38	\$8.19	\$8.84	\$9.28
<b>Proposed Rates, Drought Stage 4 (\$/hcf)</b>						
Users Subject to Uniform Commodity Charge:	--	\$7.53	\$8.51	\$9.45	\$10.21	\$10.72

**You Can Oppose the Proposed Rate Increases**

You can use the form in this notice to register your protest the proposed water rate adjustments. You can also choose to write a letter to Pajaro/Sunny Mesa Community Services District (District), following the requirements below, or appear at the public hearing listed on the front cover of this notice to submit your written protest.

**How can I participate?**

Interested parties can comment on the proposed rates. California Constitution Article XIII D section 6 (Proposition 218) prohibits the District from implementing the new rates if a majority of the affected property owners or tenants file written protests opposing the rates before the end of the public hearing. Only one written protest per affected connection will be counted towards the majority protest. Written protests must be received by the District, Pajaro/Sunny Mesa Community Services District, 136 San Juan Road, Royal Oaks, CA 95076, before the end of the public hearing which is scheduled for 6:00 pm, November 19, 2020. Each protest must identify the affected property (by street address or Assessor's Parcel Number) and include the signature of the property owner or utility customer of record. In compliance with Proposition 218, e-mail protests will not be accepted. Fax protests will also not be accepted. Although oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest, the District Board of Directors welcomes input from the community during the public hearing.

**Some customers will receive multiple notices**

In order to ensure that all District's ratepayers are informed about possible water rate increases, these Notices are being sent to all District's water customers. If you are responsible for more than one bill, you will receive more than one Notice, but only one written protest per affected connection will be counted towards the majority protest.

✂-----

**USE THIS FORM TO PROTEST THE PROPOSED WATER RATE INCREASES**

I \_\_\_\_\_ am opposed to this proposed increase to water rates.

*(Print first and last name)*

Property Address or Assessor's Parcel Number: \_\_\_\_\_

Signature: \_\_\_\_\_

If you wish to use this form as your protest, please fill out and mail in a stamped envelope to: Pajaro/Sunny Mesa Community Services District, 136 San Juan Road, Royal Oaks, CA 95076 or deliver it to the District before the end of the Public Hearing on November 19, 2020



## DISTRICT OPERATIONS REPORT

September 29, 2020

TOPIC	STATUS	DATE OF PLANNED RESPONSE
Arrowhead Tank Replacement Project	Bid docs prepared by Wy'east Engineering. Documents 100% complete. Project is ready to go out for bid, will need updating. Board has given direction to monitor the integrity of the tanks and report as needed.	No Report
Grants & Loans Active	<p>A. SRF Planning Grant Springfield &amp; IRWMP Grant Pajaro.</p> <ul style="list-style-type: none"> <li>• Pajaro Grant – Level controls will be installed the week of October 9<sup>th</sup> which is the last component to finalize project.</li> <li>• Springfield Planning Grant – Final Mitigated Negative Declaration has been submitted. Monthly conference call scheduled on September 30, 2020.</li> </ul>	September 2020
Pajaro Park	Pajaro Park remains closed.  Office of Grants and Local Services is administrating the Per Capita Project – Application package is due December 2021	September 2020
Sunny Mesa Sewer	District is holding monies that is 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.	No Report
Emergency Generators	District Engineer, Tom Yeager and Staff are working together in an alternative plan due to no interest in the RFP in February 2020.	On Agenda
Hazard Mitigation Plan	<p>Generate a Disaster Mitigation Plan for submission to Monterey County and FEMA.</p> <ul style="list-style-type: none"> <li>• Pre-Disaster Hazard Mitigation Plan Application for assistance has been submitted to Cal OES.</li> </ul>	No Report
Water Rate Study	Discuss the Water Rate Study	On Agenda
Multi Community Bottled Water Project	Springfield Water System, Moss Landing Mobile Home Park, Springfield/Bluff/Jensen/Giberson Roads. 189 homes are currently receiving bottled water. One more sign-up, total 190.	No Report

## Usage Comparison in Gallons 2013-2020

Water Systems	Aug-17	Aug-18	Aug-19	Aug-20
Pajaro	9,430,784	7,657,276	7,581,728	8,018,560
Normco	3,968,140	3,606,856	3,380,960	3,566,464
Sunny Mesa	3,174,512	3,119,908	2,845,392	2,962,080
Moss Landing	3,771,416	2,285,140	2,412,300	2,546,940
Vega	1,664,300	1,513,952	1,481,788	1,874,488
Vierra Estates	425,612	457,776	388,212	495,176
Springfield (pumped)	620,765	632,060	596,231	681,652
Langley/Valle Pacifico	345,576	343,332	289,476	375,496
Blackie	276,760	265,540	227,392	326,128
District Total	23,677,865	19,881,840	19,203,479	20,846,984

Water Systems	Aug-13	Aug-20	Percentage	
Pajaro	9,408,299	8,018,560	↓	-14.8%
Normco	3,475,956	3,566,464	↑	2.6%
Sunny Mesa	3,328,495	2,962,080	↓	-11.0%
Moss Landing	2,946,372	2,546,940	↓	-13.6%
Vega	2,114,080	1,874,488	↓	-11.3%
Vierra Estates	445,060	495,176	↑	11.3%
Springfield (pumped)	634,304	681,652	↑	7.5%
Langley/Valle Pacifico	421,124	375,496	↓	-10.8%
Blackie	332,860	326,128	↓	-2.0%
District Total	23,106,550	20,846,984	↓	-9.8%



### Large Systems



### Small Systems

