

MINUTES

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

ROLL CALL:

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

ADMINISTRATIVE STAFF:

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

ABSENT DIRECTOR(S) & STAFF:

Vice President Donald Olsen

DISTRICT COUNSEL:

Heidi Quinn, absent

ADDITION(S) TO AGENDA:

None

PUBLIC IN ATTENDANCE:

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

PUBLIC COMMENTS:

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

CONSENT AGENDA: (Action Items)

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

- General Fund 633: Total of \$1,547.17
- Operating Account: Check No. 26614 – 26628 totaling \$209,933.71
- Reserve Account: Check No. 153 totaling \$336,493.45
- Street Maintenance Account: Check No. 611 totaling \$483.53
- Pajaro Park Account: Total of \$1,809.99
- COP 2010 Account: Total of \$0.00
- Debt Service Reserve Account: Total of \$0.00

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

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

OLD BUSINESS:

1. None

NEW BUSINESS: (Action Items)

1. Consider approval of Financial Reports for June 2026

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

STAFF/COMMITTEE REPORTS: (Informational Only)

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

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

Pajaro & Sunny Mesa WS Motor Control Center Replacement

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

ACWA JPIA 2026 Wellness Grant

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

Current Water System Repairs

Blackie Road #18 WS:

Langley/Valle Pacifico WS:

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

Moss Landing WS:

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

Normco:

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

Pajaro WS:

Springfield Road WS:

Sunny Mesa WS:

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

Vega Road #01 WS:

Vierra Estates WS:

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

Parks:

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

6. Usage Comparison Report 2025/2026-June

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

CLOSED SESSION:

None

NEXT BOARD MEETING:

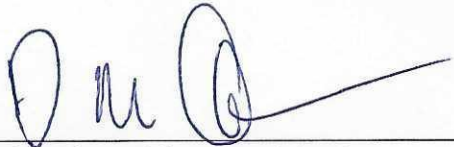
The next Regular Board Meeting is to be held on Thursday, August 27, 2026, at 5:30 pm at the District Office.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:24 pm with a motion made by Director Anderson, seconded by Director Miller. Motion carried.

Respectfully submitted by:



Paul Anderson, President



Donald Olsen, Vice President



Rocio Fernandez, Recorder