

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 6:30 p.m. on June 18, 2014.

ROLL CALL:

President Stephen Snodgrass @ 7:25 p.m.
Vice President Harry Wiggins
Treasurer David Delfino
Secretary Paul Miller
Assistant Secretary Michael Moore

ADMINISTRATIVE STAFF:

General Manager Don Rosa

ABSENT DIRECTOR(S) & STAFF:

Recorder Monica Nuñez

CLOSED SESSION: None

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: None

PUBLIC COMMENTS: None

SCHEDULED ITEMS:

1. Public Hearing: 2014-2015 Final Budget

Hearing was opened at 7:30 p.m. No public present for comments. Hearing was closed at 8:00 p.m.

Board recommends approving proposed final budget as presented.

CONSENT ITEMS:

1. Consider and approve draft minutes of May 21, 2014 regular board meeting.

Motion to approve draft minutes of May 21, 2014 regular board meeting with corrections as final was made by Director Moore, seconded by Director Miller. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins
Noes: None
Absent: S. Snodgrass
Abstain: None

2. Copy of financial reports for May, 2014.

Motion to approve Financial Reports for May 2014 was made by Director Miller, seconded by Director Delfino. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins
Noes: None
Absent: S. Snodgrass
Abstain: None

3. General Manager's Report – Status Sheet

- Normco Water System Treatment Facility – Working with Wy'east Engineering to begin installation. CDPH has given a directive to install new facility for corrosion control by Dec. 31, 2014. Currently in final design process and working with chemical supplier. Project scheduled to begin on or about July 1, 2014.

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CONSENT ITEMS: (Continued)

- Normco Water System Pressure Reducing Station & Valve Project – PRV is complete. Insertion valves to be installed. Project complete.
- Pajaro Park – All play area turf to be replaced by manufacturer. Working with Pajaro Valley Lock on security camera project.

After speaking with manufacturer, turf replacement will begin after the 4th of July, 2014 weekend and should last approximately two (2) weeks. The playground area will be closed and taped off during construction.

It is believed, but not definite, that the turf may have failed due to a chemical reaction between the manufacturer's materials and the subcontractor's materials.

The quote has been received from Pajaro Valley Lock and is available for review at the Board's discretion.

- Chromium 6 – All sources have been sampled for Chromium 6. Sunny Mesa wells are over the proposed MCL. CDPH had suggested we submit a SRF application for treatment funding.

The District will be notified by CDPH if/when the proposed MCL is changed and what action the District will be required to follow.

The course of action the District will take when MCL change occurs, is to immediately notify the Sunny Mesa customers and proceed with an immediate bottled water order.

- Water Conservation – Conservation letter was sent out with bills on March 1, 2014, requesting a voluntary reduction of consumption by twenty-five percent (25%). March usage was down. April usage was slightly higher than historical usage. In general, public awareness is growing and conservation will improve.

Due to warmer weather in the month of May, there was no marked improvement in conservation.

Per General Manager Rosa's recommendation, Board directed staff to resend the conservation letter and possibly revising letter requesting minimal to no water use for: washing cars, washing sidewalk, wetting down dirt or watering of lawns.

A new bulletin board will be going up at Pajaro Park and flyer will be posted at park.

- Grants & Loans Active –

(1) SRF Planning Grant/Springfield – Scope & Budget have been returned to District for revisions. Revision made and returned to CDPH.

Meeting will be set for next week with CDPH to review scope of work and ask/answer any questions that may arise.

(2) Pre-Planning Grant for Springfield Terrace is under review.

No information to report at this time.

(3) IRWMP Grant for Pajaro – Contract being drawn up by Department of Water Resources/San Benito County Water District (SBCWD), lead agency.

District will eventually sign similar contract with SBCWD to proceed with grant project.

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STAFF/COMMITTEE REPORTS: (Informational Only)

1. District banking is being moved to Santa Cruz County Bank.

Funds have been moved to Santa Cruz County Bank (SCCB), leaving minimal amounts in two (2) accounts to cover any outstanding checks.

The operating account at Union Bank will remain open to fulfill credit card machine contract term.

SCCB has agreed to waive banking fees and has offered a credit card machine contract not to exceed fees of more than two & one-half percent (2.5%).

2. 2013-2014 Staff Achievements/Accomplishments

General Manager compiled the following list of staff/district achievements and/or accomplishments:

- Emergency Bottled Water Grant awarded for Springfield
- Springfield Planning Grant awarded - \$500,000
- Pajaro IRWMP Grant awarded - \$ 1.77 million
- LAFCO application approved for Out of Area Services
- RPF for Water Rate Study completion and distribution
- Completion of Normco Valve Replacement Project
- Normco/Holly Hills Intertie Project, successful completion
- Completion and Opening of Pajaro Park
- Completion of Vierra Estates Iron & Manganese Treatment Facility
- Completion of Langley/Valle Pacifico Fire Storage Tank Project
- Completion of New Moss Landing Well
- Completion of five (5) TMF Reports with engineer

These achievements and/or accomplishments will be shared at annual staff review meeting.

At this time, a motion was made by Director Snodgrass, seconded by Director Moore to congratulate the staff on a job well done and directed General Manager Rosa to prepare a resolution recognizing employees for signature by Board. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins; S. Snodgrass
 Noes: None
 Absent: None
 Abstain: None

3. Attorney Gullion is unavailable due to illness.

4. Pending issues that require legal assistance:

- Contract for professional services (RFP requirement): Al Smith of Grunsky Law Firm is generating for District

Engineer Tom Yeager has made revisions and Attorney Smith is preparing for finalization. The contract will be available at office for Board to review at their discretion.

- Conflict of Interest Code to be updated: Model in packet

Attorney Gullion will continue to pursue update when he has made a full recovery.

- Criminal Background Check Policy: JPIA has been contacted and will research for District

Many agencies have a new hire protocol in place, which will perform the background check upon hiring. Attorney Gullion's opinion is to conduct background checks on new hires and employees who work at park. Board directed staff to add the Criminal Background Check as part of the new hire protocol.

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STAFF/COMMITTEE REPORTS: (Informational Only-Continued Item No. 4)

- PSMCSD/PCSD Operation Contract language revisions: Copy of email dated April 11, 2014

Attorney Gullion's opinion is to "include language which has the County indemnifying the District, and naming the District as an additional insured under the County's liability policy". Attorney Gullion will resume working on this matter when he has made a full recovery.

5. Pajaro County Sanitation District (PCSD)

- Copy of email (dated 5/29/14) sent to Monterey County Public Works re: Hydro Vac truck and sewer line maintenance. No response to date.
- Pump manufacturer has informed us that current pumps/motors and controls are obsolete. Upgrades are needed for new equipment.

General Manager Rosa has made numerous attempts to contact Dirk Medema from MC Public Works, who is the District's point of contact. Mr. Medema has not responded to date to any emails sent regarding PCSD. General Manager will prepare a draft email, for review by Board

STAFF REPORTS: (Action Items)

1. Discussion and decision on 2014-2015 Final Budget.

Budget committee members, Director Wiggins and Director Snodgrass, met with General Manager Rosa to review budget and to discuss the "inclusive five percent (5%) wage increase for hourly employees" included in 2014-2015 Final Budget notes.

The Board was presented a Salary Comparison Worksheet, including local agencies, which reveals District wages are still approximately 20% - 25% below market rate. Board approves of the five percent (5%) hourly wage increase as presented.

Board recommends approving the 2014-2015 Final Budget as presented.

2. CSDA Election/Ballot.

After reviewing the candidate statements, General Manager Rosa recommends voting to elect Vince Ferrante to the California Special Districts Association, Region 5, Seat C.

Board agrees with recommendation.

3. Review and decision on Professional Services Contract.

This item was addressed in Staff Reports – Information Only.

4. Discussion and decision on General Manager's Performance Evaluation/Incentive Pay.

This item has been moved to Closed Session. Personnel committee will present their report at that time.

OLD BUSINESS: None

NEW BUSINESS:

1. Motion was made by Director Snodgrass, seconded by Director Wiggins to approve adopting the 2014-2015 Final Budget as presented. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins; S. Snodgrass
Noes: None
Absent: None
Abstain: None

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NEW BUSINESS: (Continued)

- 2. Motion was made by Director Delfino, seconded by Director Snodgrass to approve voting to elect Mr. Vince Ferrante to the California Special Districts Association, Region 5, Seat C. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins; S. Snodgrass
 Noes: None
 Absent: None
 Abstain: None

- 3. Motion was made by Director Snodgrass, seconded by Director Moore to approve the Professional Services Contract with edits. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins; S. Snodgrass
 Noes: None
 Absent: None
 Abstain: None

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF WARRANTS/CHECKS:

- 1. General Fund 605: Warrant No. 234637 through No. 234641 for a total of \$63,206.63.
- 2. Water Account: Check No. 20641 through No. 20669 and *No.20750 through No. 20795 for a total of \$193,261.40.
- 3. Capital Improvement Account: None
- 4. Street Maintenance Account: *Check No. 360 through No. 364 for a total of \$957.21.
- 5. Pajaro Park Account: *Check No. 700 through No. 704 for a total of \$1,006.82.
- 6. 2010 COP Account: *Check No. 800 for a total of \$3,410.00.

(*New bank accounts, new check starting numbers)

Motion was made by Director Wiggins, seconded by Director Moore to approve all accounts for the month of May, 2014. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins
 Noes: None
 Absent: S. Snodgrass
 Abstain: None

CLOSED SESSION: (Personnel Matters, Litigation)

- 1. Discuss General Manager Goals-Objectives/Performance Evaluation and Incentive Pay for 2013-2014.

Closed Session was opened at 8:40 p.m. and closed at 8:55 p.m.

Action taken is as follows: The Board has reviewed and discussed the General Manager's Goals-Objectives/Performance Evaluation and Incentive Pay for 2013-2014. Board determined that the goals/objectives/performance have been met and have approved incentive pay in the amount of \$10,900 (90%) of \$12,000 and \$500 bonus for completion of Pajaro Park Project, totaling \$11,400.

NEXT BOARD MEETING:

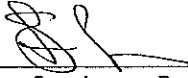
Board noted the next regular meeting will be held on Wednesday, July 16, 2014 at 6:30 p.m. at the District office.

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There being no further business, the regular meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 8:56 p.m. with motion made by Director Wiggins, seconded by Director Miller. Motion carried unanimously.

Roll Call Vote: Ayes: D. Delfino; P. Miller; M. Moore; H. Wiggins; S. Snodgrass
 Noes: None
 Absent: None
 Abstain: None

Respectfully submitted by:



Stephen Snodgrass, President



Harry Wiggins, Vice President

Donald Rosa, Recorder