

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 December 18, 2013.

ROLL CALL:

President Stephen Snodgrass
Treasurer David Delfino
Director Paul Miller

ADMINISTRATIVE STAFF:

General Manager Don Rosa

ABSENT DIRECTOR(S) & STAFF:

Vice President Harry Wiggins
Recorder Monica Nuñez

CLOSED SESSION: None

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE:

1. Brian Birkeland, of the Langley/Valle Pacifico area

PUBLIC COMMENTS: None

SCHEDULED ITEMS: None

CONSENT ITEMS:

1. Consider and approve draft minutes of regular board meeting of November 20, 2013.

Motion to approve draft minutes of regular meeting of November 20, 2013 as final was made by Director Snodgrass, seconded by Director Miller. Motion carried unanimously.

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

2. General Manager's Report – Status Sheet

- Normco Water System Treatment Facility – Working with Wy'East Engineers to begin installation.
- Normco Water System Pressure Reducing Station & Valve Project – Working with Wy'East Engineers to begin installation.
- Vierra Estates Iron & Manganese Treatment Facility Coordination & Funding with CalTrans – Monterey County Environmental Health Department (MCEHD) has requested several items in order to give final approval. District staff is working with Culligan to answer.
- Grants & Loans Active – (1) SRF Planning Grant awarded to District in the amount of \$500,000. (2) Pre-Planning Grant for Springfield Terrace is under review.
- LAFCO/Out of Area Services – LAFCO has given approval for District to provide services to the five (5) former Alco Systems.
- Moss Landing Back-Up Source – All water sampling results, and permit amendment has been forwarded to MCEHD for final approval.

MCEHD approved well to be used as a stand-by water source.
- TMF Project Update – Currently working on Langley/Valle Pacifico and Vierra Estates. Langley/Valle Pacifico is ninety percent (90%) complete and Vierra Estates is fifty percent (50%) complete to date.
- Holly Hills/Normco Interlie – Awaiting final approval from MCEHD.

3. Copy of financial reports for November 2013 (available at meeting).

MINUTES OF REGULAR MEETING – December 18, 2013

CONSENT ITEMS: (Continued – Item No. 3)

Motion to approve financials as presented was made by Director Snodgrass, seconded by Director Miller. Motion carried unanimously.

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

STAFF REPORTS: (Informational Only)

1. Pajaro Park Update/Progress – Completion Schedule:

An email was received on December 5, 2013 from Mr. Nick Nichols stating the following:

- Final inspection has been requested for Friday, December 20, 2013.
- Submitting Notice of Completion (NOC) for Board of Supervisors consideration may take place on Tuesday, January 7, 2014 if staff is able to put item on agenda or Tuesday, January 14, 2014
- When NOC has been approved, it will be recorded at County within a few days and copy sent to Escrow Office with authorization to record the Deed of Transfer to PSMCSD. The State Department of Finance (DOF) must also approve the transfer from County to PSMCSD. When process is complete, the park may be open to public.
- If the DOF postpones approval of transfer, park may not open until after February 26, 2014.
- Staff is anticipating process to be completed by January 17, 2014, with no hold-ups, and after that date the park can open to public.

On December 13, 2013, Marti Noel sent staff an email stating that staff was making good progress on transfer from DOF and hopeful it may happen before end of year.

Copy of letter from State Assembly Members, Luis A. Alejo, 30th District and Mark Stone, 29th District, to DOF in support to expedite park transfer was forwarded to the District.

Director Snodgrass stated the park grand opening is tentatively scheduled for March 1, 2014.

2. LAFCO Executive Order for PSMCSD – Out of Area Services

District received letter dated November 22, 2013, stating LAFCO's Executive Officer's administrative approval the District to serve the Out of Area water systems formerly owned by ALCO Water Co. These systems have been operated by the District since 2005 and have owed the systems since 2007.

3. Langley/Valle Pacifico Arsenic Removal System Update

General Manager Rosa informed the Board that the system is underperforming. Contacted Bushman Water Group, who engineered and installed the system. Awaiting a response for reason why system is underperforming.

After conferring with Engineer Doug Allen, General Manager Rosa contacted Ad Edge, media supplier, and received a quote.

The removal system is exceeding budget, underperforming and District may consider abandoning system, reverting to bottled water for customers.

This issue will be continued to a near future meeting.

4. PCSD Transfer Update:

An email was received from Robert Murdoch on December 13, 2013 stating that after conferring with County Counsel and Risk Management, the County could not agree to the Draft Indemnity Agreement and would like to continue with the December 2012 Letter of Intent as approved by both Boards.

Director Snodgrass responded by email to Lew Bauman indicating the District cannot afford to proceed with PCSD transfer without agreement and would like to meet to discuss this matter further.

General Manager Rosa informed Board that the contract expires in February 2014. The District should consider increasing the monthly contract fees or require overtime reimbursement and implementing an extra work provision.

MINUTES OF REGULAR MEETING – December 18, 2013

STAFF REPORTS: (Action Items)

1. 2012-2013 Audit for approval.

Director Delfino commented that Auditor Connie Glosser stated staff was great, assisting with audit process and completing it in a timely matter.

Board agreed to approve and accept audit as presented.

2. Vierra Estates Water/Arrowhead Tank Replacement Project – Quote & Pictures

General Manager Rosa presented the Board with pictures of water storage tanks that sprung a leak over the Thanksgiving holiday weekend. Since 2005, MCEHD has determined that these tanks must be repaired/replaced at the District's earliest convenience. There are funds available for this project through the COP Bond monies.

Board agrees that staff should request an engineer's estimates from the District's engineer.

OLD BUSINESS: None

NEW BUSINESS:

1. Motion was made by Director Delfino, seconded by Director Snodgrass to approve District Audit for 2012-2013. Motion carried unanimously.

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

2. Motion was made by Director Delfino, seconded by Director Miller to approve General Manager Rosa to secure engineer's estimate for the replacement of the Arrowhead water tanks in the Vierra Estates Water System. Motion carried unanimously.

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF WARRANTS/CHECKS:

1. General Fund 605: None
2. Water Account: Check No. 20106 and Check No. 20108 through No. 20187 for a total of \$121,142.23.
3. Capital Improvement Account: None
4. Street Maintenance Account: Check No. 321 through No. 325 for a total of \$971.96.
5. Reorganization Account: None
6. Construction Account: None

Motion was made by Director Snodgrass, seconded by Director Miller to approve all accounts for the month of December, 2013. Motion carried unanimously.

CLOSED SESSION: (Personnel Matters, Litigation) None.

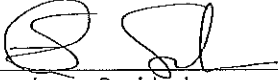
NEXT BOARD MEETING:

Board noted the next regular meeting will be held on Wednesday, January 15 at 6:30 p.m. at the District office.

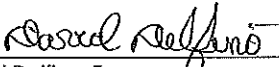
MINUTES OF REGULAR MEETING – December 18, 2013

There being no further business, the regular meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:59 p.m. with motion made by Director Snodgrass, seconded by Director Miller. Motion carried unanimously.

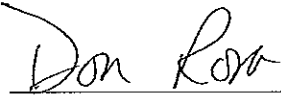
Respectfully submitted by:



Stephen Snodgrass, President



David Delfino, Treasurer



General Manager Rosa, Recorder