

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 April 22, 2015.

ROLL CALL:

President Stephen Snodgrass
Vice President Harry Wiggins
Treasurer David Delfino
Assistant Secretary Michael Moore

ADMINISTRATIVE STAFF:

Recorder Monica Nunez
Recorder Judy Vazquez-Varela

ABSENT DIRECTOR(S) & STAFF:

Secretary Paul Miller
General Manager Rosa

DISTRICT COUNSEL:

Attorney Robert Haight

CLOSED SESSION: None

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE:

1. Ramiro Medrano, resident of Pajaro, CA

PUBLIC COMMENTS:

1. Mr. Medrano informed the Board that after reviewing the 2014 Consumer Confidence Report for Pajaro, he's very concerned with the arsenic levels and the long term affect.

Staff indicated that the ARSENIC level is below the Maximum Contaminant Level (MCL).

Staff contacted the State's local office, who provided contact information for the Sacramento office and was given to Mr. Medrano.

Director Snodgrass indicated that Mr. Medrano will continue to research this matter and report to Board at next board meeting.

SCHEDULED ITEMS: None.

CONSENT ITEMS:

1. Consider and approve regular meeting minutes on March 18, 2015

Motion was made by Director Moore, seconded by Director Delfino to approve regular meeting minutes of March 18, 2015. Motion carried.

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

2. Consider and approve March, 2015 financials

Motion was made by Director Miller, seconded by Director Moore to approve Financial Reports – March 2015. Motion carried.

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

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CONSENT ITEMS: (Continued)

3. General Manager's Report

- Normco Water System Treatment Facility – Project has begun. Anticipated completion date is 5/15/15.

Awaiting parts to arrive from supplier to complete project by anticipated date.

- Pajaro Park – Park staff has met with AAA Fence Co., in an effort to come up with a solution to balls leaving park area. Estimate is \$9,200 to add 4 ft. of cyclone to 8 ft. wall.

Awaiting estimate for a 12 ft. high net to be added to cyclone fence.

- Chromium 6 – District will follow new guidelines for sampling. Staff has submitted a pre-application to the State for treatment funding. Awaiting reply. All initial sampling completed. Sunny Mesa water system is required to sample for Chromium 6 on a quarterly basis. Oakleaf Well (Vega back-up well) has exceeded MCL for Chromium 6, results are 12 ppb, no further action at this time.

County has been informed that the District is using and will continue to use the Vista Verde Well as its primary water supply.

- Grants & Loans Active –

(1) SRF Planning Grant/Springfield

No information to report at this time.

(2) Pre-Planning Grant Application/Springfield Terrace – Community outreach is beginning with Cal Rural Legal Assistance.

(3) IRWMP Grant/Pajaro

This item is on agenda for discussion.

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Water Conservation:

- Copy of usage comparison sheet
- Governor Brown's declaration, discussion
- Impact on District not known at this time, will work with State Water Resources Control Board to better understand this issue

Water usage increased during the month of March, 2015 due to warmer and dryer conditions.

After reviewing the declaration with staff, Director Snodgrass reported to the Board that operators encourage customers to conserve by counseling them while they are out monitoring water systems.

Recorder Vazquez-Varela informed the Board that the Governor's declaration has minimal impact on the District due to the size of our water systems and small customer base. It targets large systems with large customer base, although the District will continue promote conservation efforts.

2. Pajaro Park:

- Copy of 2014/2015 expenses through December 2014
- Damage claim has been paid by trucking company - \$1,200

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STAFF/COMMITTEE REPORTS: (Informational Only-Continued)

3. Tot-Lot Park:
- Tree service estimate
 - Playground equipment and compliance estimate
 - Monterey County currently holds title to property
 - District does not have funds reserved for this property/park

Director Snodgrass reported to the Board that the equipment at park does not meet current safety standards.

The park is used on a daily basis by the community, therefore the Board directed staff to send a letter to Monterey County asking their intentions for upgrades to the park to meet safety code.

This item is to be placed on the next agenda following a response from the County.

4. Local Agency Formation Commission:
- 2015 Municipal Services Review was approved by the LAFCO commission on March 27, 2015
 - General Manger Rosa was present to answer any questions and provide further information
 - Annexation hearing is scheduled for April 27, 2015 at 4pm.

Director Snodgrass, a member of LAFCO, indicated that he presided over the March 27, 2015 meeting and the District's staff was complimented for their assistance with this project.

STAFF REPORTS: (Action Items)

1. Pajaro Valley Water Management Agency: Proposed Augmentation Charge Increase for years 2015 – 2019
- Spreadsheet showing annual impact on District ratepayers
 - Does Board desire to file a protest or comments?

Per Recorder Vazquez-Varela, General Manager Rosa's recommendation was to not file a protest/comment at this time.

Board agreed with recommendation from staff and is to contact the Board when voting ballot is received by office.

2. Water Rate Study:
- Copy of email for discussion
 - Special meeting to be scheduled for discussion

Due to the absence of General Manager Rosa and Director Miller, the Board agreed to table this matter.

Board directed staff to contact Mr. Greg Clumpner of NBS to schedule a special meeting when he, District staff and board members are available to attend.

3. Bonds/Loan – Refunding/Refinancing
- 2010 Certificate of Participation Bond (COP)
 - 2007 Re-organization Loan
 - 2008 Vega Water Assessment District Bond

At this time, Director Snodgrass reported to the Board that because he resides within the Vega assessment district, he consulted with Attorney Al Smith regarding possible conflict of interest.

Attorney Smith confirmed there is no conflict of interest and he may participate in discussion and vote.

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STAFF REPORTS: (Action Items-Continued Item No. 3)

Director Snodgrass addressed Attorney Haight, regarding financing options available to the District.

Attorney Haight recommended the following:

- a. Refinance the COP Bond at a fixed rate, averaging at 3.66%, for the remaining life of the bond.
- b. Hold an informational meeting with the assessed property owners of the Vega Water Assessment Bond to discuss options available for refinancing the existing bond. Options include:
 - Refinancing the bond for the existing time remaining for the life of the bond
 - Refinancing the bond, extending it to 30 years, which will prompt a Prop 218 hearing and voting process by assessed property owners.

The Board agreed with Attorney Haight's recommendations.

4. Pajaro Tank and Springfield Water – Planning and Design Project:
 - Five (5) proposals submitted for projects
 - Committee reviewed and rated all proposals
 - Short list of three (3) firms, interviewed in person
 - Recommendation of committee is to select MINS Engineers.

Director Moore reported the committee members were: General Manager Rosa, Engineer Tom Yeager, Director Miller and himself. Director Miller reviewed the proposals for Springfield and he reviewed the proposals for Pajaro.

The committee collaborated on their findings. After conducting interviews, the committee was in agreement to select the proposals from MINS Engineers for both projects.

OLD BUSINESS: None.

NEW BUSINESS:

1. Motion was made by Director Snodgrass, seconded by Director Wiggins to disapprove filing a protest or comment regarding Pajaro Valley Water Management Agency – Proposed Augmentation Charge Increase. Motion carried.

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

2. Motion was made by Director Snodgrass, seconded by Director Moore to approve arranging a special meeting to discuss Water Rate Study with Mr. Greg Clumprner of NBS, General Manager Rosa and Board as soon as schedules allow. Motion carried.

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

3. Bonds/Loan – Refunding/Refinancing:

- a. Motion was made by Director Delfino, seconded by Director Moore to approve the refinancing of the existing 2010 Certificate of Participation Bond. Motion carried.

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

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NEW BUSINESS: (Continued – Item No. 3)

b. Motion was made by Director Wiggins, seconded by Director Moore to approve holding an informational meeting with the assessed property owners of the Vega Water Assessment Bond to discuss options available for refinancing the existing bond. Motion carried.

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

c. Refinancing of the Reorganization Loan was not voted upon at this time.

MONTHLY EXPENDITURES REPORT FOR REVIEW
APPROVAL OF WARRANTS/CHECKS:

1. General Fund 633: None.
(Funds at County)
2. Operating Account: Check No. 21422 through No. 21480 and online banking payments for a total of \$145,931.98.
3. Capital Reserve Account: Check No. 104 for a total of \$4,846.00.
4. Street Maintenance Account: Check No. 397 through No. 400 for a total of \$949.79.
5. Pajaro Park Account: Check No. 726 through No. 732 and online banking payments for a total of \$1,325.35.
6. COP 2010 Account: Check No. 803 for a total of \$99,318.51.
7. General Fund Checking Account: Online payment in the amount of \$823.18.
(Funds at SCGB)

Motion was made by Director Snodgrass, seconded by Director Wiggins to approve all accounts for the month of April, 2015. Motion carried.

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

CLOSED SESSION: (Personnel Matters, Litigation) None.

NEXT BOARD MEETING:

Board noted the next regular meeting will be held on Wednesday, May 20, 2015 at 6:30 p.m. at the District office.

There being no further business, the regular meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 8:31pm with motion made by Director Moore, seconded by Director Delfino. Motion carried.


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

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Respectfully submitted by:



Stephen Snodgrass, President



Harry Wiggins, Vice President



Monica Nuñez, Recorder