County of Monterey
Planning Commission

Agenda Item No.5

Legistar File Number: PC 26-076

Item No.5

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 12, 2026

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Current Status: Agenda Ready
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Public hearing to consider combining public and private water systems into one regional public water system to be operated by the Pajaro Sunny Mesa Community Services District, and the construction of water system infrastructure upgrades, including new pipelines, storage tanks, booster pump stations, upgraded wells, treatment systems, and water service connections to eight new residential connections. The project would require grading of approximately 53,130 cubic yards cut and 53,144 cubic yards fill. Improvements will be located within 750 feet of known archaeological resources, 100 feet of environmentally sensitive habitat areas, on slopes in excess of 25%, and require the removal of two Coast Live Oak trees.
Project Location: The project is located along Salinas Road, Highway 1, Hilltop Road, Jensen Road, Bluff Road, Trafton Road, and Struve Road.
CEQA Action: Consider the previously adopted Mitigated Negative Declaration for the Pajaro Sunny Mesa Springfield Area Regional Consolidation Project (State Clearinghouse No. 2025110647) and find that no further environmental review is warranted pursuant to CEQA Guidelines section 15162.

RECOMMENDATION:
It is recommended that the Planning Commission adopt a resolution:

a) Considering the previously adopted Mitigated Negative Declaration for the Pajaro Sunny Mesa Springfield Area Regional Consolidation Project (State Clearinghouse No. 2025110647) and find that no further environmental review is warranted pursuant to CEQA Guidelines section 15162; and
b) Approving a Combined Development Permit consisting of:
    a. Coastal Development Permit and Use Permit to allow improvements to the Pajaro Sunny Mesa Community Services Spring field water distribution system, including:
        i. Combining public and private water systems into one regional public water system to be operated by the Pajaro Sunny Mesa Community Services District;
        ii. Distribution piping and installation of individual service laterals and meters to provide water service to eight additional connections;
        iii. Construction of approx. 235,000 linear feet of pipeline including service laterals and appurtenances, a 125,000-gallon storage tank, and a new pump station at Bluff and Jensen Road (Assessor's Parcel Number (APN) 117-033-005-000);
        iv. Demolition of existing piping, fencing, and a light pole, and construction of a 10,000-gallon tank with iron and manganese treatment system and a 9-foot-tall 1,808 square foot structure, an access ramp, and retaining walls at 136 San Juan Road (APN 117-351-032-000);

v. Construction of a Transmission Booster Pump Station at APN 117-121-003-000 (on Elkhorn Road near intersection with Hudson Landing Road); and

vi. total grading of approximately 53,130 cubic yards cut and 53,144 cubic yards fill;

c) Coastal Development Permit for development within 750 feet of known archaeological resources;

d) Coastal Development Permit to allow development on slopes in excess of 25%;

e) Coastal Development Permit for development within 100 feet of Environmentally Sensitive Habitat Areas; and

f) Coastal Development Permit for removal of two Coast live oak trees.

The attached draft resolution includes findings and evidence for consideration (**Exhibit A**). Staff recommends approval subject to 15 conditions of approval.

PROJECT INFORMATION:

Agent: Denise Duffy & Associates

Owner: Pajaro Sunny Mesa Community Services District

Plan Areas: North County Area Plan (Inland) and North County Land Use Plan (Coastal Zone)

APNs: Various (117-351-032-000, 117-021-008-000, 117-021-013-000, 117-022-002-000, 117-031-004-000, 117-031-005-000, 117-031-006-000, 117-031-014-000, 117-032-001-000, 117-032-002-000, 117-032-003-000, 117-032-004-000, 117-032-005-000, 117-033-003-000, 117-033-004-000, 117-033-005-000, 117-041-011-000, 117-041-012-000, 117-041-016-000, 117-041-017-000, 117-042-005-000, 117-042-009-000, 117-042-010-000, 117-043-003-000, 117-043-006-000, 117-043-010-000, 117-043-013-000, 117-043-014-000, 117-043-015-000, 117-043-019-000, 117-043-022-000, 117-043-023-000, 117-043-026-000, 117-043-029-000, 117-043-032-000, 117-052-023-000, 117-121-003-000, 117-191-004-000, 117-263-006-000, 412-032-009-000, 412-032-010-000, 412-032-011-000, 412-032-013-000, 413-012-008-000, 413-012-009-000, 413-012-010-000, 413-012-012-000, 413-012-014-000, 413-013-001-000, 413-014-001-000, 413-031-001-000)

Zoning: Farmland with a minimum building site of 40 acres (F/40), Resource Conservation with a maximum gross density of one unit per 10 acres with a Visual Sensitivity overlay (RC/10-VS), Public/Quasi Public (PQP), Agricultural Conservation in the Coastal Zone (AC (CZ)), Coastal Agricultural Preserve in the Coastal Zone (CAP (CZ)), and Coastal General Commercial in the Coastal Zone or (CGC (CZ)).

Parcel Sizes: Varies

Staked and Flagged: No

Planner: Kayla Nelson, Associate Planner
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SUMMARY:

The Pajaro Sunny Mesa Springfield Area Regional Consolidation Project would combine the following public water systems and private wells into one regional public water system to be operated by the Pajaro Sunny Mesa Community Services District (PSMCSD):

- Pajaro water system (PWS; 463 active connections, consisting of 358 residential

connections and 105 commercial/industrial connections);
- Sunny Mesa water system (SMWS; 268 active connections, consisting of 257 residential connections and 11 commercial connections);
- Springfield water system (SWS; 159 residential connections and two commercial/industrial connections)
- Two state-regulated water systems, nine small water systems, and private wells north of Moss Landing (NOML; 77 connections, consisting of 34 residential connections on water systems and 43 residential connections on private domestic wells).

The Proposed Project is necessary to address long-standing contamination and vulnerability within the PWS, SMWS, SWS, and NOML systems. The Proposed Project area consists of the existing and proposed future service areas of the PWS, the SMWS, the SWS, and the NOML area. Additionally, the regional public water system's service area would be expanded to include eight parcels that are not currently within the PSMCSD's service area. Once fully operational, the proposed project would serve approximately 967 total connections. See **Exhibits I and J**.

PSMCSD prepared an Initial Study and adopted a Mitigated Negative Declaration (MND) for the project. Mitigation measures were adopted for potential biological resources, cultural resources, hazards and hazardous materials, hydrology and water quality, noise, tribal cultural resources, and utilities and service systems. Much of the service area is rural and/or agricultural and this project was found to have less than significant growth-inducing impacts. Mitigation measures that are needed to demonstrate compliance with County Code have been applied as conditions of approval to this permit.

This project will provide a reliable source of potable water to PSMCSD customers. Consolidating the Pajaro Sunny Mesa Springfield Area systems and mitigating for impacts to resources, the project is consistent with the North County Area Plan, North County Land Use Plan, and Coastal Implementation Plan policies.

DISCUSSION:
The project would primarily be supplied with water from three sources, comprised of Pajaro Wells Nos. 1 and 2, and Springfield Well No. 2. The two Pajaro Wells would operate on alternating days to meet the average daily demand for the consolidated water system. Additionally, SMWS Wells No. 1 and No. 2 would be retained as standby water sources, for an overall total of five water sources.

The project includes new pipelines, including service laterals and appurtenances (235,000 linear feet), storage tanks, booster pump stations, upgraded wells, treatment systems, and water service connections to eight new residential connections. Older infrastructure and unsafe private wells would either be removed or converted for non-potable irrigation use. The project is intended to improve drinking water quality, increase reliability, and reduce long-term risks from contamination and flooding. The overall project would be constructed in two Phases. The project will use funding from the State Water Resources Control Board (SWRCB) Expedited Drinking Water Grant for Phase I, and from the California Safe Drinking Water State Revolving Fund through the SWRCB for Phase II. The project is located along San Juan Road, Salinas Road, Highway 1, Hilltop Road, Jensen Road, Bluff Road, Trafton Road, and Struve

Road within the Coastal Zone and Inland Zone of North County.

Site Improvements and New Facilities.
The project involves a Coastal Development Permit and Use Permit for the construction of public utilities and related infrastructure, including approximately 235,000 linear feet of pipeline, including service laterals and appurtenances. The following project components will be implemented as part of the Pajaro Sunny Mesa Springfield Area Regional Consolidation Project:

PWS Iron and Manganese Treatment System & Facility Flood Protection: The project proposes the installation of a 14-foot-tall 10,000-gallon tank and treatment system to remove high levels of iron and manganese from the existing Pajaro Well No. 1, located at 136 San Juan Road (Assessor's Parcel Number (APN) 117-351-032-000). The parcel is zoned Public Quasi-Public or "PQP" and is within the inland area of North County, which is guided by the NCAP. The underlying zoning district allows public utility uses and accessory structures, subject to the granting of a Use Permit. Treatment of this well would provide the consolidated water system with an additional and reliable source of potable water. Sludge generated by the proposed Iron and Manganese Treatment System would be discharged to the existing sewer line located within the public right-of-way of San Juan Road. Additional modifications to the site include demolition of existing piping, fencing, and a light pole, and construction of a new 9-foot-tall 1,808 square foot structure for chemical and electrical equipment, an access ramp, retaining walls, and approximately 2,000 square feet of new impervious surfaces at the southeastern corner of the site. The new facilities at this site will be constructed above flood elevation level, and new drainage management features will be installed to manage on-site flood flows. All other equipment, including the existing hydropneumatic tank, would be protected in place. See **Exhibit J**.

PWS Tank Rehabilitation: The project would include modifications to the existing Pajaro tank and booster pump station located off Railroad Avenue in Pajaro (APNs 117-263-002-000, 117-263-005-000, and 117-263-006-000). The parcels are zoned Public Quasi-Public or "PQP" within the inland area of North County, which is guided by the NCAP. The underlying zoning district allows public utility uses and accessory structures, subject to the granting of a Use Permit. Alterations to the site would support installation of a bypass valve vault, the replacement of the existing 10-inch electromagnetic flow meter, and the rehabilitation of the existing 600,000-gallon welded steel water tank. All proposed improvements will be made within the existing developed site. See **Exhibit J**.

SMWS Tank Site Upgrades: The SMWS tank site is located off Stone Ridge Drive in Royal Oaks (APN 117-191-004-000). The parcel is zoned Resource Conservation with a maximum gross density of one unit per 10 acres with a Visual Sensitivity overlay or "RC/10-VS" within the inland area of North County, which is guided by the NCAP. The underlying zoning district allows improvements to water system facilities, including wells and storage tanks serving fifteen (15) or more service connections, subject to the granting of a Use Permit. Improvements to the existing tank site include instrumentation, controls, and communication system improvements to integrate site operation into the proposed centralized Supervisory Control and Data Acquisition (SCADA) system. These improvements would also occur entirely within the developed site and would not result in impacts on visual resources given the existing fence

screening around the tank site. See **Exhibit J**.
Transmission Booster Pump Station: The project proposes construction of a new transmission booster pump station located off Elkhorn Road at the existing SMWS well site (APN 117-121-003-000). The parcel is zoned Agricultural Conservation in the Coastal Zone or "AC(CZ)," which is guided by the NCLUP. The underlying zoning district allows public utilities and infrastructure subject to the granting of a Coastal Development Permit. The new station would transport water from PWS to SMWS, then pump water to the Bluff/Jensen Road area and down to the SWS. This system upgrade would provide a total pumping capacity rate of 700 gallons per minute (gpm). Other project components include a bypass vault, on-site security improvements, relocation of the existing water meter and lateral for the adjacent property to the north, replacement of the existing driveway access, and installation of approximately 150 square feet of new impervious surfaces and 2,350 square feet of replacement impervious surfaces. This site would retain the existing SMWS Wells No. 1 and No. 2 to serve as standby water sources. This portion would require the removal of two Coast Live Oak trees. See **Exhibit J**.

Bluff/Jensen Tank and Pump Station Site: The project proposes the construction of a new booster pump station and water storage tank on a 10,000 square foot portion of an approximately 461,736 square foot (10.6 acre) site at the corner of Bluff and Jensen Road (APN 117-033-005-000). The parcel is zoned Agricultural Conservation in the Coastal Zone or "AC(CZ)," which is guided by the NCLUP. The underlying zoning district allows public utilities and infrastructure subject to the granting of a Coastal Development Permit. This system component would transport water from the transmission main into the Bluff/Jensen area while providing water flow for fire prevention. The pumping facility consists of a 24-foot-tall 125,000-gallon potable water storage tank, four vertical turbine can pumps, a hydropneumatic pressure tank, a back-up generator, and construction of a 229 square foot chemical and electrical building housing a tank mixing and chlorine residual control system. Site access would be provided by a new 20-foot-wide driveway with a rolling gate on Jensen Road. Other site improvements include 8-foot-tall security fencing and a transformer. The Bluff/Jensen tank and pump station would result in the permanent conversion of approximately 0.4 acres of farmland to non-agricultural use. See **Exhibit J**.

The project involves consolidation and improvements to three water systems operated by the PSMCSD. The District is regulated by the California Public Utilities Commission (CPUC) and operates multiple water service systems in northern Monterey County. The Project involves consolidating PWS, SMWS, and SWS into one regional system in portions of the North County Area Plan and North County Land Use Plan area. The project components would be located on multiple parcels with zoning designations that include Farmland with a minimum building site of 40 acres (F/40), Resource Conservation with a maximum gross density of one unit per 10 acres with a Visual Sensitivity overlay (RC/10-VS), Public/Quasi Public (PQP), Agricultural Conservation in the Coastal Zone (AC (CZ)), Coastal Agricultural Preserve in the Coastal Zone (CAP (CZ)), and Coastal General Commercial in the Coastal Zone or (CGC (CZ). See **Exhibit H**.

The project is PQP in nature, and the majority of the project will occur at existing PSMCSD facilities and within existing rights-of-way. The above-listed zoning districts all allow for PQP uses, such as public utility improvements. Public utility uses, accessory structures, and PQP

uses are allowed uses, subject to the granting of a Use Permit for the inland areas of North County pursuant to Title 21, and a Coastal Development Permit within the coastal areas pursuant to Title 20. Therefore, the proposed development is an allowed use. The project involves development within 100 feet of ESHA, 750 feet of known archaeological resources, on slopes in excess of 30%, and the removal of two native trees, and therefore requires the granting of Coastal Development Permits in each case. Portions of the project not already connected to the PSMCSD are within the service area according to the maps published by the Local Agency Formation Commission for Monterey County (LAFCO) and will require annexation.

CEQA
PSMCSD prepared an Initial Study Mitigated Negative Declaration (IS/MND) for the project. Potential impacts to biological resources, cultural resources, hazards and hazardous materials, hydrology and water quality, noise, tribal cultural resources, and utilities and service systems were identified, but mitigation measures were applied that reduce the potential impacts to a less than significant level. These mitigation measures are incorporated as conditions of approval for the project. The Initial Study found that there were no impacts or less than significant impacts to all other resource topics. PSMCSD considered comments received during the public review period and they did not alter the conclusions in the IS/MND. Responses and minor revisions to the Initial Study were prepared prior to the adoption of the Mitigated Negative Declaration by the PSMCSD Board of Directors on February 26, 2026. See **Exhibit E**.

A Mitigated Negative Declaration for the Pajaro Sunny Mesa Springfield Area Regional Consolidation Project (State Clearinghouse No. 2025110647), as revised in response to comments, was adopted by the Board of Directors of the Pajaro Sunny Mesa Community Services District (Resolution No. 02-02-26) on February 26, 2026.

The proposed project scope was considered in the State Clearinghouse No. 2025110647. No changes in project scope, circumstances, or new information have occurred. Therefore, no additional environmental review is required pursuant to CEQA guidelines section 15162.

All project changes required to avoid significant effects on the environment have been incorporated into the project and/or were adopted by PSMCSD as Mitigation Measures in a Mitigation Monitoring and Reporting Plan (see **Exhibit F**). PSMCSD, as Lead Agency, will be responsible for implementing this plan. As a Responsible Agency for permitting, the County has conditioned the project to require that PSMCSD provide evidence that those measures that are needed to demonstrate compliance with County Code are implemented and have the intended effect (Condition No. 5).

AGRICULTURAL ADVISORY COMMITTEE (AAC) REVIEW:
The project was referred to the Agricultural Advisory Committee on May 28, 2026. The committee voted to recommend approval of the project as proposed by a vote of 9-0, with 3 members absent. See **Exhibit D**.

LAND USE ADVISORY COMMITTEE (LUAC) REVIEW: The project was referred to the North County Land Use Advisory Committee (LUAC) on May 6, 2026. The committee recommended approval of the project by a vote of 5-1, with 3 members absent. One LUAC member expressed concerns regarding the amount of grading in the proximity of sensitive

habitat and archaeological resources, which they felt were not completely studied or reviewed. Staff responded to these concerns at the LUAC by confirming that the project applicant prepared and circulated an Initial Study Mitigated Negative Declaration, which thoroughly analyzed potential impacts on these resources. Project impacts have been reduced to a less-than-significant level through the implementation of mitigation measures. See **Exhibit C**.

OTHER AGENCY INVOLVEMENT:
The following agencies have reviewed the project, have comments, and/or have recommended conditions:

Army Corp of Engineers
Caltrans District 5
California Coastal Commission
Department of Fish and Game
Environmental Health Bureau
HCD-Environmental Services
HCD-Engineering Services
North County Fire Protection District
Agricultural Commissioner's Office

Prepared by: Kayla Nelson, Associate Planner, x6408
Reviewed and approved by: Fionna Jensen, Principal Planner

The following attachments are on file with the HCD:
Exhibit A - Draft Resolution, including:

- Discussion
- Recommended Conditions of Approval
- Project Plans

Exhibit B - Vicinity Map
Exhibit C - North County Land Use Advisory Committee Minutes (May 6, 2026)
Exhibit D - Agricultural Advisory Committee Minutes (May 28, 2026)
Exhibit E - Final Initial Study & Mitigated Negative Declaration
Exhibit F - Mitigation Monitoring and Reporting Program
Exhibit G - Pajaro Sunny Mesa Community Services District Board of Directors adopted Resolution No. 02-02-26
Exhibit H - Land Use Map
Exhibit I - Existing Water System Locations Map
Exhibit J - Water System Improvements Map

cc: Front Counter Copy; California Coastal Commission; Army Corp of Engineers; Caltrans; Department of Fish and Game; North County Fire Protection District; HCD-Engineering Services; Environmental Health Bureau; Kayla Nelson, Associate Planner; Fionna Jensen, Principal Planner; Judy Vazquez, Applicant; Denise Duffy & Associates, Agent; The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); Lozeau Drury LLP; Christina McGinnis, Keep Big Sur Wild; Project File PLN250195.