

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF  
**CASTROVILLE COMMUNITY SERVICES DISTRICT**  
March 18, 2014

Vice President David Lewis called the meeting to order at 4:00 p.m.

**ROLL CALL:**

**Directors Present:** David Lewis, Vice President; Ron Stefani, Director; and Adriana Melgoza, Director

**Absent:** Jerome McCreedy, President and Silvestre Montejano, Director

**General Manager:** Eric Tynan

**Secretary to the Board:** Lidia Santos

**Staff Present:** None

**Guest:** John Perslow, Brian Cullen, Terry Applebury and Floyd Wicks

**PLEDGE OF ALLEGIANCE**

Director Ron Stefani led those present in the Pledge of Allegiance.

**PUBLIC COMMENTS**

1. None

**CONSENT CALENDAR**

1. A motion was made by Ron Stefani and seconded by Adriana Melgoza to approve the minutes of the February 18, 2014 Regular Board Meeting. The motion carried by the following vote:

AYES:	3	Directors:	Lewis, Stefani, and Melgoza
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	2	Directors:	Montejano and McCreedy

*Consent Calendar accepted as presented*

**CORRESPONDENCE:**

1. Letter of concern to Governor Brown regarding the significant financial impact the proposed Chromium 6 drinking water regulations will have on Castroville CSD's community.
2. Letter of support for the Salinas and Carmel River Basins Study to David G. Murillo, Regional Director for the U.S. Department of the Interior Bureau of Reclamation.
3. Letter of thanks from Bruce Gibson, Chair, Board of Supervisors for the County of San Luis Obispo for Castroville CSD's support of their proposal to the U.S. Department of Interior Bureau of Reclamation for the 2014 WaterSMART Basin Study of the Salinas and Carmel River.
4. Letter to Kate McKenna, Executive Officer of LAFCO supporting the consolidation of the Moss Landing County Sanitation District and Castroville CSD.
5. Letter of gratitude for recreational funding from Sean M. Graham, Assistant General Manager for North County Recreation and Park District.

*Correspondence items accepted as presented*

**INFORMATIONAL ITEMS:**

1. *The Monterey Herald* – Marina's water testing decision came down to question of harm
2. Kennedy/Jenks Consultants Final Report - Hydrostratigraphic Analysis of the Northern Salinas Valley
3. Monterey County Water Resources Agency- Historic Seawater Intrusion Map as of August 7, 2012

*Informational items accepted as presented*

**Director Silvestre Montejano arrived at 4:20 p.m. during the presentation.**

**PRESENTATIONS:**

1. Presentation on an alternate surface water treatment project by Brian Cullen, President of PERC Water Corporation – The team of PERC Water Corporations introduced themselves: Johan Perslow, P.E., Founder and CEO; Brian Cullen, President; Terry Applebury, Principal; Floyd Wicks, Founder and Principal. A PowerPoint handout titled “Reclamation Conveyance Facility Water Supply Project” is passed out to the Board. Briefly discussed are the following topics: Project Overview, Clever and Efficient Design, New Water Treatment Facility, Reclamation Conveyance Facility Location, PACE Designed 10,000 af/y Agriculture Drain Water Reuse Project 1999, Community Friendly and Aesthetics, Project Organization, Project Development and Execution and Returning Water to Nature. The Board had many questions and concerns that were discussed. The President of PERC Water Brian Cullen stated that a feasibility study that would cost around \$250K would need to be done to identify what the actual cost per acre-foot would be for the water purchase agreements between PERC Water and for those interested agencies. The interested agencies would need to fund the cost of the feasibility study. General Manager Eric Tynan stated that it would be more cost effective for the District to drill a new well as an alternate water supply. The cost per acre foot by PERC Water would be too significant for the ratepayers of Castroville. The team of Water PERC Corporation is here today just to listen to the district’s concerns. They thanked the Board for their time. General Manager Eric Tynan thanked Roberto and Lidia for an excellent job on the website.

**UNFINISHED BUSINESS:**

1. Update on consolidation of the Castroville Community Services District (CCSD) and the Moss Landing County Sanitation District (MLCSD) – General Manager Eric Tynan stated that LAFCO will be meeting on March 24, 2014 at 4:00 p.m. to formalize the consolidation of the Castroville CSD and the Moss Landing County Sanitation District. As mentioned at the February 18, 2014 board meeting, the Monterey County Board of Supervisors approved the Resolution in support of Castroville CSD requesting consolidation of the Moss Landing County Sanitation District into the Castroville CSD on February 4, 2014. The Moss Landing Harbor District is not completely on board with the consolidation process. Vice President David Lewis plans to attend the LAFCO meeting on March 24, 2014 with General Manager Eric Tynan.
2. Update on website for Castroville CSD – General Manager Eric Tynan informed the Board that the website has been finalized. The website is accessible to the public online at Castrovillecsd.org. The following six pages that contain information about the District are accessible on the website: Home, Public Meetings, Services, Water Quality, Forms, and Financial Information. The agenda will now be posted online 72 hours before the regularly scheduled board meeting and as customary on the bulletin board located in front of the District’s office.
3. Consider changing the time of the regularly scheduled board meeting, which is currently scheduled at 4:00 p.m. – Director Silvestre Montejano stated that he checked with his union representative to see if there was a policy in place that permits Pajaro School District Employees to take time off from work to attend the board meetings for the elected or appointed positions they have acquired. Unfortunately, he was informed that the school district has no such policy in place. He stated that although the board meeting is held once a month at 4:00 p.m. it is difficult for him to leave work early. He is requesting the Castroville CSD board of Directors change the board meeting to 4:30 p.m. After some discussion, a motion is made by Ron Stefani and seconded by Adriana Melgoza to change the time of the regularly scheduled board meeting, which is currently scheduled at 4:00 p.m. to 4:30 p.m. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT			
PARTICIPATING:	1	Directors:	McCready

4. Clarification on amended annual 2013-14 Operating Budget for Zone 2 (Moro Cojo Slurry Seal Project classified as a CIP) – General Manager Eric Tynan reported to the Board that the Moro Cojo Slurry Seal Project is classified as a capital improvement project (CIP) when it should be an expense. The streets do not belong to the District and are privately owned by CHISPA. Castroville CSD collects the property user fees to operate and maintain the streets, opens space, sanitation and street lights (PG&E electric

bill only, PG&E owns street light poles) for this area. A typing correction was made to the word annul to say the word annual instead for this item on the agenda. A motion is made by Ron Stefani and seconded by Adriana Melgoza to properly allocate the Moro Cojo Slurry Seal Project of \$90K as an expense on the amended annual 2013/14 Operating Budget for Zone 2. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

5. Update on Moro Cojo Slurry Seal Project – General Manager Eric Tynan informed the Board that the Moro Cojo Slurry Seal Project has been put out to bid. The project was published in the Monterey County Weekly Classifieds as well as listed on the Builders Exchange. Contractors must submit their sealed bids to the Castroville CSD by 2:00 p.m. on April 3, 2014 for the construction of the Moro Cojo Slurry Seal Project. Vice President David Lewis and Director Ron Stefani stated that they will be present for the bid opening at 2:00 p.m. on April 3, 2014.
6. Update on Prop 84 Well 2B Arsenic Treatment Project – General Manager Eric Tynan reported that he is waiting to receive a quote to blend the well from Agee Electric. It appears it would be more cost effective for Agee Electric to do the install of the piping and controls of the blend. Castroville CSD would purchase the parts and equipment needed for the blending of this project.

#### **NEW BUSINESS:**

1. Discuss adding a new water supply – General Manager Eric Tynan informed the Board that he is exploring property owned by Ocean Mist Farms. The empty lot is at the end of a cul-de-sac located on Ocean Mist Parkway. This may be an ideal location for a new well since it not in the coastal zone and can be tied into the water system. Also suggested by Ocean Mist Farms was a property that has a well that was shut down and is located ¼ of mile away from this location. However, this location would be problematic since it is in the coastal zone, on a muddy road and is owned by six different property owners. General Manager Eric Tynan stated another option is to consider water in the perched aquifer. Director Ron Stefani recommended that Martin Feeney, a hydrologist conduct an analysis of all the District's wells.

#### **COUNSEL'S REPORT**

1. None

**BOARD OF DIRECTORS COMMUNICATION:** When needed, this time is reserved for the Board of Directors to communicate activity, educational classes, and/or Committee reports.

1. Update on MRWPCA Board meeting – Director Ron Stefani reported that they continue to discuss the Water Replenishment Project and are moving forward with this project.
2. Update on Oversight Board meeting – Director Ron Stefani stated that the Oversight Board met on Friday, February 21, 2014 at 1:30 p.m. at the Monterey Conference Center. They approved a six month budget. Mostly discussed was how to liquidate the properties acquired by redevelopment agencies. The majority of the monies will go to the schools, some to the county and Castroville CSD may only receive 2% of these monies. The Japanese Schoolhouse is the only property affected in Castroville and it appears it will belong to the County and contracted out to the North County Recreation and Park District (NCRPD) to maintain and operate.

**GENERAL OPERATIONS**

1. General Manager's Report – Compliance update, current projects update, meetings/seminars update, staff update, suggestive projects discussions
2. Operation's Report
  - a. Water - Pumpage & Usage Update, Water Testing Update, New Service Installation Update, Current Contractor Work Update, Maintenance/Repair Update
  - b. Sewer & Storm Drain – Jetting, Connections, Maintenance/Repair Update
3. Customer /Billing Reports – Water Sales, Water Usage, A/R Update, Customer Service Update
4. Financial Reports – Treasures L.A.I.F. Report, Internal Report, Administration Update

*General Operations Reports were accepted as presented*

**CHECK LIST** – February 2014. A motion was made by Adriana Melgoza and seconded by Silvestre Montejano to pay all bills presented. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

**ITEMS FOR THE NEXT MONTHS AGENDA: Tuesday, April 15, 2014 at 4:30 p.m.**

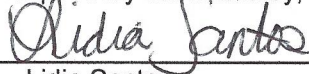
**CLOSE:**

There being no further business, a motion was made by Ron Stefani and seconded by Adriana Melgoza to adjourn to the next scheduled Board meeting; the motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano and McCready
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

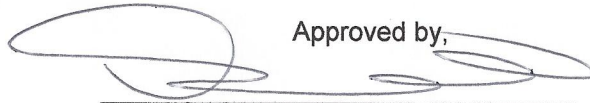
The meeting adjourned at 5:42 p.m. until the next scheduled meeting.

Respectfully submitted by,



Lidia Santos  
Secretary to the Board

Approved by,



David Lewis  
Vice President