

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
January 21, 2025

Vice President Greg MacMillan called the meeting to order at 4:30 p.m.

ROLL CALL:

Directors Present: Director Cosme Padilla, Director James Cochran, and Vice President Greg MacMillan

Absent: President Ron Stefani and Glenn Oania

General Manager: James Derbin

Secretary to the Board: Lidia Santos

Staff Present:

Guest:

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Director James Cochran at the request of Vice President Greg MacMillan.

ADDITIONS OR CORRECTIONS TO THE AGENDA

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by James Cochran and seconded by Cosme Padilla to approve the draft minutes of the December 14, 2024, Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan

NOES: 0 Directors:

ABSENT/NOT

PARTICIPATING: 2 Directors: Stefani and Oania

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter dated January 9, 2025, from ACWA JPIA regarding Liability and Property Risk Assessment completed in December 2024 for Castroville CSD.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. ACWA News – Role of ACWA Highlighted During SGMA Anniversary Event

Informational items accepted as presented

PRESENTATIONS:

1. None

Minutes of the Castroville Community Services District
January 21, 2025, Regular Board Meeting
Page 2

NEW BUSINESS:

1. Letter dated January 9, 2025, from Noland, Hamerly, Etienne & Hoss regarding increased 2025 hourly rate for legal services from \$340 per hour to \$360 per hour – General Manager James Derbin informed the Board that via email he received an increased hourly rate fee for legal services from Noland, Hamerly, Etienne & Hoss, which can be viewed on page 16 of the board packet. After some discussion, a motion is made by Cosme Padilla and seconded by James Cochran to approve the hourly rate for legal services to \$360 per hour with Noland, Hamerly, Etienne & Hoss. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

2. Discuss 2024 Sanitary Survey Report dated December 3, 2024, of the Castroville CSD water system from State Water Resources Control Board-Division of Drinking Water. – General Manager James Derbin informed the Board that the report can be viewed on pages 17-37 of the board packet. This is a typical review of the water system that is done every 2-3 years by the State Water Resources Control Board-Division of Drinking Water. Page 36 of this report lists the system deficiencies which have all been taken care of. The District received a clean report.
3. Discuss Citation dated December 19, 2024, to Castroville CSD from State Water Resources Control Board-Division of Drinking Water for failure to sample in accordance with the approved disinfection byproduct rule monitoring plan. – General Manager James Derbin let the Board know that the citation can be viewed on pages 38-47 of the board packet. Citation was for noncompliance; failure to sample in accordance with the approved disinfection byproduct rule monitoring plan (DBPR plan) 2014 through 2024. The DBPR Plan requires annual monitoring at two sites each August and the State Water Board has determined that Castroville CSD has failed to monitor in accordance with its Division-approved DBPR Plan. Castroville CSD must monitor for total trihalomethanes (TTHM) and haloacetic acids (HAA5) according to the DBPR plan, which should have been in August instead of September or October (see page 42 of board packet). The former general manager and lead operator missed the scheduled sampling date. Director Padilla was surprised to see this Citation as was the rest of the Board. The Board determined that a system must be established so this does not occur again. General Manager James Derbin advised the Board that he has petitioned the State Water Board for reconsideration of this Citation and assured the Board that this will not occur again. Castroville CSD will be billed at the State Water Resources Control Board's (State Water Board) hourly rate for the time spent issuing the Citation. Also, if the Citation sticks, a note must be put in the Annual Consumer Confidence Report for 2024.
4. Consider and approve appointment of General Manager James Derbin to the Salinas Valley Basin Groundwater Sustainability Agency, Technical Advisory Committee – After some discussion, a motion is made by Cosme Padilla and seconded by James Cochran to appoint General Manager James Derbin to the Salinas Valley Basin Groundwater Sustainability Agency, Technical Advisor Committee. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

5. Consider and approve appointing General Manager James Derbin to the Monterey One Water Board of Directors as an alternate director – After some discussion, a motion is made by James Cochran and seconded by Cosme Padilla to appoint General Manager James Derbin to the Monterey One

Minutes of the Castroville Community Services District
January 21, 2025, Regular Board Meeting
Page 3

Water Board of Directors as the alternate. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

6. Consider and approve increasing cellular phone from \$40 monthly to \$60 monthly and annual safety boots from \$150 annually to \$250 reimbursement for essential District staff – General Manager James Derbin's staff report to consider increasing the cellular phone and safety boot reimbursement amounts to District staff can be viewed on page 48 of this board packet. After some discussion, a motion is made by Cosme Padilla and seconded by James Cochran to approve increasing the monthly cellular phone allowance to \$60 and annual safety boot allowance to \$250 for essential District staff. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

7. Discuss status of facilities and various maintenance needs for the District office – General Manager James Derbin discussed with the Board that various maintenance needs for the District office need to be addressed. He will obtain bids for all these projects. The water heater needs to be replaced as there is currently no hot water and this is a safety concern. Other maintenance needs discussed were upgrading the phone system, electric rolling gate, and leaky roof on the old garage. The Board is supportive of these improvements that are needed.

8. Consider and approve General Manager James Derbin's attendance to the annual American Water Works Association National Water Conference, Denver, Co, June 8-11, 2025 – General Manager James Derbin stated to the Board that this conference is an important opportunity to network with other water/wastewater professionals, attend seminars and see the latest equipment technology vendors have to offer. His staff report can be viewed on pages 49-54 of this board packet. After some discussion, a motion is made by Cosme Padilla and seconded by James Cochran to approve the General Manager James Derbin's attendance to the annual American Water Works Association National Water Conference, Denver, Co, June 8-11, 2025. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

UNFINISHED BUSINESS:

1. Consider and approve Resolution No. 2025-01, Approving Proposal From Maggiora Bros. Drilling, Inc For Well #3 Rehabilitation For An Amount Not To Exceed \$56,270, attached Exhibit A, proposal and Exhibit B, Sole Source Justification – General Manager James Derbin informed the Board as per District Legal Counsel Heidi Quinn's recommendation, resolution and Sole Source Justification have been completed and can be viewed on pages 56-59 of this board packet. A motion is made by Cosme Padilla and seconded by James Cochran to approve Resolution No. 2025-01, Approving Proposal From Maggiora Bros. Drilling, Inc For Well #3 Rehabilitation For An Amount Not To Exceed \$56,270, attached Exhibit A, proposal and Exhibit B, Sole Source Justification. The motion carried by the following roll call votes:

Minutes of the Castroville Community Services District
January 21, 2025, Regular Board Meeting
Page 4

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

- Update on needs/assessments of street lighting for Castroville Zone 1 and Moro Cojo Zone 2 – General Manager James Derbin reported to the Board that he had the staff/operators check the street lighting Friday evening and discovered that 5 lights were out and have been reported to PG& E for repair. From the log of 23 or so lights presented at last month’s board meeting, the majority have all been repaired by PG&E and there might only be a few lights left to be repaired. He will be contacting PG&E to consider replacing the streetlights that have 75-watt lighting with 150-watt lighting. Street lighting fees will increase with 150 watts. In addition, information/link is now on the Castroville CSD website where customers can directly report a streetlight that is out directly to PG&E, instead of calling the office. Vice President Greg MacMillan stated Industrial/Commercial Parkway has 150-watt street lighting than can be used as a comparison to the 75-watt lighting. Director Cosme Padilla stated that this Board made a commitment to the public to address street lighting in Castroville and these upgrades to the lighting should be made in phases as safety concerns cannot be ignored.
- Review and approve updated job descriptions for Maintenance Worker and System Operator I/II – General Manager James Derbin reviewed the updated job descriptions with the Board for the listed positions noted above. Currently, he is only asking for approval of the updated job descriptions as he is still working on a wage salary step scale. The job descriptions can be viewed on pages 60-67 of this board packet. After some discussion, a motion is made by Cosme Padilla and seconded by James Cochran to approve the updated job descriptions for Maintenance Worker and System Operator I/II. The motion carried by the following roll call votes:

AYES: 3 Directors: Cochran, Padilla, and MacMillan
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Stefani and Oania

- Update on Landscape Maintenance Agreement (graffiti removal only, Route 183) with Caltrans for project 1H650, Castroville Improvements – General Manager James Derbin informed the Board that he has informed Caltrans that Castroville CSD will only be responsible for street lighting and graffiti removal on the benches and bike racks, not any repairs. Caltrans still needs to have headquarters review and approve the changes before it comes back to Castroville CSD for final approval.
- Update on Well levels – General Manager James Derbin reported to the Board that the well levels graph from January 2018 to present can be viewed on page 68 of the board packet. All well levels are trending upward. It appears the deep drop of well levels that occurred in 2022 has not occurred since. The District continues to monitor the chloride levels of all the wells.
- Update on the status of grant/projects for Castroville-Water Zone 1 **Emergency Deep Aquifer Supply (Well #6) and Storage Tank Project** for system upgrades and improvements – General Manager James Derbin informed the Board that he had spoken with Nick Panofsky, PE with MNS Engineers on the status of the grant application. MNS Engineers on behalf of Castroville CSD has submitted the grant application for the WaterSmart Drought Response Program for the Drought Resiliency Projects for fiscal year 2025, which has been accepted for consideration. A response from the granting agency is anticipated this May. In addition, Maggiora Bros. Drilling, Inc. has signed the contract for Well #6. He also met with Tom with Maggiora Bros Drilling, Inc., and Mike with Pueblo Water Resources. The notice to proceed is still pending. Summary of prior information reported to the Board; The application for construction to the Bureau of Reclamation WaterSMART Drought Resiliency Projects Grant Program was first submitted in

fall 2023. The project scope of the Emergency Deep Aquifer Deep Well No. 6 was too large for the grant to fund. The project scope needs to be narrowed to correspond to a project cost less than \$10 million to compete for the grant. The project scope can be narrowed by the District proceeding with drilling of the well and leaving the remaining scope to be funded by the grant. The grant application can be resubmitted in Fall 2024 to the Bureau of Reclamation at no additional cost to the District; anticipated grant request amount to be approximately \$9.6 million. If a construction contract is awarded, it will be funded using reserves and construction funds from the current grant and the grant application will be resubmitted. MNS is not doing the design of Well #6, Pueblo is doing the design. The Board approved grant writing services, fee proposal from MNS Engineers for Bureau of Reclamation WaterSMART: Drought Resiliency Projects, not to exceed \$29,415. Construction funding is pending to move the project forward.

7. Update on the status of the **Moss Landing Wastewater System Rehabilitation Project** – General Manager James Derbin informed the Board as mentioned at last month's board meeting that it will be a few months before the District will know if a grant was awarded. This project is stalled at this moment. It appears that Nick Panofsky with MNS Engineers is correct that the sewer force main is encased in the sidewalk of the bridge as shown on the original plans. Discussed at prior board meetings, an email to the former general manager with unwelcomed news from Matt Chamber with the State Water Resources Control Board stating that due to limited funding, only priority projects were included on the fundable list for grant funding. Priority projects include consolidation, regionalization, septic-to-sewer and projects that address violations of a system's WDR and/or NPDES permit. Additional projects will be added to the fundable list throughout the 2024-2025 fiscal year; however, it is unlikely that non-priority projects will be placed on the fundable list/funded 2024-2025. This means that the two Castroville projects (Moss Landing Wastewater System Rehabilitation Project & Washington Sewer Trunk Line Bypass Project) are unlikely to receive grant funding in 2024/2025. DFA does have low interest loans available for funding. In other news, the California Coastal Commission has approved the Coastal Development Permit to allow the construction of the sewer system for Moss Landing. Other information, reimbursement from the Clean Water Small Communities Planning Grant in the amount of \$118,456 has been requested and approved for reimbursement to CCSD and payment received. Also, discussed prior the current project status is 60% Design is complete. The State Water Resource Control Board CWSRF is the construction funding source for this project. LAFCO approved the annexation of Finepro, LLC Property APN: 413-012-014 to the Castroville Community Services District with Resolution No. 23-10. This land acquisition is for Lift Station 1. Ortega (FINEPRO, LLC (seller) approved the sale for the easement for \$10,000 in Moss Landing, which was completed February 2024. Upon completion of the land acquisition, the coastal development permit application will be submitted for approval. Construction Grant Application for CWSRF is part of the grant. Grant application in process and MNS to research if current costs over the planning grant amount can be reimbursed by the CWSRF grant. Furthermore, California Coastal Commission is requiring a jurisdictional delineation and Lake and Streambed Alteration Agreement (LSAA) notification for work on the Elkhorn Slough Bridge, which MNS/Rincon are preparing an amendment to add this work to the Project Scope. General Manager Eric Tynan reported to the Board that the pipeline under the bridge is still under the mitigated negative declaration and without the bike bridge being built by the County, Castroville CSD will have to do it on their own and build under the existing structure a 4" pipeline, which is right over the Elkhorn Slough, Marine Sanctuary and Harbor. For this project, MNS is to prepare a construction application following the 60% completion. The Board had approved a proposal with MNS Engineers to provide professional engineering services for the Moss Landing Wastewater System Rehabilitation Project \$462,722 in 2021. General Manager Eric Tynan had previously approved Amendment No.1 for this project for an additional \$14,520 for the arborist at December 19, 2023, board meeting the Board approved Amendment No. 2 for \$59,104 as costs have increased due to plans specifications changing due to the County not building the bridge noted above.
8. Update on status of the **Castroville-Sewer Zone 1 (Washington Sewer Trunk Line Bypass Project)** – General Manager James Derbin informed the Board that a letter dated January 2, 2025 from the California Department of Fish and Wildlife (CDFW) was received stating that the CDFW had until December 31, 2024, to submit a draft Lake or Streambed Alteration Agreement (Agreement) to the District or inform the District that an Agreement is not required. CDFW did not meet that date. As a result,

by law, the District may now complete the project described in its notification without an Agreement, This is good news. The letter can be viewed on pages 69-70 of the board packet. Furthermore, this project continues to be held up by the easements that need to be resolved. A summary of prior board meeting discussions on this topic: General Manager Eric Tyan had received an email with unwelcomed news from Matt Chamber with the State Water Resources Control Board stating that due to limited funding, only priority projects were included on the fundable list for grant funding. Priority projects include consolidation, regionalization, septic-to-sewer and projects that address violations of a system's WDR and/or NPDES permit. Additional projects will be added to the fundable list throughout the 2024-2025 fiscal year; however, it is unlikely that non-priority projects will be placed on the fundable list/funded 2024-2025. This means that the two Castroville projects (Moss Landing Wastewater System Rehabilitation Project & Washington Sewer Trunk Line Bypass Project) are unlikely to receive grant funding in 2024/2025. DFA does have low interest loans available for funding. MNS received authorization for preparation of the Caltrans Stormwater. The District is working to negotiate easement purchases, and it will be discussed in closed session. Castroville CSD approved the environmental proposal from MNS Engineers for this project, which is complete. State Water Resources Control Board, CWSRF set aside for small, disadvantaged communities, "The Small Community Clean Water Wastewater Funding Program." The proposal for Professional Engineering and Construction Management Services-Washington Sewer Trunk Line Bypass Final Design and Construction (not to exceed \$498,141) is contingent on award of grant to Castroville CSD. The Board approved at the December 19, 2023, board meeting, MNS Engineers proposals for Professional Engineering Services-Washington Sewer Trunk Line Bypass Regulatory Permitting Support (\$19,622) and Washington Sewer Trunk Line Bypass Right-of-Way Acquisition (\$81,610) total \$101,232.

9. Update on the status of grant/projects for **Castroville Landmark Sign at Highway 183 Project**: Per General Manager James Derbin, currently there is a lot of back and forth about the third-party inspection. Signs By Van has their own inspector. The sign is meeting Caltrans specification. Caltrans stated they would approve additional funding for an independent inspector. Signs by Van wanted to have the Source Inspections Quality Management Plan (SIQMP) inspections done by ATI for \$7,800. MNS had quoted \$72,000 to oversee the SIQMP, which is a significant amount. Other information, construction funding source for this project is Caltrans which was originally for \$442,019 and has been amended to \$471,519. At the January 16, 2024, board meeting, the Castroville CSD Board of Directors reviewed and submitted the signed Amended Cooperative Agreement to Caltrans. The Board approved the Cooperative Agreement and Maintenance Agreement with Caltrans for the Overhead Sign in October 2022. MNS will be managing the administration for this project. Resolution No.2022-14, Engaging Signs By Van for the Design, Fabrication, and Installation of the Castroville Landmark Sign was approved. Castroville CSD received a check from Caltrans in the amount of \$127,955.28 February 2, 2023, a check for \$17,580 May 24, 2023, a check for \$9,461.25 September 12, 2023, a check for \$6,442.00 May 8, 2024, and a check for \$29,723.75 October 10, 2024. Reimbursement for \$64,453.40 was submitted on October 11, 2024, to Caltrans and January 15, 2025, for \$59,302.21.

Current grants awarded are the Clean Water Small Communities Planning Grant (\$500,000) with State Waterboards for administration, preliminary engineering report, plans, and specs for sewer in Moss Landing, project assigned to MNS Engineers. The IRWM Implementation Grant (\$395,000) is with DWR for the Deep Well (Well #6) and the use will be specified in the DWR/MCRWA agreement. The DAC Involvement Programs amount \$61,807 with DWR is for the design of the Washington Sewer Bypass for Castroville sewer is also assigned to MNS Engineers. Current funding efforts: Moss Landing sewer system improvements, Castroville emergency well replacement, Castroville water supply improvements and Castroville wastewater improvements.

10. Pedestrian Bridge Enhancement/Improvement Project; Pedestrian Overpass Maintenance (Landscape) Agreement –General Manager James Derbin stated that Caltrans is still waiting for the artichoke décor on the fencing to arrive. Once this is completed, the ribbon cutting ceremony can be scheduled. The County is responsible for replacing the rails and the fencing on the pedestrian bridge and Castroville

CSD is only responsible for the lighting on the bridge and minor cosmetic maintenance such as graffiti. NCRPD will maintain the landscaping.

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 Monterey One Water (M1W) board meeting – President Ron Stefani was not present to provide an update.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – President Ron Stefani was not present to provide an update.
3. Update on meetings or educational classes attended by the Directors –Per Director Cosme Padilla he will be attending an upcoming meeting with the Multibenefit Land Repurposing Program and has requested General Manager James Derbin to attend.

GENERAL OPERATIONS

1. General Manager's Report – Compliance update, current projects update, meetings/seminars update, staff update, suggestive projects discussions
2. Operations Report
 - a) Water – Pumpage & Usage Update, Water Testing Update, Current Installation
 - b) Water -Status Update, Current Contractor Work Update, Maintenance/Repair Update, Customer Service Update, Safety Issue
 - c) Sewer & Storm Drain – Jetting, Current Installation Status Update, Current Contractor Work Update, Maintenance/Repair Update, Customer Service Update, Safety Issues
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 – December 2024. A motion was made by James Cochran and seconded by Cosme Padilla to pay all bills presented. The motion carried by the following roll call votes:

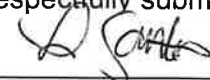
AYES:	3	Directors:	Cochran, Padilla, and MacMillan
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	2	Directors:	Stefani and Oania

There being no further business, a motion was made by Cosme Padilla and seconded by James Cochran to adjourn to the next scheduled Board meeting; the motion carried by the following roll call votes:

AYES:	3	Directors:	Cochran, Padilla, and MacMillan
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	2	Directors:	Stefani and Oania

The meeting was adjourned at 5:52 p.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Ron Stefani
President