

**THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
March 19, 2019**

President Adriana Melgoza called the meeting to order at 4:30 p.m.

ROLL CALL:

Directors Present: Vice President James Cochran, Director Glenn Oania, Director Ron Stefani, Director Cosme Padilla and President Adriana Melgoza

Absent:

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: District Legal Counsel Christine Kemp; Moss Landing, Harbor District General Manager Linda G. McIntyre; Moss Landing Harbor District Interim General Manager Tommy Razzeca and Moss Landing Harbor District President Russ Jeffries

PLEDGE OF ALLEGIANCE

General Manager Eric Tynan led the Pledge of Allegiance at the request of Board President Adriana Melgoza.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Cosme Padilla and seconded by Ron Stefani to approve the minutes of the February 19, 2019 Scheduled Board Meeting. The motion carried by the following vote:

AYES:	5	Directors:	Oania, Stefani, Padilla, Cochran and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	0	Directors:	

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter to Castroville CSD from Moss Landing Harbor District requesting a minimum of 1300 gallons per day sewer service for its unimproved property, parcel numbers 133.241.003 & 006 on the Island and a minimum of 600 gallons for its unimproved proved property 133.212.009 across from the Harbor District main parking lot at 7881 Sandholdt Road.
2. Letter of support of the Monterey Water Resources Protection of Drinking Water for the Lower Salinas Valley Well Destruction Project grant application submitted to State Water Resources Control Board from Castroville CSD.
3. Letter from ACWA JPIA recognizing Castroville CSD for having a Loss Ratio of 20% or less in the Liability and Property programs.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. ACWA News, Vol. 47 No. 02 –State Water Board Releases Draft Report on Statewide Low-Income Rate Assistance Program
2. California WaterBlog – Portfolio Solutions for Water Supply

Informational items accepted as presented

PRESENTATIONS:

1. None

Minutes of the Castroville Community Services District
March 19, 2019 Regular Board Meeting
Page 2

NEW BUSINESS:

1. Authorize General Manager to attend the American Water Works Association (AWWA), 2019 Annual Conference & Exposition, June 9-12, Denver, Co – If time permits, General Manager Eric Tynan requested the Board approve sending him to this AWWA conference since it will have many courses than pertain to a small water utilities system. Castroville CSD is a member and registration fees would be \$495, plus airfare and hotel. Registration information can be viewed on pages 19-20 of the board packet. After some discussion, a motion is made by Glenn Oania and seconded by James Cochran to authorize General Manager Eric Tynan to attend the American Water Works Associations, 2019 Annual Conference & Exposition, scheduled June 9-12 in Denver, Co. The motion carried by the following vote.

AYES:	5	Directors:	Oania, Stefani, Padilla, Cochran and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	0	Directors:	

2. Discuss the Moss Landing Sewer Allocation Plan and request made by Moss Landing Harbor District – Eric Tynan, General Manager recommended the Board consider amending the 2015 Moss Landing Sewer Allocation Plan (to view the plan see pages 22-24 of this board packet) to reserve an additional capacity of 1,900 gallons per day to the Moss Landing Harbor District because they provide essential public services and it would allow for future development of these public services on the Moss Landing Harbor District property. There is plenty of capacity at this time. (For additional information, see memo to the Castroville CSD Board from General Manager Eric Tynan on page 21 of this board packet.) Director Cosme Padilla's concerns where that other entities would also expect to have a reserved capacity, which could cause problems. General Manager Eric Tynan stated that Moss Landing Harbor District was the exception because they provide essential public services. The original 1984 Sewer Allocation Plan allowed a reservation of capacity for public agencies that provide essential services and the plan stated that they had priority. Moss Landing Harbor District does provide essential public services. This reserve of capacity does not apply to other entities. District Legal Counsel Christine Kemp concurred with General Manager Eric Tynan's statement that a public agency would have priority. Present at this meeting from the Moss Landing Harbor District were President Russ Jefferies, General Manager Linda G. Mcintyre, and Tommy Rezzeca the new general manager to replace Ms. Mcintyre as she will retire this upcoming June. President Russ Jeffries of the Moss Landing Harbor District requested the Castroville CSD Board consider amending the 2015 Moss Landing Sewer Allocation Plan to reserve and additional capacity of 1,900 gallons per day for the Moss Landing Harbor District for the district's future development. The Harbor District is also a special district just like Castroville CSD. The Board directed General Manager Eric Tynan to put this request as an action item for the next regularly scheduled board meeting to consider amending the 2015 Moss Landing Sewer Allocation Plan to reserve an additional capacity of 1,900 gallons per day to the Moss Landing Harbor District because they provide essential public services, which may be needed for future development of their property. All three Harbor District representatives thanked the Castroville CSD Board for their time and consideration.
3. New sample requirements for lead testing for schools – Eric Tynan, General Manager reported to the Board that he had first received a letter from the State Water Resource Control Board (SWRCB)- Division of Drinking Water that schools that fall within the Castroville CSD boundaries will be required to test for lead and then notified it would not be required. SWRCB has decided after all that lead sampling of schools will need to be done. The lead contamination of the surface water in Flint, Michigan is the reason for this requirement. However, Castroville CSD has groundwater which would not be affected in the same manner. The District as well as other water systems in the State of California must comply with the new requirements of lead testing for schools by July 1, 2019.
4. Approve letter to Monterey County Board of Supervisors and (cc: various parties) from Castroville CSD General Manager Eric Tynan regarding comments on the Proposed Monterey Peninsula Water Supply Project –General Manager Eric Tynan informed the Board, with Board approval would like to send a letter to the Monterey County Board of Supervisors (cc: various parties) on the importance of the Monterey Peninsula Water Supply Project for Castroville CSD and its community. A copy of the draft notice, which will still require some grammatical corrections and minor changes, can be viewed on pages 25-30. Per General Manager Eric Tynan, the City of Marina and Marina Coast Water District are trying to deny Castroville the desal water. On page 30 is Marina Coast Water District's Production Wells

Extractions 2011-2018 report. Items highlighted in green, reflect water from the 400 foot aquifer. In 2011 it pumped 59% from the 400 foot aquifer and only 41% from the Deep Aquifer. Now as of 2018 it has pumped 31.9% from the 400 foot aquifer and 68.10% from the Deep Aquifer. Now the pumping is reversed and they are pumping off the same aquifer Castroville CSD may depend on. At the same time RAMCO, strawberry growers are planting strawberry fields that are equivalent to seven Castroville's right next to Marina. For this reason, the desal is critical for Castroville and Marina. District Legal Counsel Christine Kemp wanted to verify where the list of various parties to cc came from and also the Marina Coast Water District Production Wells Extractions 2011-2018. General Manager Eric Tynan stated the various parties to cc came from the Marina Coast document the District received and feels the same parties should be sent this notice as well. The Marina Coast Water District Production Wells Extractions 2011-2018 was a public records request he made to Marina Coast Water District. Director Ron Stefani inquired about the discussion with Cal Am's attorney about Castroville CSD being a party to the lawsuit since Castroville CSD has a lot to lose. Being a party to the lawsuit would be more effective than this letter. Per General Manager Eric Tynan, he had spoken to Mr. Winston, Cal Am's attorney and they decided not to go that route. The District can do both, send the letter and be a party to the lawsuit. Director Ron Stefani stated Castroville CSD should be an interested party to the lawsuit not an intervener. District Legal Counsel Christine Kemp will contact Cal Am's attorney Mr. Winston to further discuss the Castroville CSD becoming an interested party to the lawsuit giving the District a voice. The Castroville CSD can intervene or become an interested party or file an amicus briefs (friend of the court) as a non party as someone who is interested in the topic. The brief gets before the judge but you are not actually a party to the lawsuit. This gives the Castroville CSD more control over what it participates in and does not participate in. Director Ron Stefani stated he was okay with General Manager Eric Tynan sending out this letter and all the Board concurred. In addition Director Ron Stefani also sits on the Monterey One Water Board and stated that it serves the entire Peninsula and all of the Salinas Valley, which includes all the member agencies so he needs to look at the whole picture as a whole. He is aware that General Manager Eric Tynan does not agree that the environmental impact report (EIR) needs to be completed right now for the expanded Pure Water Monterey Project, which adds twenty-two hundred, fifty acre feet to the current project. The big factor is that Monterey One Water has been working on this for a week now and Cal Am's President said they will be contributing \$100,000 towards finishing the EIR. If the Pure Water Monterey Project expands, Cal Am is going to need more extraction wells in Seaside. General Manager Eric Tynan stated that he thought the Pure Water Monterey Project is a great idea but would hate to see it used as a tool to eliminate the Monterey Peninsula Water Supply Project, which would benefit Castroville CSD. After much discussion, a motion is made by Ron Stefani and seconded by Cosme Padilla to approve sending the draft letter with correction made to the Monterey County Board of Supervisors and (cc: various parties) from Castroville CSD General Manager regarding comments on the proposed Monterey Peninsula Water Supply Project. The motion carried by the following vote:

AYES:	5	Directors:	Oania, Stefani, Padilla, Cochran and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

5. Consider amending annual 2018/19 Operating Budgets for Castroville Zone 1-Water, Castroville Zone 1-Sewer, Moro Cojo Zone 2-Sewer and Moss Landing Zone 3-Sewer – General Manager Eric Tynan presented to the Board the approved 2018/19 Operating Budgets. The budget line items that are highlighted in yellow are the budget line items to be considered being amended by the Board. General Manager Eric Tynan and Office Manager Lidia Santos went over these items with the Board and answered any questions or concerns the Board had. The Board reviewed the amended Operating Budgets for 2018/19 for the funds presented. A motion is made by Glenn Oania and seconded by Cosme Padilla to approve amending the annual 2018/19 Operating Budgets for Castroville Zone 1-Water, Castroville Zone 1-Sewer, Moro Cojo Zone 2-Sewer and Moss Landing Zone 3-Sewer for the items highlighted in yellow. The motion carried by the following vote:

AYES:	5	Directors:	Oania, Stefani, Padilla, Cochran and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

UNFINISHED BUSINESS:

1. Update on status of grants for Moss Landing-Sewer Zone 3, Castroville-Sewer Zone 1 and Castroville-Water Zone 1 for system upgrades and improvements - General Manager Eric Tynan introduced Lidia Gutierrez with Gutierrez Consultants as she is the consultant hired to assist the District with applying for grants. Ms. Gutierrez stated that Castroville is considered a severely disadvantaged community and Moss Landing a disadvantaged community which allows for better access to acquire funding programs that a lot of other agencies will not have access to. A lot of time and energy was spent recently on the Moss Landing work due to their change in designation. Historically they had been designated as severely disadvantaged community and with political changes recently, people are less willing to participate in census information and data gathering so the effects are that communities like Pajaro, Castroville and Moss Landing get less information, which excludes them for consideration for some of these special designations. With a lot of work by Castroville CSD staff and the assistance of California Rural Water Association, Moss Landing was able to regain its designation as a disadvantaged community and Castroville a severely disadvantaged community which does have an impact on the degree of funding available. The current focus is getting some planning and design money for the Castroville Water project. Even with a disadvantaged and severely disadvantage community status it is still difficult to acquire that early planning money. Upon filling out a grant application, these funding agencies still want preliminary drawings and CEQA environmental analysis so that they know what they are investing in is a feasible project. She restated what General Manager Eric Tynan had already mentioned to the Board at last month's board meeting that the Monterey Integrated Regional Management Plan had met to decide on which projects to move forward with for grant funding for the different entities involved. Castroville CSD is the only severely disadvantaged community that applied for this implementation grant and there is \$300,000 that she is trying to secure for Castroville Water Supply project for preliminary analysis and then apply for a 6 million dollar grant. There is a big meeting with MIRMP tomorrow and other agencies that will all be looking for grants will also be there. It takes a lot of negotiation as everyone wants funds from this small pot of money, which will have to be shared. Hopefully, the Castroville CSD will make the short list for this grant and can then focus on the Moss Landing Wastewater project. Castroville CSD needs to obtain more exposure with the funding program representatives so they are aware of the Districts needs. General Manager Eric Tynan stated that he believes Gutierrez Consultant will be successful in securing grant funds for the District. Current funding efforts: Moss Landing sewer system improvements, Castroville emergency well replacement, Castroville water supply improvements and Castroville wastewater improvements.
2. Status of Well #3 – General Manager Eric Tynan informed the Board that he had well driller; Maggiora Brothers Drilling investigate Well #3 to see if the K-packer could be leaking and need to be re-installed. The sleeve will need to be pulled and then re-install the K-Packers. The diagrams on pages 45-46 lay out the structure of Well #3. The work plan first consisted of pulling out the pump, hauling it to the shop, and disassembling it for inspection. They will also video survey the well, bail well to depth as necessary, caliper log well, install 12" diameter liner with K-Packer and reinstall pump with new bowl and replacement parts. However, Hydrogeologist Martin Feeney was not satisfied with temperature data provided by Newman Well Survey. He will be meeting with Mr. Feeney this Thursday to discuss the temperature data and have him analyze it also.
3. Update on Cal Am's Monterey Peninsula Water Supply Project – General Manager Eric Tynan once again reminded the Board that Marina Coast Water District and City of Marina had filed a lawsuit with the California Public Utilities Commission (CPUC) because they issued Cal Am a certificate of public necessity which allows Cal Am to proceed with their desal project. General Manager Eric Tynan stated that he had a lunch meeting with Cal Am a couple of days ago and they are still looking for support for the Monterey Peninsula Water Supply Project. Furthermore, Cal Am stated they are willing to work with the Marina Coast Water District and City of Marina to get their differences resolved.

4.

CLOSED SESSION: 5:39 p.m.

1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (Eric Tynan)
Property Location: 11380 Commercial Parkway
A Portion of APN# 113-491-021
Negotiating Parties: Castroville CSD and Andrew E. Ausonio ETAL
Property Owner: Andrew E. Ausonio ETAL
Under Negotiation: Property Negotiations

Minutes of the Castroville Community Services District
March 19, 2019 Regular Board Meeting
Page 5

ANNOUNCEMENT OF CLOSED SESSION ITEM: (if applicable): **Open Session: 5:43 p.m.** At last month's board meeting, the Board directed General Manager Eric Tynan, who was appointed real property negotiator for the Castroville CSD to negotiate the property purchase of 11380 Commercial Parkway, (listed above) with the property owner, Andrew E. Ausonio ETAL and report back to the board in closed session at the next regularly scheduled board meeting. **No action was taken at this meeting.**

The board will reconvene into open session prior to adjournment and shall announce any action taken during the closed session.

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 board meeting – Director Ron Stefani announced that due to the November 2018 Monterey County election; there was a big turnover in board members with Monterey One Water Board of Directors. He stated that the majority of the new Monterey One Water Board Members do not support the Monterey Peninsula Water Supply Project. General Manager Eric Tynan suggested that he should attend a meeting to have the Monterey One Water Board of Directors better understand the importance of the MPWSP for the Castroville CSD as it is considered a severely disadvantaged community. District Legal Counsel Christine Kemp felt it would be helpful for them to hear from Castroville CSD.
2. Update on the Local Groundwater Sustainability Agency (GSA) Formation – Director Ron Stefani reported to the Board that the fees of \$2.26 per year per connection have been approved. These fees will bill collected on the Monterey County property tax roll. The GSA will soon be contacting all the agencies to obtain parcel information, which is needed for the 2019/2020 tax roll. The GSA will be collecting the funds directly from the Monterey County Auditor-Controller.
3. Update on meetings or educational classes attended by the Directors – Director Cosme Padilla stated that he along with Director James Cochran and General Manager Eric Tynan had attended the Moss Landing Community Plan update. The meeting itself was a bit frustrating as the main issue still being discussed was sewer capacity for the Moss Landing Harbor District.

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, 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 – February 2019. A motion was made by Ron Stefani and seconded by Glenn Oania to pay all bills presented. The motion carried by the following vote:

AYES:	5	Directors:	Oania, Stefani, Padilla, Cochran and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	0	Directors:	

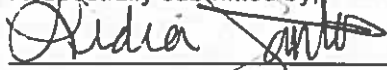
There being no further business, a motion was made by Cosme Padilla and seconded by Glenn Oania to adjourn to the next scheduled Board meeting; the motion carried by the following vote:

Minutes of the Castroville Community Services District
March 19, 2019 Regular Board Meeting
Page 6

AYES: 5 Directors: Oania, Stefani, Padilla, Cochran and Melgoza
NOES: 0 Directors:
ABSENT/NOT PARTICIPATING: 0 Directors:

The meeting adjourned at 6:08 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Adriana Melgoza
President