

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT

April 16, 2019

President Adriana Melgoza called the meeting to order at 4:32 p.m.

ROLL CALL:

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

Absent: Vice President James Cochran

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: District Legal Counsel Christine Kemp and Moss Landing, Harbor District General Manager Linda G. McIntyre

PLEDGE OF ALLEGIANCE

Director Cosme Padilla led the Pledge of Allegiance at the request of Board President Adriana Melgoza.

ADDITIONS OR CORRECTIONS TO THE AGENDA - Requires a Motion and 2/3 vote of the Board to add to the below item to the agenda.

ADD UNDER NEW BUSINESS:

Authorize the District to send a letter to the California Supreme Court, pursuant to California Rules of Court rule 8.500(g), urging the Supreme Court to deny review of the MCWD and Marina Petitions for Writs of Review challenging the CPUC rulings approving the Certificate of Public Convenience and Necessity, and denying the Motion for Rehearing, for the Monterey Peninsula Water Supply Project (desal project) – motion item.

Background – Basis for Adding Item to Agenda:

Pursuant to Government Code section 54954.2(b)(2) - Need to take immediate action, and need for action came to the District's attention after the Agenda was posted:

Amended Petitions for Writs of Review were filed by the MCWD and the City of Marina, with the California Supreme Court, challenging the CPUC rulings approving the desal Certificate of Public Convenience and Necessity and denying the Motion for Rehearing for the Monterey Peninsula Water Supply Project (desal project). Cal Am filed their Answer to the Petitions on April 2, 2019. The District has now learned that Marina's and MCWD's replies are due April 29. In order to file a timely letter with the California Supreme Court, should the District desire to send a letter, the letter should be sent before the Board's next regularly scheduled May 21, 2019 Board meeting. If the Supreme Court denies MCWD's and the City's request for review, the CPUC rulings approving the Certificate of Public Convenience and Necessity, and denying the Motion for Rehearing, for the Monterey Peninsula Water Supply Project (desal project), will stand.

Board Vote to add item to agenda

1. A motion was made by Ron Stefani and seconded by Glenn Oania to add item listed above to the agenda under, New Business. The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	1	Directors:	Cochran

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

2. A motion was made by Glenn Oania and seconded by Cosme Padilla to approve the minutes of the March 19, 2019 Scheduled Board Meeting. The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	1	Directors:	Cochran

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter to Castroville CSD from Bruce Rupp, Director Humboldt Bay Municipal Water District to support and vote for him for the election to the ACWA JPIA Executive Committee.
2. Letter to Castroville CSD from Mesa Water District to support and vote for Fred R. Bockmiller, P.E., for election to the ACWA JPIA Executive Committee.
3. Letter to Castroville CSD from Jack Burgett, Director North Coast County Water District, announcing he has recently been selected as ACWA Region 5 Board Member.
4. Letter to the California Coastal Commission from Castroville CSD regarding comments on the proposed Monterey Peninsula Water Supply Project.
5. Letter to the Monterey County Planning Commissioners from Castroville CSD regarding comments on the proposed Monterey Peninsula Water Supply Project.
6. Thank you letter to Castroville CSD for the donation of meters from the Environmental Justice Coalition for Water.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. Pure Water Monterey: Summary
2. *Opflow* – Finished Water
3. *Monterey Herald* – Cal Am declines to pursue Pure Water Monterey expansion, for now

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Authorize the District to send a letter to the California Supreme Court, pursuant to California Rules of Court 8.500(g), urging the Supreme Court to deny review of the MCWD and Marina Petitions for Writs of Review challenging the CPUC rulings approving the Certificate of Public Convenience and Necessity, and denying the Motion for Rehearing, for the Monterey Peninsula Water Supply Project (desal project) – District Legal Counsel Christine Kemp was just made aware of this information. If the Board wants to take action it needs to be done before the next regularly scheduled board meeting since replies are due by the 29th of April. After some discussion and motion is made to authorize the District to send a letter to the California Supreme Court, pursuant to California Rules of Court 8.500(g), urging the Supreme Court to deny review of the MCWD and Marina Petitions for Writs of Review challenging the CPUC rulings approving the Certificate of Public Convenience and Necessity, and denying the

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Motion for Rehearing, for the Monterey Peninsula Water Supply Project (desal project). The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	1	Directors:	Cochran

2. Resolution No. 19-2, Resolution Amending Resolution No. 15-7 Moss Landing Sewer Allocation Plan (MLSAP) – General Manager Eric Tynan reminded the Board that at last month's board meeting they had discussed the MLSAP and a request made by the Moss Landing Harbor District to reserve an additional capacity of 1,900 gallons per day for the Harbor District because they provide essential public services and it would allow for future development of these public services on their property. At this time there is plenty of capacity and the board had all concurred to update Resolution No. 15-7 in order to reserve the additional capacity of 1,900 for the Harbor District. District Legal Counsel Christine Kemp recommended some minor changes to some of the language of Resolution No. 19-2, which the Board reviewed. Moss Landing Harbor District General Manager Linda McIntyre was present and thanked the Board. A motion was made by Cosme Padilla and seconded by Ron Stefani to approve the updated Resolution No. 19-2 for the Moss Landing Sewer Allocation Plan. The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	1	Directors:	Cochran

3. Resolution No. 19-3, Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges – Resolution 19-3 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges needs to be approved by the Board to levy assessments for property related user fees for tax codes 75301, 73701 and 74701 for fiscal year 2019/2020. A motion is made by Ron Stefani and seconded by Glenn Oania to approve Resolution No. 19-3 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges for fiscal year 2019/2020. The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	1	Directors:	Cochran

Select Annual 2019/2020 Budget & Personnel Committee (two directors) - General Manager Eric Tynan informed the Board that it is time once again to select the Annual Budget & Personnel Committee. Last year the two directors on the committee were Directors James Cochran and Glenn Oania. After some discussion, a motion is made by Cosme Padilla and seconded by Glenn Oania to select Directors Adriana Melgoza and Ron Stefani for the Annual 2019/2020 Budget & Personnel Committee. The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	1	Directors:	Cochran

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4. Approve one-time incentive bonus of \$250 for Operator Orozco along with a \$1 pay increase per hour for acquiring a Class B License. Certification incentive bonus and certification pay will be effective the next full pay period, which begins on Thursday, 25th of April 2019 – General Manager Eric Tynan reported to the Board that per section 8.4 Certification Incentive Bonus and section 8.5 Certification Pay of the Employee Handbook, CCSD shall pay a one-time incentive bonus of \$250 per certificate for employees who obtain authorized certifications and CCSD provides a one-time, \$1 pay increase, per hour; incentive pay, which is subject to general manager recommendations and also subject to Board approval. A motion is made by Glenn Oania and seconded by Cosme Padilla to approved one-time incentive bonus of \$250 for Operator Orozco along with a \$1 pay increase per hour for acquiring a Class B License. Certification incentive bonus and certification pay will be effective the next full pay period, which begins on Thursday, 25th of April 2019. The motion carried by the following vote.

AYES: 4 Directors: Oania, Stefani, Padilla and Melgoza
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 1 Directors: Cochran

5. Consider putting Moss Landing Manhole Replacement Project out to bid – General Manager Eric Tynan informed the Board that he can no longer wait for the grant funding as the manholes in Moss Landing are in poor condition and will need to be replaced soon. He had hoped the District would have obtained the grant funding for Moss Landing by now. It appears the grant application process continues to be delayed. In addition, the cost to replace these manholes is more than 25k and will need to be put out to bid. A motion item is made by Ron Stefani and seconded by Cosme Padilla for General Manager Eric Tynan to move forward with putting the Moss Landing Manhole Replacement Project out to bid. The motion carried by the following vote.

AYES: 4 Directors: Oania, Stefani, Padilla and Melgoza
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 1 Directors: Cochran

6. Consider approving Maggiora Bros Drilling, Inc. quote to renovate Well #3 – General Manager Eric Tynan recommended the Board approve quote no: 102524 of \$14,470 to renovate Well #3 that was submitted by Maggiora Bros Drilling, Inc. The quote with the scope of work can be viewed on page 34 of this board packet. After some discussion, a motion is made by Glenn Oania and seconded by Ron Stefani to approve Maggiora Bros Drilling, Inc. quote no: 102524 of \$14,470 to renovate Well #3. The motion carried by the following vote.

AYES: 4 Directors: Oania, Stefani, Padilla and Melgoza
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 1 Directors: Cochran

7. Discussion on proposed road abandonment; Del Monte Avenue, next to Well Site 3 being requested by Coastal Cooling– General Manager Eric Tynan let the Board know that Coastal Cooling is requesting for the right of way to be abandoned on Del Monte Avenue for the reason that it causes such a risk with all the semi-flatbed trucks trying to approach their docks along with the everyday traffic that utilized this road to avoid Highway 183, especially when there is a lot of traffic. An architectural plan of the proposed road abandonment completed by Belli Architectural Group can be viewed on page 35 of this board packet. Monterey County Public Works wanted the Castroville CSD's input on this matter since Well Site #3 is at this location.

After some discussion, the Board concurred at this time that they were not in favor of this proposed road abandonment for the following reasons. The District would need keys to access the locked gates to enter the well site. Highway 183 would have more traffic and the option for those that work in the Commercial Parkway area or its close vicinity will all have to drive to the next cross street, Blackie Road. Emergency services utilize this road and would not want this option unavailable to them.

8. Start to discuss how to design and fund the Washington Sewer Bypass Line Project, Zone 1 - General Manager Eric Tynan advised the Board that the District needs to start planning for the Washington Sewer Bypass Line Project. CHISPA wants to move forward with its Castroville Oaks Housing Project. However, the District cannot provide sewer service without the Washington Sewer Bypass Line Project. He plans to meet with an engineer to discuss how to proceed with this project.
9. Resolution No. 19-4, Resolution Authorizing the General Manager to Sign and File, for and on behalf of Castroville CSD a Financial Assistance Application for a Financing Agreement from the State Water Resources Control Board for the Planning, Design, and Construction of the Moss Landing Rehabilitation Project – General Manager Eric Tynan reported to the Board that per Matt Chambers, Water Resource Control Engineer with State Water Resources Control Board too much time has elapsed from when the original funding application was submitted therefore updated documentation is needed for the grant application for Moss Landing. This resolution is one of the funding requirements requested along with other documentation that will need to be resubmitted. A motion is made by Ron Stefani and seconded by Glenn Oania to approve Resolution No. 19-4, Resolution Authorizing the General Manager to Sign and File, for and on behalf of Castroville CSD a Financial Assistance Application for a Financing Agreement from the State Water Resources Control Board for the Planning, Design, and Construction of the Moss Landing Rehabilitation Project. The motion carried by the following vote:

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	1	Directors:	Cochran

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 reiterated to the Board that the District had to resubmit updated information for the Moss Landing, sewer grant funding application to the State Water Resources Control Board. Some of the documentation to be submitted: Resolution No. 19-4, certification of water metering and the 2018 audited financial statements. Hopefully, this will wrap up the application process for Moss Landing, sewer. As for Zone1, Water, the plan is still to apply for Prop 1 funding and focus on the well. Lately, he has not heard from Lidia Gutierrez with Gutierrez Consultants as she may be on vacation. 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 since the Board approved the quote (can be viewed on page 34 of board packet) submitted by well driller; Maggiora Brothers Drilling, Inc. the scope of work consists of installing the air life pipe to a depth of 610 feet and air lift the well between 610 and 510 feet for 4 hours. Water to be air lifted to a 6,000 gallon water tank and then discharged to the drainage ditch. After air lifting is completed an air lift pipe removed , they shall install a 75 HP submersible pump (pump to be

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provided by district) provide generator for power , valve, water meter and discharge piping to drainage ditch to pump the well for 4 hours. Upon completion of pumping, pump equipment shall be removed.

3. Update on Cal Am's Monterey Peninsula Water Supply Project (MPWSP) – 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 there have been a lot of public meetings held at various locations regarding the MPWSP. Cal Am continued to move forward with their desal project.
4. Update on new sample requirements for lead testing for schools – General Manager Eric Tynan reported to the Board that the lab had provided the Castroville CSD with the wrong bottles needed to do the lead testing. However, he was scheduled to do the lead test sampling today and had to reschedule for the reason that the schools (NMCHS Middle School and Castroville Elementary School) per the requirements need to be in session and are currently on spring break. Testing has been rescheduled for next Friday. The lead testing for schools is due by the 1st of June. President Adriana Melgoza was pleased to know that this testing was been done as a mother who has children that attend public schools.

CLOSED SESSION: 5:24 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

ANNOUNCEMENT OF CLOSED SESSION ITEM: (if applicable): **Open Session: 5:27 p.m.** At a previous 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 Monterey One Water received a Federal grant of \$15 million dollars towards the Pure Water Monterey Groundwater Replenishment Project, which will bring the price down. The construction of this project is 80% complete; it is expected to produce water in Q3 of 2019 and total annual production 3,500 AFY. A complete summary of the project can be viewed on page 25 of this broad packet.
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. Chapter 5 is out for public review. The next chapter will be the water budget.

3. Update on meetings or educational classes attended by the Directors – Director Cosme Padilla announced that he had attended and completed Sexual Harassment Prevention Training for Directors/Mangers that was scheduled on the 1st of April at the offices of Monterey Peninsula Water Management District. Also, President Adriana Melgoza announced that she had attended a North County Recreation and Park District meeting (as a parent) to discuss the option of having a free day open to the community for the use of the turf soccer field located next to the Japanese Schoolhouse. An agreement was reached and the turf soccer field will be open to the community on Thursdays from 5 p.m-8. p.m.

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

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	1	Directors:	Cochran

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

AYES:	4	Directors:	Oania, Stefani, Padilla and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	1	Directors:	Cochran

The meeting adjourned at 5:47 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Adriana Melgoza
President