

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

February 18, 2020

President Adriana Melgoza called the meeting to order at 4:31 p.m.

ROLL CALL:

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

Absent: General Manager Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest:

PLEDGE OF ALLEGIANCE

President Adriana Melgoza led the pledge of allegiance.

PUBLIC COMMENTS

1. None.

CONSENT CALENDAR

1. A motion was made by Ron Stefani and seconded by James Cochran to approve the minutes of the January 21, 2020 Scheduled Board Meeting. The motion carried by the following vote:

AYES: 3 Directors: Oania, Stefani, and Cochran

NOES: 0 Directors:

ABSENT/NOT

PARTICIPATING: 2 Directors: Padilla and Melgoza

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter to Monterey County, Resource Management Agency regarding Monterey Bay Sanctuary Scenic Trail- Moss Landing segment sanitary sewer manhole adjust to grade.
2. Permission to Remove Graffiti form for residential or commercial property owners.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *Daily Cal* by Scott Houston – Getting past wastewater’s ‘gak factor’ to save our most precious resource
2. *Herald* by Lara Streiff – New water recycling projects will help battle Central Coast’s seawater invasion
3. *Monterey County Weekly* by Asaf Shalev – Desalination emerges as a possible solution for another Monterey County water challenge.

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Approve the Castroville CSD Actuarial Study of Retiree Health Liabilities Under GASB 74/75, Valuation Date: June 30, 2019 and Measurement Date: June 30, 2019 as prepared by Total Compensations Systems, Inc. – Office Manager Lidia Santos pointed out to the Board that on page 2 of the actuarial study it shows that for current employees, the value of benefits “accrued” in the year beginning July 1, 2019 (the service cost) is \$1,884. This service cost would increase each year based on covered payroll. Had Castroville Community Services District begun accruing retiree health benefits when each current employee and retiree was hired, a substantial liability would have accumulated. The study estimates the amount that would have accumulated to be \$396,334. This amount is called the “Total OPEB Liability” (TOL). Castroville Community Services District has set aside funds to cover retiree health liabilities in a GASB 75 qualifying trust. The Fiduciary Net Position of the trust at June 30, 2019 was \$229,565. This leaves a Net OPEB Liability (NOL) of \$166,768. The estimate was based on all participants as of June 2019. Over time, liabilities and cash flow will vary based on the number and demographic characteristics of employees and retirees. The full report can be viewed as an attachment to the full agenda for February 18, 2020. The actuarial study was enclosed with the complete board packet agenda for Board review. A motion is made by Cosme Padilla and seconded by Glenn Oania to approve the Castroville CSD Actuarial Study of Retiree Health Liabilities Under GASB 74/75, Valuation Date: June 30, 2019, Measurement Date: June 30, 2019 as prepared by Total Compensations Systems, Inc. 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. Consider approving Directors, General Manager and Office Manager to attend the ACWA Spring Conference & Exhibition, May 5-8, 2020 at the Monterey Conference Center – The preliminary agenda is not out yet for this conference. However, upon Board approval, those interested in attending will notify Office Manager Lidia Santos in a timely manner in order to take advantage of the Early Bird registration fees. After some discussion, a motion is made by Ron Stefani and seconded by Glenn Oania to authorize the attendance of the Castroville CSD Board of Directors, General Manager and Office Manager to attend the ACWA Spring Conference and Exhibition, May 5-8, 2020 to be held in Monterey, CA. The motion item carried by the following vote:

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

3. Approve a \$1 pay increase per hour for Lead Operator Galvez for providing telephone assistance to District employees as needed regarding operations. Increase will be effective the next full pay period, which begins on a Thursday, 27th of February 2020 – Office Manager Lidia Santos spoke on behalf of General Manager Eric Tynan who was not able to attend since he was out ill. Lead Operator Galvez when not on-call will provide telephone assistance to the junior operators and General Manager when necessary. To continue having Lead Operator Galvez’s assistance when he is not on-call and to compensate him for his time, General Manager Eric Tynan is requesting the Board consider approving a \$1 pay increase per hour as long as he continues to provide telephone assistance to the District operations staff as needed. After some discussion, a motion is made by Cosme Padilla and seconded by Glenn Oania to approve a \$1 pay increase per hour for Lead Operator Galvez for providing telephone assistance to District employees as needed regarding operations. Increase will be effective the next full pay period, which begins on Thursday, 27th of February 2020. The motion carried by the following vote:

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

UNFINISHED BUSINESS:

1. Status of Well #2, Well #5 and well levels – Office Manager Lidia Santos informed the Board that on page 19 of the board packet they can view the well levels. Unfortunately, well levels have dropped slightly as there has been no rain this month. General Manager Eric Tynan will provide the Board with an update on the status of Well #2 and Well #5 at next month's regularly scheduled board meeting.
2. 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 – Office Manager Lidia Santos reported to the Board that General Manager Eric Tynan was still waiting to hear on the status of the IRWMP grant that was submitted and will update them at next month's regularly board meeting of any news. Current funding efforts: Moss Landing sewer system improvements, Castroville emergency well replacement, Castroville water supply improvements and Castroville wastewater improvements.
3. Update on Cal Am's Monterey Peninsula Water Supply Project (MPWSP) – Director Ron Stefani reported to the Board that the Coastal Commission recommended Cal Am pull their permit so it does not expire. Cal Am chose to take a 90 day delay so the Coastal Commission will not be hearing this matter in March. It will probably be heard in June in San Luis Obispo.
4. Progress report on Design for Reservoir No. 4 Fill Modification Project – Office Manager Lidia Santos informed the Board that the plans for the Design for Reservoir No. 4 Fill Modification Project can be viewed on page 20 of this board packet. As mentioned, General Manager Eric Tynan is out ill and he will explain the design of this project at next month's board meeting in more detail.
5. Update on Castroville Oaks project – Lidia Santos reported to the Board that there is no information to report at this time as both General Manager Eric Tynan and District Legal Counsel Christine Kemp are out ill. Ms. Kemp is working on drafting a written contract/agreement between Castroville CSD and CHISPA on what services and fees would be assessed for the Castroville Oaks project.

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 reported to the Board that the EIR is still out and being processed by Monterey One Water for the Expanded Project, which the Coast Commission utilized as a replacement for desal. There are a number of letters that have come in against the Expanded Project. He does not believe there are going to be the votes needed from Monterey One Water to approve the Expanded Project at the upcoming meeting in April. This is what Cal Am is hoping for. So if the EIR gets denied in April, then at the Coastal Commission meeting in June there will not be an alternative as they will either have to approve the Monterey Peninsula Water Supply Project or disapprove it.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) – Director Ron Stefani reported to the Board that the draft plan has been officially submitted to the State as of the 31st of January. The last meeting was just last week and they were dealing with the Arroyo Seco GSA. The City of Marina tried to form a separate GSA at the cemix site; therefore the County took it over. Now Greenfield wants to break-off and do their own thing as well and they want it to encompass all of Arroyo Seco. The Department of Water Resources stated that only the City of

Greenfield can have jurisdiction and it would be a management area for the rest of that area there, which is called a forebay. SVBGSA is obligated to do the rest of the forebay; then Greenfield would turn around and adopt the SVBGSA plan for the City of Greenfield. It had to all be worked out in order to submit for a \$500,000 grant. All parties had to jointly submit for the grant and promise to work together.

3. Update on meetings or educational classes attended by the Directors – Director Ron Stefani informed the Board that he and General Manager Eric Tynan had attended the 8th Annual CalDesal Conference in, Santa Barbara, California on February 6-7 of 2020. It was a small conference with only about seventy people attending. Discussed was brackish water and that it can be treated and done a little bit cheaper than desal. They also toured the Santa Barbara Desal Plant and it was encouraging to find out that they are producing water for about \$1,500 an acre coming out of the pipe at the plant. Eric asked the question how much would it be at the meter and they did not have a clear answer but estimated around \$10,000. The City of Santa Barbara’s desal is about 30% percent of their water supply. They do not use much groundwater because they are on the coast and they also import water. The desal water is about the same price as what they are paying for the import water. The City of Santa Barbara has a water portfolio and that is what we are trying to have. That is what was designed in the Monterey Peninsula Water Supply Project for the peninsula. A portfolio of water approach means still pulling some off the river and then pulling the recycled water out of the basin and from the desal. This is the ideal situation so if one source has a problem the other one picks up. He and Eric wanted to meet with Tom Luster from the Coastal Commission as he was scheduled to be on Friday’s panel for this conference. Mr. Luster was not allowed to attend since the Cal Am desal topic is such a big issue. Instead, a State Water Resource Control Board spokesperson filled in for him. Eric was able to acquire the State Water Resource Control Board spokesperson’s contact information. Furthermore, State Water Resource Control Board is not happy and they just want water and to solve the cease and desist order for the Peninsula. The State Water Resource Control Board spokesperson feels the Expanded Project is not going to be enough.

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 – January 2020. 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:	5	Directors:	Oania, Stefani, Padilla, Cochran and Melgoza
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	0	Directors:	

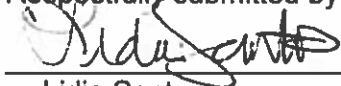
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There being no further business, a motion was made by James Cochran and seconded by Ron Stefani to adjourn to the next scheduled Board meeting; the motion carried by the following vote:

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

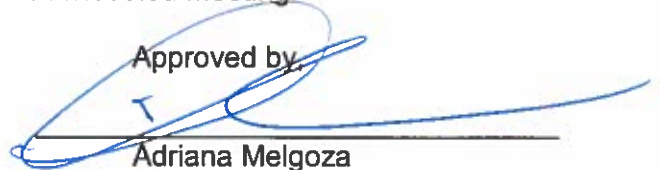
The meeting adjourned at 5:12 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Adriana Melgoza
President