



CASTROVILLE COMMUNITY SERVICES DISTRICT

P.O. BOX 1065

OFFICE: 11499 GEIL STREET

CASTROVILLE, CA 95012

FAX (831) 633-3103

President – David Lewis
Vice President – Ron Stefani
Director – Adriana Melgoza
Director – Silvestre Montejano
Director – Betty MacMillan

24-HOUR TELEPHONE: (831) 633-2560

General Manager – Eric Tynan
Board Secretary – Lidia Santos

Website: CastrovilleCSD.org

AGENDA REGULAR MEETING OF THE BOARD OF DIRECTORS TUESDAY, JULY 21, 2015 – 4:30 P.M. DISTRICT BOARD ROOM – 11499 GEIL STREET

In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board meeting, please contact Lidia Santos, Board Secretary during regular business hours at (831) 633-2560. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

CALL MEETING TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS – (Limited to three minutes per speaker within the jurisdiction of items not on the agenda. Public will have the opportunity to ask questions or make statements as the Board addresses each agenda item.)

CONSENT CALENDAR:

1. Approval of the June 9, 2015 Personnel Committee Minutes – **motion item**
2. Approval of the June 12, 2015 Budget Committee Minutes – **motion item**
3. Approval of the June 16, 2015 Regular Board Meeting Minutes – **motion item**
4. Approval of the July 2, 2015 Special Board Meeting Minutes – **motion item**

CORRESPONDENCE:

1. Letter to Castroville CSD Board of Directors from Judy Burditt, General Manager, North County Recreation and Park District (NCRPD) requesting funding for "Recreation Services" for fiscal year 2015/2016.

INFORMATIONAL ITEMS:

1. *Monterey County Weekly* – Science of Salt
2. *Monterey County Weekly* – Positive Slant
3. *ACWA News* – Water Conservation: Viewing rebates as bonuses
4. *Monterey County Weekly* – LAFCO followed all the rules in giving Pajaro/Sunny Mesa an appointed board, officials says
5. *Associated Press* – California regulators discuss water pricing for drought
6. *Mercury News* – Coming El Niño could be strongest on record
7. *The Monterey Herald* – People's Desal Project starts EIR process

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8. *The Monterey Herald* – Cal Am must seek amended test slant well permit

PRESENTATION:

1. None

UNFINISHED BUSINESS:

1. Update on well levels – Eric Tynan, General Manager
2. Update on Castroville CSD's conservation measures put in place for district customers both residential and commercial – Eric Tynan, General Manager
3. Update on the local groundwater sustainably agency (GSA) representation and formation – Eric Tynan
4. Update on Prop 84: Well 5 (formerly Well 2B) Arsenic Treatment project – Eric Tynan, General Manager
5. Update on tax measure for North County Recreation and Park District (NCRPD) – Eric Tynan, General Manager
6. Update on water rate study and financial requirements to meet 218 compliance (Harris & Associates selected as consultant's to perform water rate study) - Eric Tynan, General Manager
7. Resolution No. 15-5 Adopting the District Budget for FY 2015/2016 for Water (Castroville Zone 1), Sewer and Governmental (Castroville Zone 1), Sewer and Governmental (Moro Cojo, NMCHS, Monte Del Lago Mobile Park Zone 2) and Sewer (Moss Landing Zone 3) – **motion item**
8. Update on the application for the Integrated Regional Water Management (IRWM) grant funding for new wells – Eric Tynan, General Manager

NEW BUSINESS:

1. Resolution No. 15-6 Enter into Grant Agreement with the California Department of Water Resources – **motion item**
2. Report on Moss Landing Sewer Systems Connection Fee Development – Eric Tynan, General Manager
3. Resolution No. 15-7 to Adopt Proposed Amendment to the Moss Landing Sewer Allocation Plan (MLSAP) – **motion item**
4. Approve "Castroville Community Services District Investment and Deposit Policy" for fiscal year 2015/2016 – **motion item**
5. Vote to elect a representative to the California Special Districts Association Board of Directors 2015 Election, Coastal Network, Seat A, (vote for only one) – **motion item**
6. Authorize those Board of Directors who are interested in attending the California Special Districts Association Conference, scheduled for September 21-24 in Monterey, CA – **motion item**

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 – Ron Stefani, Director
2. Update on Oversight board meeting – Ron Stefani, Director

GENERAL OPERATIONS:

1. General Manager's Report – Compliance Update, Current Projects Update, Seminars Update, Staff Update, Suggestive Projects Discussions

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2. **Operation's Report**
 - a) Water – Pumpage & Usage Update, Water Testing Update, Current Installation
 - b) Status Update, Current Contractor Work Update, Maintenance/Repair Update, Customer Service Update, Safety Issues
 - 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** – A/R Update, Water Sales, Water Usage
4. **Financial Reports** – Treasures Report-L.A.I.F., ****Internal Report**** and Administration Update

LIST OF CHECKS – June 2015 – motion item

ITEMS FOR NEXT MONTHS AGENDA: Tuesday, August 18, 2015 at 4:30 p.m.

CLOSE:

Adjournment to the next regular scheduled Board Meeting – motion item

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 11499 Geil Street, Castroville, California.

Certification of Posting

I certify that on July 17, 2015, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of the Castroville Community Services District, said time being at least 72 hours in advance of the meeting of the Board of Directors (Government Code Section 54954.2).

Executed at Castroville, California, on July 17, 2015.



Lidia Santos, Board Secretary

**PERSONNEL COMMITTEE MINUTES
CASTROVILLE COMMUNITY SERVICES DISTRICT**

June 9, 2015

The Personnel Committee met in the conference room of the District building, 11499 Geil Street, Castroville, CA.

Director Silvestre Montejano called the meeting to order at 5:00 p.m.

ROLL CALL:

Directors Present: Committee members: Silvestre Montejano and Betty MacMillan.

Absent:

Staff Present: General Manager Eric Tynan

PUBLIC COMMENTS

None

1. Personnel-Staff Wage Increase – General Manager Eric Tynan discussed with the Personnel Committee to either keep wages the same or consider a two (2) percent annual wage increase for all staff. The Board reviewed these options. Also reviewed was the General Manager's employment contract, which is due to expire June 30, 2015.
2. Recommendations for Staff Wage Increase- The Personnel Committee will be making recommendations to the Board at the regularly scheduled board meeting on June 16, 2015 to consider approving an annual two (2) percent wage increase for all staff and to enact a new employment contract for the General Manager.
3. Adjournment

CLOSE:

There being no further business, a motion was made by MacMillan and seconded by Montejano to adjourn the meeting at 5.42 p.m. Motion carried by the following vote:

AYES:	2	Directors:	Montejano and MacMillan
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None

Respectfully submitted by,

Approved by,

Lidia Santos
Secretary to the Board

David Lewis
President

**BUDGET COMMITTEE MINUTES
CASTROVILLE COMMUNITY SERVICES DISTRICT
June 12, 2015**

The Budget Committee met in the conference room of the District building, 11499 Geil Street, Castroville, CA.

Board President David Lewis called the meeting to order at 5:30 p.m.

ROLL CALL:

Directors Present: Committee members: David Lewis and Adriana Melgoza.

Absent:

Staff Present: General Manager Eric Tynan

PUBLIC COMMENTS

None

1. Review of FY 2015/2016 Proposed Budget – General Manager Eric Tynan presented the preliminary budget for Water (Castroville –Zone1), Sewer and Governmental (Castroville - Zone1), Sewer and Governmental (Moro Cojo, NMCHS, & Monte Del Lago Mobile Park –Zone 2), and Sewer (Moss Landing – Zone 3), which was reviewed by the Budget Committee.
2. Recommendations for FY 2015/2016 Budget – The Budget Committee will be updating the Board at the regularly scheduled board meeting on June 16, 2015 on the budgets reviewed and did not find any changes to be made at this time. Final adoption of the FY 2015/2016 Budget will not be made until the July 21, 2015 regularly scheduled board meeting.
3. Adjournment

CLOSE:

There being no further business, a motion was made by Melgoza and seconded by Lewis to adjourn the meeting at 6:10 p.m. Motion carried by the following vote:

AYES:	2	Directors:	Melgoza and Lewis
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None

Respectfully submitted by,

Approved by,

Lidia Santos
Secretary to the Board

David Lewis
President

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

June 16, 2015

Vice President Ron Stefani called the meeting to order at 4:33 p.m.

ROLL CALL:

Directors Present: Vice President Ron Stefani, Director Adriana Melgoza, Director Betty MacMillan and Director Silvestre Montejano

Absent: President David Lewis

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present: None

Guest: Judy Burditt, Grant Leonard, Sally Childs, Patrick Dobbins and Lloyd Lowrey arrived 4:42 p.m.

PLEDGE OF ALLEGIANCE

Director Betty MacMillan led the Pledge of Allegiance.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Betty MacMillan and seconded by Silvestre Montejano to approve the minutes of the May 19, 2015 Regular Board Meeting. The motion carried by the following vote:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter from NCRPD Assistant General Manager Sean Graham on the water conservations measures they are taking to comply with the current water restrictions put in place by the Governor and Castroville CSD.
2. Letter to Monterey County Resources Management Agency from Moss Landing Harbor District General Manager Linda G. McIntyre, Esq. regarding revised Moss Landing Community Plan/Coastal Implementation Plan comments.

INFORMATIONAL ITEMS:

1. *The Monterey Herald* – Salinas Valley groundwater plan work will top \$20 million
2. *The Monterey Herald* – Cal Am seeks desal project contractors despite groundwater questions
3. Monterey County Elections Candidates Calendar for November 3, 2015

Informational items accepted as presented

PRESENTATIONS:

1. None

UNFINISHED BUSINESS:

1. Update on well levels – General Manager Eric Tynan informed the Board on the current static well levels. Well #2 is currently at -35.6 feet below sea level, Well #3 is at -49.9 feet below sea level, and Well #4 is at -74 feet below sea level. A graph of the well trends for the months January 2015 through June 2015 can be viewed on page 18 of the board packet. General Manager Eric Tynan will include this graph in the board packet each month since it tracks prior month's wells levels and current well levels.

Minutes of the Castroville Community Services District
June 16, 2015 Regular Board Meeting
Page 2

2. Update on Castroville CSD's conservation measures put in place for District customers both residential and commercial – General Manager Eric Tynan reported to the Board that conservation efforts are going well. As the graph shows, there is a drop in water usage from 2013 versus 2015. The graph can be viewed on page 19 of the board packet. Overall, customers both residential and commercial understand California is in a drought and are being cooperative with the conservation measures put in place.
3. Update on the local groundwater sustainability agency (GSA) and representation – General Manager Eric Tynan let the Board know that Marina Coast Water District asked Castroville CSD to consider forming a GSA with them. The meeting has been scheduled for this Thursday at 4:00 p.m. at the Marina Coast Water District to discuss this idea further. Monterey County Water Resources Agency (MCWRA) is still trying to obtain a facilitator and it is anticipated when facilitated meetings commence, water purveyors will be invited to attend.
4. Update on Prop 84: Well 5 (formerly Well 2B) Arsenic Treatment project – General Manager Eric Tynan informed the Board that the Castroville CSD has just received the signed/amended contract to include Design-Build for the grant contract for Well 5 from State Water Resources Control Board. Conco-West Inc. has been selected as the most qualified Design-Build firm to have submitted a proposal for this project. Still waiting to see what the actual cost will be as he anticipates it will be slightly higher than estimated. A special board meeting may need to be held before the next regularly scheduled board meeting to award the Castroville CSD Well 5 Arsenic Removal Project if a Guaranteed Maximum Price (GMP) has been reached. General Manager Eric Tynan also toured the Manteca arsenic treatment facility with MNS Engineers; this project was done by Conco-West Inc. Both he and MNS Engineers felt Conco-West did a great job. This project is moving forward as scheduled.
5. Update on Moss Landing Sewer Allocation Plan (MLSAP) – General Manager Eric Tynan reported to the Board for the MLSAP, he recommended the Board consider increasing the allocations from 105,000 gallons per day to 140,000 gallons per day. This is well below the actual system capacity of 309,000 gallons per day while leaving the rest in reserve and eliminating the MLSAP service areas altogether and making the allocations district wide instead of allocating it to specific zones. Alternately, the Harbor District could limit itself to the North Harbor's current allocation of 10,100 gallons per day while the rest of Moss Landing system is free to use the additional capacity as long as it conforms to the Moss Landing Community Plan and California Coastal Commission guidelines. See memo to Board on pages 21-22 of the board packet. District Legal Counsel Lloyd Lowrey arrived at this time 4:42 p.m.
6. Update on tax measure for North County Recreation and Park District (NCRPD) – General Manager Eric Tynan informed the board that Director Adriana Melgoza, NCRPD General Manager Judy Burditt, NCRPD Director Grant Leonard, the facilitator, Mr. Ramos with Ramos Cordova Strategy Group and he met on May 19, 2015 to discuss the tax measure for NCRPD. Per NCRPD General Manager Judy Burditt the first step is to work on the Capital Improvement Plan (CIP) and to get community input. The CIP will get the community better educated on what funding is available and what is needed. The NCRPD board assigned an adhoc committee of two board members: Paul Cortopassi and Grant Leonard to work on it.
7. Update on the application for the Integrated Regional Water Management (IRWM) grant funding for new wells – General Manager updated the Board that the grant has been further scaled back to 2.5 million. It appears that the facilitator is driving the majority of the grant funding for San Jarado and in addition the facilitator wants Castroville CSD to pay San Jarado's portion of the facilitator's administration fees since San Jarado does not have the financial ability to do so. There were originally seven agencies applying for this grant and now there is only San Jarado who is first in line and Castroville CSD who have made the cut. Both will compete against all other agencies that made the cut in the central coast. He is still a bit confused about the process and if he finds that this grant is not feasible for the Castroville CSD, he will cease from moving forward with this grant funding. Paul Greenway with MNS Engineers is assisting him with the process.
8. Update on proposed soccer field at North entrance of town – General Manager Eric Tynan notified the Board that he met with Deputy Director Carl Holmes with the County, Nancy Ausonio, Lou Calcagno and realtor Allison Goss to further discuss the proposed soccer field. As he informed the Board at last month's board meeting, Castroville CSD does not have the funds to purchase this lot, this land is in the coastal zone, California is in a drought, and a soccer field requires a lot of water. NCRPD General Manager Judy Burditt stated that she is already overwhelmed and to add new recreational site to maintain without funding is not prudent for the NCRPD.

NEW BUSINESS:

1. Memorandum sent to Monterey County Resource Management Agency regarding the letter they received from Moss Landing Harbor District General Manager Linda G. McIntyre, Esq. in regards to the revised Moss Landing Community Plan/Coastal Implementation Plan Comments – General Manager Eric Tynan again reiterated as discussed in New Business, item 5, he has determined what would be a solution for the Moss Landing Sewer Allocation Plan (MLSAP). The Moss Landing Harbor District has various concerns in a letter they addressed to the Monterey County Resource Management Agency regarding the revised Moss Landing Community Plan/Coastal Implementation Plan Comments. The letter from the Moss Landing Harbor District can be view under Correspondence, item 2, page 9-11 of this board packet. Per General Manager Eric Tynan, the Harbor District's letter is not accurate and in response to the letter, he has addressed a memo to the Monterey County Resources Management Agency regarding the Moss Landing Harbor District's concerns, which can be view on pages 23-26 of the board packet. Listed in this memo is also an update on the Castroville CSD operations of the Moss Landing System since taking over on July 1, 2014.
2. Message on June 2015 water bills that the Castroville CSD 2014 Annual Water Quality Report is now available and posted on the District's website Castrovillecsd.org – Office Manager Lidia Santos reported to the Board that the 2014 CCR is available on the District website and all customer have been notified on their June 15, 2015 water bill. Furthermore, the CCR was also posted in 4 locations in town and a copy provided to apartment manager's to post in their laundry rooms. As required annually, a copy of the CCR and CCR Certification Form has been submitted to the State Water Resources Control Board.
3. Select Raftelis Financial Consultants contract for rate study and financial requirements to meet 218 compliance – General Manager Eric Tynan notified the Board that he had received three proposal for the rate study and although he initially recommended to the Board (see page 26 of board packet to view memo) to select Raftelis Financial Consultant since they had completed the last water rate study for the District, he had mentioned that Harris & Associates was the low bidder and is very qualified as well. He would be fine with the Board selecting either consultant. Per Eric he also enjoys working with Harris & Associates. Per District Legal Counsel, the Board is not required to go with the low bidder, only the best service provider. Patrick Dobbins with Harris & Associates was present and stated his firm is very qualified, the Prop 218 process is rather straight forward and they are a local business. After some discussion, a motion is made by Ron Stefani and seconded by Betty MacMillan to award the water rate study to Harris & Associates, not to exceed \$27,475. The motion carried by the following vote:

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

4. Update from budget committee on preliminary 2015/16 Operating Budget for Water (Castroville Zone 1) – Directors: David Lewis and Adriana Melgoza – General Manager Eric Tynan and Adriana Melgoza who was on the Budget Committee, presented the preliminary annual 2015/16 proposed Operating Budget for Water (Castroville Zone 1) to the Board of Directors for their review. President Lewis was not present. Directors David Lewis and Adriana Melgoza were selected as the budget committee at the last regularly scheduled board meeting and had met on the 12th of June with Eric Tynan General Manager to address any questions or concerns. The budget can be viewed on pages 27-31 of the board packet. At the next regularly scheduled board meeting the Board will meet to consider fixing the final budget and adopting the final budget for fiscal year 2015/16. A public notice will be published in *The Monterey County Weekly* to inform the public so that any interested taxpayer may appear at said time and place and be heard regarding the increase, decrease or omission of any item of the budget for the inclusion of additional items.
5. Update from budget committee on preliminary 2015/16 Operating Budget for Sewer and Governmental (Castroville Zone 1) – Directors: David Lewis and Adriana Melgoza - General Manager Eric Tynan and Adriana Melgoza who was on the Budget Committee, presented the preliminary annual 2015/16 preliminary Operating Budget for Sewer and Governmental (Castroville Zone 1) to

the Board of Directors for their review. President Lewis was not present. Directors David Lewis and Adriana Melgoza were selected as the budget committee at the last regularly scheduled board meeting and had met on the 12th of June with Eric Tynan General Manager to address any questions or concerns. NCRPD District General Manager Judy Burditt submitted a request for extended recreational services at this board meeting and apologized for the delay in submitting the request but stated she was very busy with the Artichoke Festival. She also wants to submit an additional request for capital improvement projects (CIP) that the NCRPD will need done in the future. Director Adriana Melgoza stated that she would have wanted to have received NCRPD request for extended recreational services for fiscal year 2015/16 at the 12th of June Budget Committee meeting and does not understand why this information can be obtained on time, when she makes a request for extended recreational services every year and should plan ahead. If May is too busy, submit the request in April. The budgets can be viewed on pages 32-37 of the board packet. At the next regularly scheduled board meeting the Board will meet to consider fixing the final budget and adopting the final budget for fiscal year 2015/16. A public notice will be published in *The Monterey County Weekly* to inform the public so that any interested taxpayer may appear at said time and place and be heard regarding the increase, decrease or omission of any item of the budget for the inclusion of additional items.

6. Update from budget committee on preliminary 2015/16 Operating Budget for Sewer and Governmental (Moro Cojo, NMCHS, & Monte Del Lago Mobile Park Zone 2) – Directors: David Lewis and Adriana Melgoza - General Manager Eric Tynan and Adriana Melgoza who was on the Budget Committee, presented the preliminary annual 2015/16 proposed Operating Budget for Sewer and Governmental (Moro Cojo, NMCHS, & Monte Del Lago Mobile Park Zone 2) to the Board of Directors for their review. President Lewis was not present. Directors David Lewis and Adriana Melgoza were selected as the budget committee at the last regularly scheduled board meeting and had met on the 12th of June with Eric Tynan General Manager to address any questions or concerns. The budgets can be viewed on pages 39-42 of the board packet. At the next regularly scheduled board meeting the Board will meet to consider fixing the final budget and adopting the final budget for fiscal year 2015/16. A public notice will be published in *The Monterey County Weekly* to inform the public so that any interested taxpayer may appear at said time and place and be heard regarding the increase, decrease or omission of any item of the budget for the inclusion of additional items.
7. Update from budget committee on preliminary 2015/16 Operating Budget for Sewer (Moss Landing Zone 3) – Directors: David Lewis and Adriana Melgoza - General Manager Eric Tynan and Adriana Melgoza who was on the Budget Committee, presented the preliminary annual 2015/16 proposed Operating Budget for Sewer (Moss Landing Zone 3) to the Board of Directors for their review. President Lewis was not present. Directors David Lewis and Adriana Melgoza were selected as the budget committee at the last regularly scheduled board meeting and had met on the 12th of June with Eric Tynan General Manager to address any questions or concerns. The budgets can be viewed on pages 43-46 of the board packet. At the next regularly scheduled board meeting the Board will meet to consider fixing the final budget and adopting the final budget for fiscal year 2015/16. A public notice will be published in *The Monterey County Weekly* to inform the public so that any interested taxpayer may appear at said time and place and be heard regarding the increase, decrease or omission of any item of the budget for the inclusion of additional items.
8. Accept Willdan Financial Services annual 2015/16 Pre-Levy Analysis for the 1915 Act Assessment District – After the Board reviewed the annual 2015/16 Pre-Levy Analysis for the 1915 Assessment District that is prepared annually by Willdan Financial Services (can be viewed on pages 47-54 of the board packet), a motion is made by Betty MacMillan and seconded by Adriana Melgoza to accept the Wildan Financial Services annual 2015/16 Pre-Levy Analysis for the 1915 Act Assessment District. The motion carried by the following vote:

AYES:	4	Directors:	Stefani, Melgoza, Montejano and MacMillan
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	Lewis
9. Resolution No. 15-4, A Resolution of The Governing Body of the Castroville Community Services District for the Election of Directors to the Special District Risk Management Authority Board of Directors (vote for three (3) – The Board reviewed the Candidate’s Statement of Qualifications. A

motion is made by Betty MacMillan and seconded by Silvestre Montejano to vote for the following three (3) candidates: Gray, Wright and Seifert-Raffelson to the Special District Risk Management Authority Board of Directors. The motion carried by the following vote:

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

10. The Board will take action to designate Eric Tynan, General Manager as labor negotiator for all employees for the District for purpose of (Gov. Code Sec. 54957.6) – After some discussion, a motion is made by Betty MacMillan and seconded by Adriana Melgoza for the Board to take action to designate General Manager Eric Tynan as labor negotiator for all employees for the District for purpose of (Gove. Code Sec. 54957.6). The motion carried by the following vote:

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

ADJOURNMENT TO CLOSED SESSION

CLOSED SESSION: 5:21 p.m.

11. Pursuant to Government Code Section. 54957, the Board will discuss the following: Personnel Matters for all Water Service/Collection Systems Maintenance Worker I and II, Customer Service Representative, Office Manager/Executive Assistant/Board Secretary and the General Manager.

ANNOUNCEMENT OF CLOSED SESSION ITEM: (if applicable):

The board will reconvene into open session prior to adjournment and shall announce any action taken during the closed session. **The Board returned to open session at 5:37 p.m.** There was no action taken.

NEW BUSINESS CONTINUED:

12. Recommendation of annual Personnel Committee (Directors: Betty MacMillan and Silvestre Montejano) regarding the salary of all District staff: Water Service/Collection Systems Maintenance Worker's I and II, Customer Service Representative, Office Manager/Executive Assistant/Board Secretary and the General Manager – General Manager Eric Tynan reminded the Board that he had met with the Personnel Committee (Directors Betty MacMillan and Silvestre Montejano) to discuss staff personnel on the 9th of June. The Personnel Committee recommended a 2 percent salary increase for all staff personnel, including the General Manager. In addition, to extend the General Manager's contract another three years as it will expire on June 30, 2015. A motion is made by Betty MacMillan and seconded by Adriana Melgoza to approve the 2 percent salary increase for all staff personnel, including the General Manager and to extend the General Manager's contract another 3 years as his contract is due to expire on June 30, 2015. The 2 percent salary increase will be effective as of July 9, 2015 for all staff personnel. The motion carried by the following vote:

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

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 the EIR is out and they are taking comments. They have held two meetings and there has not been a lot of opposition for the Ground Water Replenishment Project. Also, Cal Am's EIR for the Desal is also out at the same time and getting the media's attention. General Manager asked District Legal Counsel Lloyd Lowrey if he has heard anything from MRWPCA regarding the Moss Landing seat. The Castroville CSD has an election this November 2015 and if a candidate from Moss Landing becomes a board member, the District will need to have clarification as to what is going on with this seat. Mr. Lowrey will follow-up with MRWPCA Legal Counsel Rob Wellington.
2. Update on Oversight board meeting – Director Ron Stefani stated there was no meeting this month. The meetings are held quarterly.

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 Status 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 – May 2015. A motion was made by Betty MacMillan and seconded by Adriana Melgoza to pay all bills presented. The motion carried by the following vote:

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

CLOSE:

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

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

The meeting adjourned at 5:56 p.m. until the next scheduled meeting.

Respectfully submitted by,

Approved by,

Lidia Santos
Secretary to the Board

David Lewis
President

THE OFFICAL MINUTES OF THE SPECIAL BOARD MEEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
July 2, 2015

The Special Board Meeting met in the conference room of the District building, 11499 Geil Street, Castroville, CA.

Board President David Lewis called the meeting to order at 4:32 p.m.

ROLL CALL:

Directors Present: Ron Stefani, Betty MacMillan, Silvestre Montejano and David Lewis

Absent: Adriana Melgoza

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present: None

Guest: Willy R. Nowotny, PMP

PLEDGE OF ALLEGIANCE

Director Silvestre Montejano led the Pledge of Allegiance.

PUBLIC COMMENTS

None

NEW BUSINESS:

1. Consider award of contract for the Design-Build of the Castroville CSD Arsenic Removal Treatment System for Well 5 (formerly Well 2B) to Conco-West, a Guaranteed Maximum price for the project was agreed at \$1,250,000 (scope of work attached) – General Manager Eric Tynan and Willy R. Nowotny, PMP with MNS Engineers addressed any questions and concerns the Board had regarding the Design-Build of the Castroville CSD Arsenic Removal Treatment System for Well 5 (formerly Well 2B) and Conco-West. Mr. Nowotny presented to the Board an Executive Summary of the Castroville Community Services District Arsenic Removal Treatment System of Well 5 for their review (on pages 3-5 of board packet.) After much discussion, a motion is made by Ron Stefani and seconded by Betty MacMillan to award the contract for the Design-Build of the Castroville CSD Arsenic Removal Treatment System for Well 5 to Conco-West; a Guaranteed Maximum price for the project was agreed at \$1,250,000. The motion carried by the following vote:

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

2. Consider award of contract to MNS Engineers to assist with the construction administration of Design-Build entity for Well 5 (formerly Well 2B) Arsenic Removal Treatment System, not to exceed \$100,000 – General Manager Eric Tynan recommended the Board award the contract to MNS Engineers for consulting services to assist the District with construction administration of a Design-Build entity for the Well 5 (formerly Well 2B) Arsenic Removal Treatment System. Director Silvestre Montejano expressed \$100,000 for construction administration seemed to be a bit high. Once the scope of services that are to be provided for the construction administration of Well 5 were explained and more so the importance of having qualified engineers oversee this important project, a motion is made by Ron Stefani and seconded by Silvestre Montejano to award the contract to MNS Engineers to assist with the construction administration of Design-Build entity for Well 5 (formerly Well 2B) Arsenic Removal Treatment System, not to exceed \$100,000. The motion carried by the following vote.

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

Minutes of the Special Meeting of the Castroville Community Services District
July 2, 2015 Regular Board Meeting
Page 2

CLOSE:

There being no further business, a motion was made by Betty MacMillan and seconded by Ron Stefani to adjourn the meeting at 4:59 p.m. Motion carried by the following vote:

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

Respectfully submitted by,

Approved by,

Lidia Santos
Secretary to the Board

David Lewis
President



NORTH COUNTY RECREATION AND PARK DISTRICT

11261 CRANE ST. • P.O. BOX 652 • CASTROVILLE, CALIFORNIA 95012 • (831) 633-3084 • FAX (831) 633-3160

Castroville Community Services District
P.O. Box 658
Castroville, CA 95012

June 16, 2015

Dear CCSD Board Members;

Attached is a request for funding "Extended Recreation Services" and Capital Improvements with the North County Recreation and Park District for fiscal year ending June 30, 2016. When considering this funding please review the following reasons to contract with North County Recreation and Park District for extended recreation services.

- The majority of "Extended Services" funding goes towards staff salaries. And the majority of that is youth and senior program oriented.
- Your support allows us to hire local high school and college students during the summer and after school hours to run and supervise activities and provide supervision to students who perform their mandatory community service hours at the district. This is a much desired commodity for local youth. We provide job training and job experience. This summer we are hiring three to four local youth and training an additional eight - twelve through the Youth Employment Training Program YETP and the Sueños Program.
- Your support allows us to offer summer activities, an after school program and extended hours of operation. This means keeping the Center open later than 4:00pm Monday – Friday and opening the Sports Center to the public some weekdays and weekends.
- Your support allows us to offer a summer day care for those families in need, a daily summer drop in program with free summer lunch and afternoon snacks, games, activities, crafts, cooking classes; rock climbing and a whole lot more. This summer we expect to have 25 children enrolled in our summer camp. Last summer we collaborated with the North Monterey County Unified School District and served over 100 lunches per day in Castroville and an additional 45 per day in Rancho Moro Cojo.
- Another program that falls under "extended services" is our Senior Nutrition Program. This program provides a fun place for seniors to meet,

socialize, do activities and have a hot nutritious meal. Sometimes this is the only meal they have that day. We serve 20-40 seniors each day.

- During the school year, your support allows us to offer an after school program; with pick up service from local elementary schools to the Recreation Center. This program includes supervised care, homework help and recreational activities. In addition the Center is open for students to "drop in" and have a fun, safe place to hang out. These programs are very popular and well attended (between 30-60 kids each day between the hours of 2 – 6pm and 12:00 – 6:00 on Wednesdays and Thursdays when school lets out early). For many families this is the only supervision their children receive out of school until they arrive home after work. An estimated 800 children access the Recreation Center for after school activities each year.
- Your support allows us to keep the center open evenings. During this time District facilities are open and available to the community for adult activities and classes. We currently host Aztec Dancing on Mondays; open gym or league basketball on Tuesdays and Thursdays; Fit Camp one evening a week and Dog Training on Wednesdays. We also make use of the Middle School gym where local youth and adults play indoor soccer currently on Thursday evenings.
- Your support also allows us to offer special community events throughout the year - our largest Halloween Fun Nite serves over 900 youth under twelve with their family members; annual Easter Egg Hunt approximately 500 families attend; Artichoke Festival Kick off parade and street fair.

These are just highlights of activities and programs that the funding from the Castroville Community Services District allows us to provide. And with each of these activities and programs we have stories of need and accomplishment, as well as life altering changes these programs have made in members of our community.

Thank you for considering our request. If you have any questions, please feel free to contact me.

Sincerely,

Judy Burditt
General Manager
North County Recreation and Park District

EXHIBIT "A"

EXTENDED SERVICES FOR RECREATION AND PARK SERVICES
PROVIDED BY
NORTH COUNTY RECREATION AND PARK DISTRICT
2015/2016 FISCAL YEAR

North County Recreation and Park District

The North County Recreation and Park District provides a wide variety of recreation and park services to the Castroville Community. The District currently operates and maintains within the Castroville Community Services District the Japanese School Park and House, Cato Phillips Park, Rancho Moro Cojo Park, Crane Street Park, the North County Recreation Center which has an indoor gym, meeting room, kitchen, outside basketball, skate park, BBQ area and children's tot lot; hiking trails and various open space areas.

The District will provide the recreation services outlined in the **Scope of Services** for a fee not to exceed **\$100,000**.

Scope of Services

1. Maintenance Equipment and Supplies: **\$ 14,655.50**

The District will purchase maintenance materials and supplies necessary to maintain existing equipment and facilities to accommodate extended recreational services related to the facilities within the CCSD. These supplies include but are not limited to household cleaners, restroom towels, toilet tissue, garbage containers, light fixtures, and repair parts. (Based on estimated total costs of \$39081, 64 hours a week of services of which 24 are extended hours. $24/64 = 37.5\%$ of \$39081 = \$14655.50).

2. Recreation Services **\$ 85,344.50**

The District will provide the services of the General Manager, Assistant General Manager, Program Director, Special Event Staff, Maintenance Staff, Night Supervisor, Recreation Leaders, Senior Center Coordinator and Summer Staff to offer programs, services and activities to the Castroville Community. We will also contract for services with other agencies to provide additional recreational services to the community.

Recreation Leaders (after School):	
2 @ 22hrs X 42 weeks = 1848hrs @ \$11.00/hr	\$ 20,328.00
Summer & Weekend Staff	
1.0 @ 20hrs x52 = 1040 @ \$10/hr	\$ 10,400.00
Maintenance Staff:	
2.0 Maintenance workers @ 20% of \$55920	\$ 11,184.00
Program Director:	
2080 hrs annually 50% of \$38563	\$ 19,281.50
Assistant General Manager:	
2080 hrs annually @ 20% of \$48438 annual salary	\$ 9,688.00
General Manager:	
2080 hrs annually @ 20% of \$72315 annual salary	\$ 14,463.00
Total staff costs	\$ 85,344.50

3. Capitol Projects

Capitol Improvement projects to be identified and cost estimates prepared and approved by NCRPD Board before District requests funding from CCSD. Will have projects and estimates ready in July.

Total Capitol Projects **\$ -**

Grand Total **\$ 100,000.00**

NEWS

Science of Salt

DeepWater Desal forges ahead with environmental planning.

By Kera Abraham

DeepWater Desal goes deep: at least 70 feet below the surface of Monterey Bay, according to its desalination plant proposal. It's also gone \$4.5 million deep, the company spokesman says, on the science alone—for a project that some say faces pretty long odds.

On June 1, the California State Lands Commission, lead agency for DeepWater's Monterey Bay Regional Water Project, announced it and Monterey Bay National Marine Sanctuary will jointly prepare the project's environmental documents. (Public scoping meetings happen this Tuesday, see Public Citizen, this page.)

DeepWater proposes to build a reverse-osmosis desal facility, drawing 55,000 acre-feet of seawater per year from the Monterey Submarine Canyon to produce up to 25,000 acre-feet of drinkable water, discharging the brine through a separate pipe a mile offshore.

DeepWater spokesman David Armanasco says the company has spent

the last four years studying the science behind its proposal.

"We wanted to have very comprehensive live testing to determine what was down there," he says.

The biggest finding, he says, is that most sea life sticks to the ocean's surface layer, well above DeepWater's proposed intakes. "The beauty of that canyon is that the water is always upwelling, like a reverse waterfall," he says, "which makes it a very good, sustainable supply to desalinate."

"[DeepWater] will probably be taking the long road toward permitting."

Last month, the State Water Resources Control Board adopted new rules for permitting desal operations. The policy prefers subsurface intakes—drawing



NIC COURRY

DeepWater Desal founder Brent Constantz helped secure \$1 million from the MPWMD to fund the planning for his project.

seawater through the ground, rather than straight from the ocean—unless it's proven to be unfeasible. Armanasco says in this case, it is.

Carol Reeb, a research associate for Stanford University's Hopkins Marine Station, is skeptical. "Any proposal featuring open-ocean intakes...will probably be taking the long road toward permitting," she writes by email.

Three other entities—California American Water, business mogul Nader Agha and Marina Coast Water District—have also proposed to build large desal plants along the same stretch of Highway 1 between Marina and Moss Landing.

Armanasco maintains DeepWater isn't competing with Cal Am; DeepWater already has agreements to supply the city of Salinas, Castroville Community Services District and Soquel Creek Water District. DeepWater is also Monterey Peninsula Water Management District's backup desal supply in case Cal Am's project falls through. ★

Positive Slant

Cal Am says a shutdown of its test slant well has shown it's not affecting groundwater.

By David Schmalz

On June 5, California American Water Company shut down its test slant well in

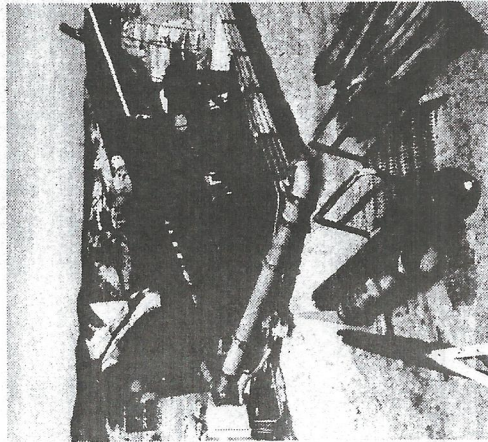
Marina after groundwater levels dipped more than a foot since the well began pumping April 22. The move was a pre-emptive response to a condition set by the California Coastal Commission for the well's approval: If groundwater levels dropped by 18 inches since the well began operat-

ing, it must be turned off. Cal Am's test well was built to study the effects a proposed desalination plant would have on the Salinas Valley Groundwater Basin. And while some critics are interpreting the recent shutdown of the well as a sign it's doomed to failure, officials from Cal Am say data gathered since the pumping stopped shows the opposite.

"The drop [in groundwater] is not due to the well

running," says Cal Am Vice President of Operations Richard Svindland. If it was, he says, one would expect the groundwater levels to spike upward when the slant well—which pumps 2,000 gallons per minute at a depth of up to 180 feet—stopped running. But Svindland says the site's monitoring wells show the groundwater levels have remained level, and the recent drop was also seen at depths of 400 feet, where the

well was not pumping. The project's Hydrogeologic Working Group on June 23 compiled a report of the most recent data from the site's monitoring wells, which argues the groundwater level dropped due to seasonal fluctuation and inland pumping. Svindland this week will ask the Coastal Commission for permission to resume pumping, and believes that could happen next week. ★



CALIFORNIA AMERICAN WATER

Since Cal Am's test well shut down after groundwater levels dipped, scientists say recent data shows the well was not to blame.

Water Conservation

CONSUMER BEHAVIOR

VIEWING REBATES AS BONUSES

Most water utilities have a water conservation program, and many have embarked on a rebate program to encourage the use of more efficient fixtures to reduce water use. However, as Melanie K. Goetz explains in *Communicating Water's Value*, the psychology of spending plays into how effective a rebate program will be.

A rebate is perceived as money owed and coming back to the consumer, but a bonus subjectively represents a positive change. Bonuses, gift certificates, and lottery winnings are viewed as extra money. Rebates, refunds, or account credits usually languish unspent. It's important to understand the psychological effects these terms have on consumers to better understand why rebates are less likely to be redeemed

and bonus checks are almost immediately spent.

Fortunately, it's possible to provide conservation incentives in a way that's more enthusiastically perceived by recipients as an instant gratification rather than a rebate.

The San Antonio Water System (SAWS)

Water Saver Landscape Coupon pilot programs framed the incentive as a bonus by providing \$100 coupons.

To encourage San Antonio Water System customers to replace lawn with water-wise plants and mulch, the utility offered \$100 coupons for use as cash at approved nurseries. To redeem the coupon, the customers filled out a form certifying they were removing 150–250 ft² of grass and mulching and capping any automatic sprinklers to

the area. As a result, 1,500 home owners redeemed 2,000 coupons in only 60 days—a much higher response compared with previous rebate programs. Coupons provide instant gratification, so consumers enthusiastically embrace them.

Also, a coupon program is typically much simpler to administer than rebates. In SAWS's case, the seven approved companies submitted monthly invoices for reimbursement.

Utilities throughout the country can learn from SAWS's experience. By just terming the rebate presently being offered as a bonus, a utility can achieve much better results in promoting methods for more efficient water use, including fixture replacement and xeriscaping.

LAFCO followed all the rules in giving Pajaro/Sunny Mesa an appointed board, official says.

Pajaro/Sunny Mesa customers won't see the utility's board candidates on their ballots.

Posted: Friday, June 5, 2015 8:00 am

- by [Kera Abraham](#)

There aren't a whole lot of people in the Pajaro/Sunny Mesa Community Services District, which provides water and sewage services across much of rural North Monterey County. Pajaro/Sunny Mesa Board President Stephen Snodgrass estimates there are only about 1,500 hookups across the district.

But those few customers, and other local-government gadflies, might find the bureaucratic controversy that follows interesting.

This week's print edition includes a short article on [pointing out that Pajaro/Sunny Mesa's board is appointed by the county supervisors](#), rather than elected by its customers (as most community services district boards in California are). The Local Agency Formation Commission of Monterey County (LAFCO) recently added more territory to Pajaro/Sunny Mesa, which makes more people eligible to serve on the district's board—but the annexation didn't change the fact that the district's ratepayers can't vote for those board seats. The article quotes a 2009 letter from former district General Manager Joe Rosa, who alleges LAFCO made a mistake by giving Pajaro/Sunny Mesa an appointed board.

After the *Weekly* went to press, LAFCO Executive Officer Kate McKenna emailed to say she'd done more research, and could confidently argue it was no mistake: Pajaro/Sunny Mesa was intentionally, and appropriately, set up with an appointed board. Here's what she wrote:

Following is an outline of the facts in the LAFCO record. The facts do not support the 2009 letter's assertion of a 1992 error in establishing the governance structure for the Pajaro/Sunny Mesa Community Services District. Decisions to consolidate several districts and form PSMCSD with an appointed board were made openly, in compliance with the law, and in accordance with the request of the predecessor district that applied for the consolidation. The LAFCO record is available for inspection upon request.

1. Pajaro/Sunny Mesa Community Services District was formed in 1992, resulting from LAFCO's approval of a consolidation of three districts that previously existed: Pajaro Community Service District, Sunny Mesa County Water District, and County Service Area #73.

2. Each of the three districts was a willing participant in the consolidation. Pajaro Community Service District was the de facto “lead applicant” for the consolidation. In its 1991 resolution, requesting that LAFCO initiate the consolidation process, PCSD specifically requested that the newly formed PSMCSD have an appointed board of directors. At that time, California Government Code provided for Community Services Districts to be able to have either an elected or appointed boards of directors.

3. The 2009 Joe Rosa letter states that “When our agency was originally organized in 1984, our Board of Directors was elected by voters of the district.” The reference in this letter to “our agency” appears to be referring to Pajaro Community Service District, which did indeed have an elected board, but PCSD legally ceased existence in 1992 when the PSMCSD consolidation was approved (see #1, above) and it was PCSD itself that had requested that the newly formed PSMCSD have an appointed board (per #2, above).

4. The 2009 Joe Rosa letter also states “In 1992, due to a bureaucratic error that has never been corrected, Monterey County LAFCO, as part of a prior annexation application, caused our Board of Directors to be converted to become an appointed Board.” However, this assertion is incorrect in two different aspects.

Most importantly, the decision to convert from elected to appointed was not an error. It was clearly identified in the 1992 LAFCO resolution approving the PSMCSD, showing explicit intent, which would have been reviewed and understood by all involved parties at that time. It was also identified in the staff report leading up to that LAFCO approval resolution and, as noted in #2 and 3, above, was implemented at the request of the consolidating agencies themselves as expressed in the lead applicant’s (PCSD) resolution requesting consolidation and an appointed board. It was also allowed by law.

Establishing an elected governance structure at the outset of formation of the PSMCSD was done openly in 1992, and was not part of an annexation to PSMCSD.

5. As is always the case for special district consolidations, annexations, and formations, the 1992 consolidation of PSMCSD—and particularly issues of voting rights and representation—were reviewed by the U.S. Dept. of Justice, who responded with a letter indicating they had reviewed the approved consolidation (the LAFCO resolution for which included and documented the conversion of three districts to one district with an appointed board, as described above) and had no objections.

6. In the mid-2000s, changes to California Government Code provided that new Community Services Districts being formed in the future need to have elected, rather than appointed, board of directors. As part of the 2015 annexation to PSMCSD, LAFCO staff reviewed with legal counsel whether anything about an annexation to a CSD with an appointed board could somehow trigger a legal requirement to convert to an elected-board system. Our legal counsel confirmed that the elected-board requirement would be applicable only in the formation of a new CSD and was not applicable to an annexation.

WATER GUZZLERS

California regulators discuss water pricing for drought

By Fenit Nirappil
The Associated Press

SACRAMENTO » California water regulators heard proposals for a statewide drought fee and hefty fines for water-guzzling homeowners as part of a Wednesday workshop discussing how to implement Gov. Jerry Brown's order for water pricing to maximize conservation.

Officials at the State Water Resources Control Board said they weren't looking at a total overhaul of water bills across the parched state dealing with its four-year dry spell.

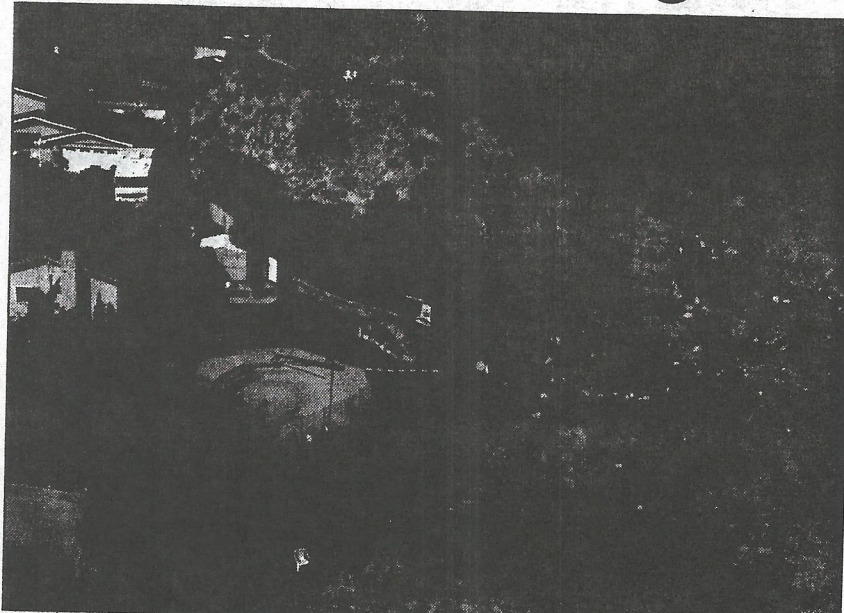
"The state is not rushing out here to supplant local authority and local control," said Max Gombert, a senior scientist at the board.

Joe Grindstaff, general manager of the Chino-based Inland Empire Utilities Agency, suggested the California could set a state standard for reasonable residential water use and impose fines on local agencies whose customers use too much.

"The truth is you can have a really nice lawn and really nice life living within those standards," Grindstaff told the board.

Members of the state water board appeared cool to the idea, with one quipping Grindstaff would need police protection because so many people would hate the idea.

The board didn't take any actions Wednesday and didn't indicate any fu-



RINGO H.W. CHIU — THE ASSOCIATED PRESS

A home with a swimming pool sits near a dried-out hillside in Altadena. The State Water Resources Control Board is hosting a workshop Wednesday to discuss how to encourage Californians to save by hitting them in the wallet.

ture plans for increasing the price of water.

A law accompanying the California budget allows agencies to slap the worst water wasters with fines up to \$10,000. Another bill, SB789, that would have allowed water departments to impose a 300 percent tax on the heaviest water users' bills has stalled because it lacked support.

Conservation experts agree the price of water is among the best ways to encourage savings, but the legality of such tactics have come under scrutiny after a court struck down punitive

rates in the Orange County city of San Juan Capistrano.

The 4th District Court of Appeal said charging heavy users incrementally more per gallon without showing it cost more to provide violated a 1996 voter-approved law that prohibits government agencies from overcharging for services.

Lester Snow, who leads the California Water Foundation, says that law, Proposition 218, should be reformed because it's deterring water-saving efforts.

"We are pushing people to conserve, and we have systematically withheld

some of the tools they need," he said.

Two-thirds of water districts use some form of tiered water pricing to encourage conservation. Many say their rates are legal because higher water use requires them to tap more expensive supplies.

While the governor's order calls for the board to help develop water pricing and penalties to maximize conservation, the workshop discussion also veered to a statewide water fee that would help pay for infrastructure projects during the drought.

BAILOUT

Coming El Niño could be strongest on record

By Paul Rogers

progers@mercurynews.com

As Pacific Ocean temperatures continue to warm and trade winds shift, federal scientists now say that the El Niño weather event that's emerging could be one of the strongest on record.

With California desperate for relief from its punishing four-year drought, the trend is significantly increasing the chances that storms will drench the state this winter, according to a new report released by federal scientists Thursday. And scientists say the conditions are lining up in ways not seen since the winter of 1997-98, when downpours filled reservoirs and sent rivers raging during the last major El Niño.

"That's good news for California," said Mike Halpert, deputy director for NOAA's climate prediction center in College Park, Maryland. "There are obviously no guarantees, but above-normal rainfall is becoming more

likely."

The chances are now "greater than 90 percent" that El Niño conditions that began in March will remain through this winter, according to the monthly El Niño report from the National Oceanic and Atmospheric Administration.

That's up from 85 percent last month and 50 percent from four months ago.

"We are on the right path now. We want to see it continue to strengthen and build, and certainly to not weaken any time before the new year," said California's state climatologist, Michael Anderson, who is with the state Department of Water Resources.

El Niño is a disruption in the weather patterns over the Pacific Ocean, when the ocean's surface warms more than normal. Those warm waters release heat, changing wind directions and the jet stream. Strong El Niños, when the water is the warmest, have historically been linked to wet weather in Califor-

nia and South America — and droughts in Australia and Asia.

Strong El Niños, which occur when the Pacific Ocean is the warmest, have historically been linked to wet weather in California and South America — and droughts in Australia and Asia.

As El Niño conditions have continued to grow this year, Peru in recent weeks declared an El Niño emergency, warning of flooding that could begin there this summer. Citigroup and the United Nations have issued warnings about potential price spikes in wheat and other food staples that would result from reduced harvests in Australia and other countries.

To be sure, California's next rainy season won't start in earnest for five more months.

And many of those will be hot summer months with a high fire risk because the worst drought since California became a state in 1850 has left grasslands and forests bone dry. Scientists also caution that promising El Niños have fizzled out in the past —

most recently last year.

But with each passing month, many scientists now say, this year is looking more and more like 1997.

That year, an ocean area that scientists call the "3.4 region" along the equator near South America that is considered a key indicator of El Niño trends was 1 degree Fahrenheit hotter than normal from April to June. Currently the water there is 1.6 degrees higher than average — the warmest since 1997.

San Francisco received 47 inches of rain the winter of 1997-98, double its historic average and the most since 1862.

At the peak in the winter of 1997, the water along the equator was 4.1 degrees above average. And now supercomputers at NOAA, NASA and other world-leading scientific institutions are projecting the temperatures in that ocean region by November will hit close to that — 3.6 degrees Fahrenheit — the warmest since 1997.

WEATHER » PAGE 3

Weather

FROM PAGE 2

John Lewis remembers that soaking winter of 1997-98. The owner of Commercial Gutter in Fremont was so swamped with calls from people needing gutter repairs during the relentless downpours that he had a six-month waiting list.

"It was a frenzy," he said. "My guys were working seven days a week, 10 to 12 hours a day. I had to turn people away."

Lewis, who also sells rain barrels and water storage tanks, said some homeowners are getting their gutters repaired now and mentioning the El Niño reports.

But could one soaking winter end California's drought in a year?

It's possible if the state receives 150 percent or more above average rainfall, filling Shasta, Oroville and the state's other largest reservoirs, said Anderson, the state's climatologist.

"The potential for runoff in the watersheds is larger than the storage capacity of the reservoirs," he said.

The state's biggest reservoirs have filled quickly before. In 1978, one wet year ended the 1976-77 drought, Anderson noted. And, he added, in 1993 heavy rains brought the 1987-92 drought to a close.

Last month's heavy storms in Texas dumped 11 inches of rain on Houston in one night, killing more than 20 people but ending a lengthy drought.

But to end California's en-

trenched dry spell, the rain would probably have to start around Thanksgiving, saturating the ground to allow steady runoff into rivers and reservoirs. And then the storms would have to be cold enough to bulk up the

Sierra snowpack so that the melting spring snow will continue to fill reservoirs.

Even then, the rainfall deficits of the past four years wouldn't be completely erased, and groundwater that has been overpumped during the drought could take 10 years or more to replenish, Anderson noted. But the emergency situation now plaguing farms and cities would largely pass with full reservoirs.

People's Desal Project starts EIR process

Third Monterey Bay proposal to begin environmental review

By Jim Johnson
jjohnson@montereyherald.com
@JimJohnson_MCH on Twitter

DEL REY OAKS » After years in development, the People's Moss Landing Water Desalination Project had a continuation party on Wednesday, but project owner and developer Nader Agha was conspicuous by his absence. Members of Agha's project development team attended a pair of public scoping

hearings on the desal project's environmental review, joining a few dozen others, but the driving force behind the long-planned proposal did not. The desal project is the third in the Monterey Bay area to begin the formal review process. It follows California American Water's Monterey Peninsula Water Supply Project and Deep Water Desal's Monterey Bay Regional Water Project.

Monterey Peninsula water activist Ron Weitzman, a supporter of the project, said Agha decided to let the technical experts take center stage at this point in the process. "Nader figures the best way to handle the situation is let the professional people handle things," Weitzman said. "I'm sure it's taking some discipline on his part. There are a lot of PR people out there, in-

cluding Cal Am, who don't know what they're talking about and are just reading off a script. He decided to let the people who are the experts do the talking."

At the center of both hearings was a project overview by People's Desal Project environmental consultant Steve Brown. He outlined plans to construct a desal plant relying heavily on rehabilitated facilities at Agha's Moss Landing Green Community Services District, Commercial Park capable

of producing 13,400 acre-feet of water per year for use on the Monterey Peninsula (which would get 9,752 acre-feet) and north Monterey County (which would get the remaining 3,652 acre-feet). The project assumes Cal Am's desal project fails, leaving the Peninsula in need of a replacement water supply. It also seeks to fill the need for additional water in Prunedale's Granite Ridge area, the Pajaro Sunny Mesa Community Services District, EIR » PAGE 3

THURSDAY, JULY 9, 2015

EIR

FROM PAGE 2

and the Pajaro Valley Water Management Agency, though no agreements with any of those potential partners currently exist. Brown acknowledged the project's environmental review needs to confirm the potable water demand projections, particularly for North County, and assumes signed water delivery contracts pre-date project construction.

"We can't just build willy-nilly," Brown said. "We need a justifiable demand."

The proposal also relies on the assumption, Brown said, that project backers have adequately explored the state-preferred subsurface intake method and proved it infeasible so the project's planned open ocean intake could be employed. Brown also noted that the desal project's ultimate owner and operator remains uncertain, noting that eventually a joint powers authority of local public water agencies such as the Monterey County Water Resources Agency and Monterey Peninsula Water Management District could step in, or even Cal Am.

Moss Landing Harbor District general manager Linda McIntyre said she wanted to clarify that the district had not been part of any discussions regarding taking over operation of the desal project, contrary to rumors. Brown said the best-case scenario calls for the project's draft EIR to be finished by the fall or winter, a final EIR approved by the harbor district by next spring or summer, and 12 to 18 months for permitting, and another 12 to 18 months for construction. Several speakers weighed in, suggesting the use of solar energy to help power the

desal plant, calling for negotiations with the Soquel Creek Water District, and arguing that the project would use considerably less water and have less impact than the Dynegy power plant. The deadline for public comments on the environmental review scoping is July 31, and written comments can be mailed to: Linda G. McIntyre, Moss Landing Harbor District, c/o Aspen Environmental Group, 235 Montgomery St., Suite 935, San Francisco, CA, 94104.

No allocation for Castville

Jim Johnson can be reached at 726-4348.

DESALINATION

Cal Am must seek amended test slant well permit

Coastal Commission official calls for meeting several conditions

By Jim Johnson

jjohnson@montereyherald.com
@JimJohnson_MCH on Twitter

MARINA » California American Water and a group of experts will be asked to prove regional agricultural irrigation pumping caused most, if not all, of the decrease in north Marina groundwater levels that halted pumping of the Monterey Peninsula desalination project's test slant well last month.

According to a letter from Coastal Commission executive director Charles Lester sent to Cal Am engineering manager Ian Crooks on Friday, any bid to resume full-time test well pumping should include "available data" to support an assumption by the desal project's Hydrogeological Working Group that groundwater levels are being influenced by factors other than the test well operation.

Lester also recommended identifying and incorporating the likely effects of "regional pumping regimes, daily changes in agricultural pumping" and the like on the groundwater levels.

Lester wrote that Cal Am will be required to apply for an amendment to its test well permit before seeking to continue full-time pumping and set a series of recommended conditions for the bid.

DESAL » PAGE 4

Desal

FROM PAGE 1

Cal Am operated the test well at the north Marina Cemex sand mining plant site for about a month before it reported that monitoring showed a drop in groundwater levels of about a foot and halted the pumping in early June.

The hydro group reported to Coastal Commission officials that the groundwater level decrease was largely due to ag irrigation pumping, not the test well.

But Lester noted in his letter that the test well permit required an amendment if the drop was caused

"at least in part" by the pump test, adding the condition was intended to "ensure the pump test would not adversely affect coastal agriculture."

Salinas Valley ag industry interest groups have expressed concern about the potential impact of desal pumping on the Salinas Valley groundwater basin, and two such groups — the Monterey County Farm Bureau and the Salinas Valley Water Coalition — have signed onto a project settlement agreement that establishes the hydro working group and the effort to determine the desal project's potential effect on the basin.

Lester also recommended Cal Am consider

including "separate, specific thresholds" to measure the potential effects of the test well on the water basin's three aquifers underlying the area. He noted each aquifer features different characteristics and are affected differently by the pump test and other factors.

In addition, he suggested that monitoring data on groundwater levels and total dissolved solids (or the percentage of seawater in the test well pumping) should be described as a "range or trend in the data," and the permit amendment should include proposed thresholds to better reflect the trends.

Finally, Lester requested Cal Am clarify its compli-

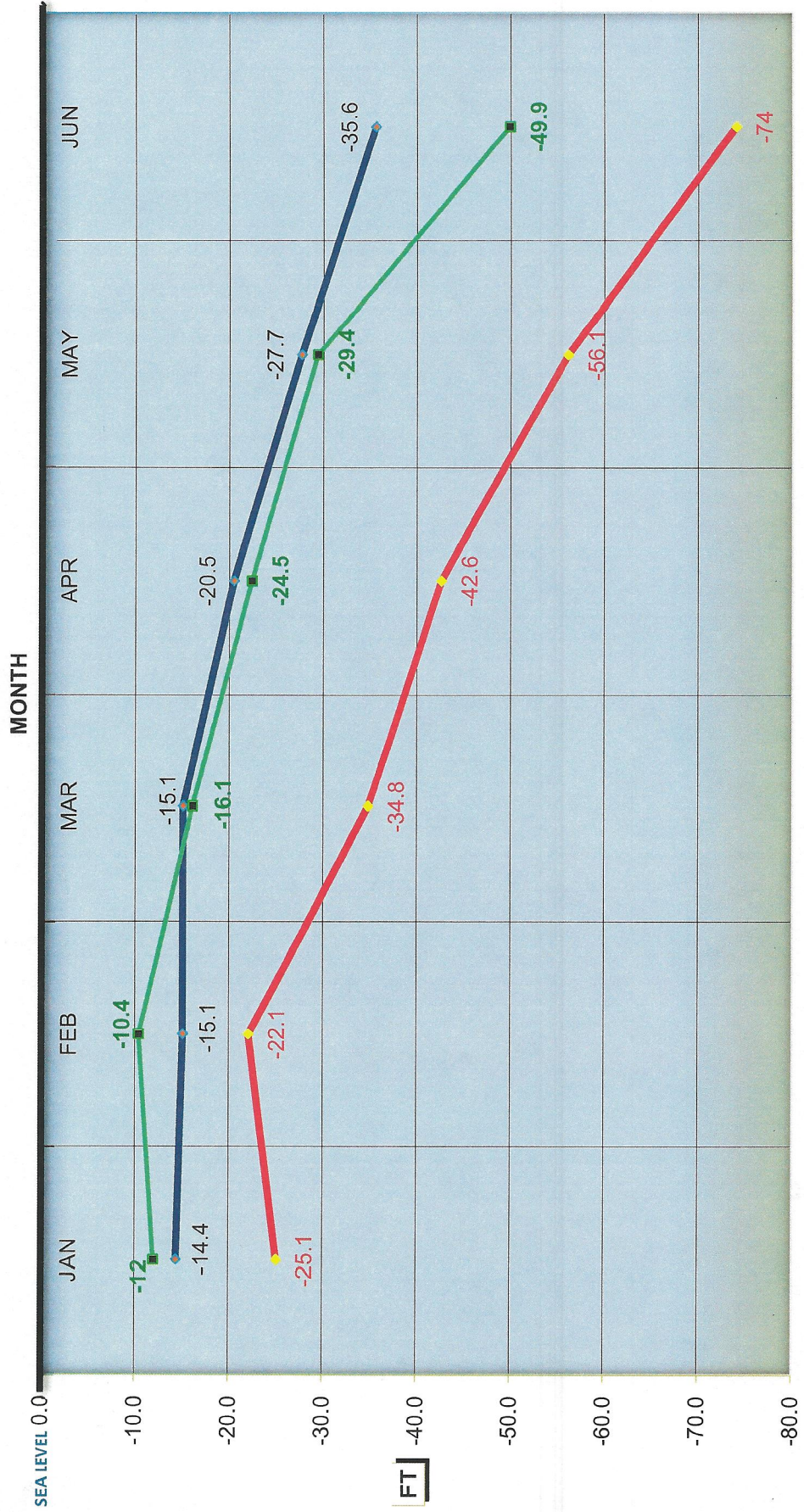
ance with a permit condition calling for monitoring devices to be installed in at least four wells on the Cemex site, referring to a letter from the Marina Coast Water District's outside legal firm Remy Moose Manley arguing that Cal Am had not complied with the condition.

Lester wrote that Cal Am would be allowed to continue "minimal maintenance pumping" of the test well, for no more than six hours a week.

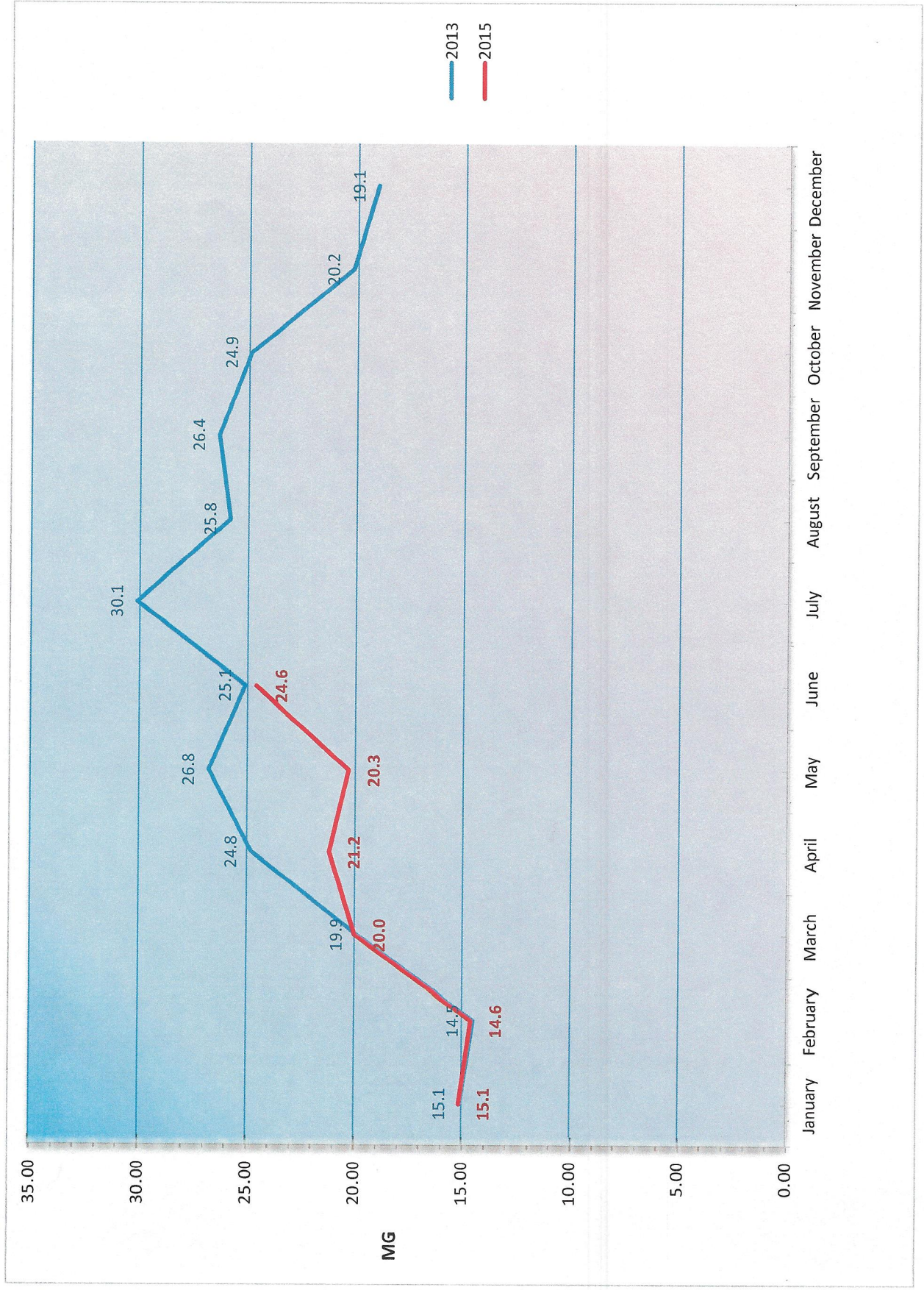
Commission analyst Tom Luster said the commission could consider Cal Am's test well permit amendment as soon as August.

Jim Johnson can be reached at 726-4348.

Well Levels 2015



CONSERVATION EFFORTS 2013 vs 2015



Eric Tynan

From: Roger Masuda [rmasuda@calwaterlaw.com]
Sent: Tuesday, June 30, 2015 8:30 PM
To: Bill Kocher; Howard Gustafson; Peter
Cc: Eric Tynan; lloyd
Subject: RE: meeting with growers

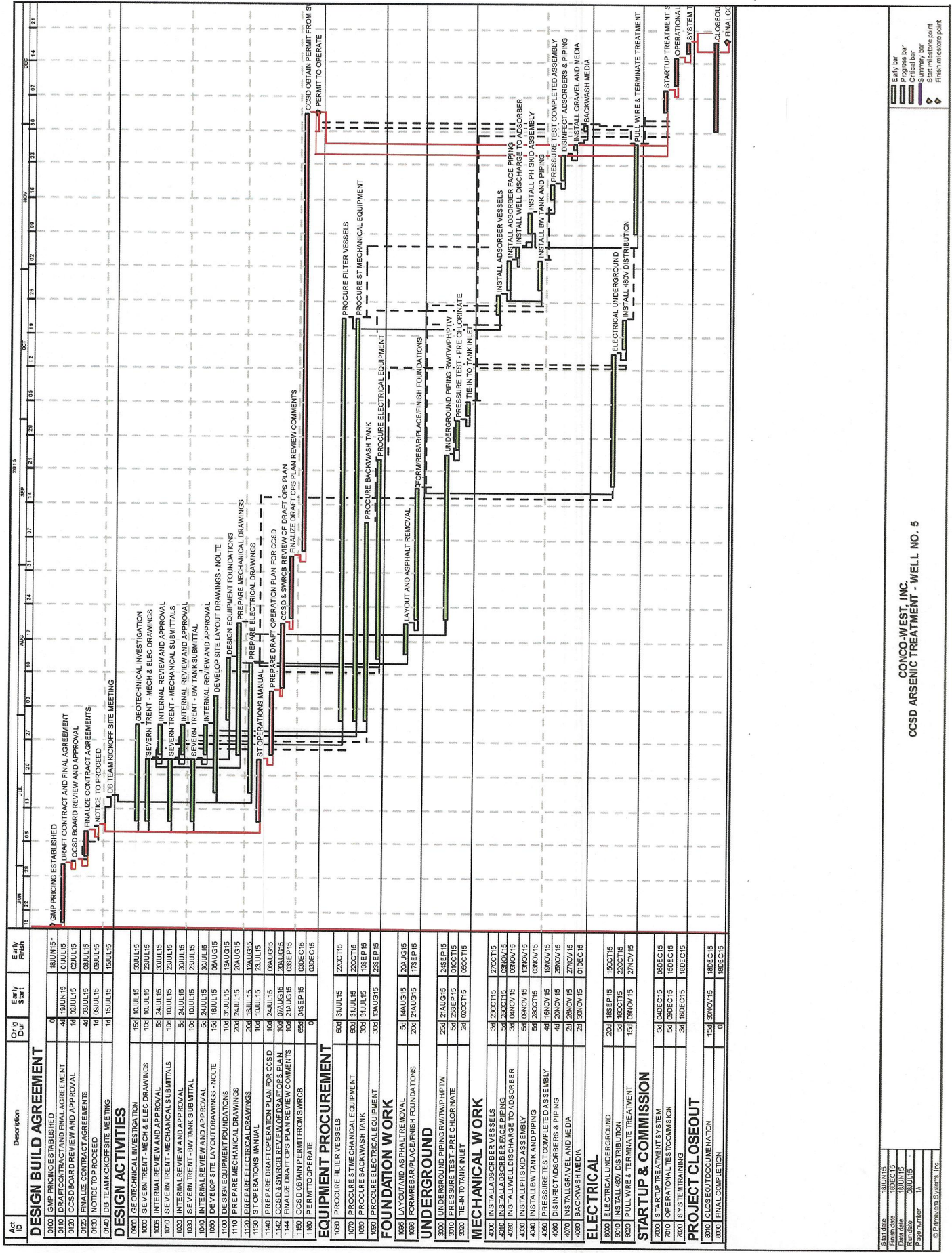
That is totally understandable. However, Gary Petersen's total lack of transparency in the review of the seven facilitator proposals and the actual selection of the facilitator is probably a good indication how the "big dogs" will be treating everyone else in the SGMA process. I strongly recommend again beginning the SGMA implementation process by forming a joint powers agency. It is best to first enter into a Memorandum of Agreement, which could morph into a JPA if things work out. We are general counsel to four JPAs and special water counsel to another. A JPA is a totally separate legal entity from its members so it needs to adopt its own conflicts of interest code, have its own independent audits, and met all of the other legal requirements of a public entity.

Roger
Roger K. Masuda
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517 E. Olive Street
Turlock, CA 95380
www.calwaterlaw.com
voice (209) 667-5501
fax (209) 667-8176
Founded 1920

From: Bill Kocher [mailto:BKocher@mcwd.org]
Sent: Tuesday, June 30, 2015 9:07 AM
To: Howard Gustafson; Peter; Roger Masuda
Cc: Eric Tynan
Subject: meeting with growers

Eric and I have met with growers farming the land between our agencies inquiring of their interest in perhaps forming a JPA to lead a sub-basin groundwater sustainability effort. In the main, the attitude is that they are more interested at this time in seeing how the MCWRA efforts play out. Perhaps we will want to revisit the matter after the MCWRA effort is underway if we are not satisfied that our interests are being considered, but for the time being, Eric and I agreed that there is not sufficient interest among the farming interests to further pursue the inclusion in our plans. To be frank, I would say that it is my impression that the Castoville Board is also most interested in seeing how the MCWRA facilitator process plays out before they are interested in fully committing to a JPA.

Bill Kocher, Interim General Manager
Office 831.883.5938
Cell 831.236.6184
11 Reservation Road
Marina, CA 93933



CCSD ARSENIC TREATMENT - WELL NO. 5

Start date	08/11/15
End date	03/11/16
Draw date	08/11/15
Rev date	08/11/15
Page number	11

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Castroville Community Services District Water Rate and Fee Study Calendar

May 2015							June 2015							July 2015							August 2015						
S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S
					1	2		1	2	3	4	5	6				1	2	3	4							1
3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29
31																					30						

September 2015							October 2015							November 2015							December 2015						
S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S
					1	2					1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
27	28	29	30				25	26	27	28	29	30	31	29	30						27	28	29	30	31		

CCSD Board Meeting (3rd Tuesdays at 4:30pm)

Holiday

Date	Responsible Party	Harris Proposal Task No. / (CCSD Scope of Work No.) / Action
7/21/2015	CCSD Staff & Harris	1.1 (1 & 2) Kickoff Meeting at Castroville CSD
7/14-7/21/2015	CCSD Staff	CCSD Staff provides the requested water enterprise and CSD documents to Harris
7/15-7/31/2015	Harris	1.2 (3 & 4) Review of Historical Revenues & Expenditures - 5 year review of operating & non-recurring revenues & expenditures
7/15-8/7/2015	Harris	1.3 (6) Review of Historical Water Consumption Data - 2-3 year review of water usage by customer class.
8/3-9/15/2015	Harris	1.4 (6) Development of Financial Model - Projections of future costs for water system operations and maintenance, compliance with court order(s), depreciation and debt service, capital improvement expenses & reserves funds.
8/10-9/15/2015	Harris	1.5 (6) Conduction of Cost of Service Analysis - Functional cost breakdown (e.g. distribution, storage, billing, etc. as allocated to customer classes per M1 Manual.)
9/15/2015	CCSD Staff/CCSD Board/Harris	1.6 Study Session with the CCSD Board of Directors - Discussion of rate structure recommendations
9/16-9/30/2015	Harris	1.7 (5) Harris develops the Rate Structure - Per direction of CCSD Board of Directors and Staff finalize recommended rate structure
9/23-10/6/2015	Harris	1.8 (7) Comparison of Recommended Rates - Summary of comparison of rate structure to surrounding public and private water purveyors.
9/29-10/12/2015	Harris	1.9 (8) Preparation of Rate Analysis Report - Data documentation, rate development methodology, with incorporation of CCSD Staff comments into final version.
10/20/2015	CCSD Staff/CCSD Board/Harris	1.10 (9) Presentation of Rate Analysis Report to CCSD Board of Directors and setting of Public Hearing Date for adoption of the recommended rate structure.
10/12-10/21/2015	CCSD Staff/CCSD Board/ CCSD Legal Counsel/Harris	2.1 Protest Tabulation Procedures - Meet to review & discuss code requirements and procedure for receipt & handling of protest letters
10/12-10/21/2015	CCSD Staff/CCSD Clerk of the Board/CCSD Legal Counsel/Harris	2.2 (10) Notice of Public Hearing - Prepare draft Notice of Public Hearing for review and comment by CCSD Legal Counsel and Clerk of the Board
10/21-10/30/2015	Harris	Coordination of printing and mailing of Public Hearing notices to all property owners affected by proposed rates
10/30/2015	Harris	Public Hearing notices are mailed
11/17/2015	CCSD Staff/CCSD Board/Harris*	2.5* Property Owner information meeting - Informational meeting to present rate structure and provide Q&A session (*optional task)
2/15/2015	CCSD Staff/CCSD Board/Harris	2.3 & 2.4 (11) CCSD Board conducts the Public Hearing, Harris tabulates protests to rates - Present of the Rate Analysis Report; provision of technical support and Q&A

Resolution No. 2015-5
Resolution of the Board of Directors
Castroville Community Services District
Adopting the District Budget for FY 2015-2016

July 21, 2015

RESOLVED by the Board of Directors (“Directors”) of the Castroville Community Services District (“District”), at a regular meeting duly called and held on July 21, 2015 at the business office of the District, 11499 Geil Street, Castroville, California as follows:

WHEREAS, Staff prepared and presented the draft elements of the FY 2015-2016 Budget which includes projected revenues, expenditures and capital improvement projects for Water (Castroville Zone 1), Sewer and Governmental (Castroville Zone 1), Sewer and Governmental (Moro Cojo, NMCHS, Monte Del Lago Mobile Park Zone 2) and Sewer (Moss Landing Zone 3); and,

WHEREAS, the District Board reviewed the elements of the proposed FY 2015-2016 Budget on June 16, 2015; and,

WHEREAS, the General Manager recommends that the final budget include funding for recreation services (Governmental, Castroville Zone 1) and to finance a tax measure to be submitted to the voters by the North County Recreation and Park District to fund recreation services;

WHEREAS, estimated revenues from the rates, fees and charges included in the budgeted revisions will not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed; and,

WHEREAS, the proposed elements of the 2015-2016 Budget, including the proposed funds for recreation services are prudent and reasonable and necessary; and

WHEREAS, the District has followed the procedure required by the Community Services District Law and specifically section 61110 of the Government Code in preparing, reviewing and adopting all elements of the proposed FY 2015-2016 Budget and has published a notice as required by section 61110.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Board of Directors of the Castroville Community Services District does hereby approve and adopt the FY 2015-2016 Budget.
2. The rates, fees and charges included in the FY 2015-2016 Budget shall not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed.

PASSED AND ADOPTED on July 21, 2015, by the Board of Directors of the Castroville Community Services District by the following roll call vote:

Ayes: Director(s) _____

Noes: Director(s) _____

Absent: Director(s) _____

Abstained: Director(s) _____

Dave Lewis, President

ATTEST:

Lidia Santos, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Castroville Community Services District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2015-5 adopted July 21, 2015.

Lidia Santos, Secretary

PRELIMINARY OPERATING BUDGET
WATER FUND FY 2015/2016

**Castroville Community Services District
Water Income and Expense Budget
July 2015 through June 2016**

	2015/2016
Income	
4010 · Metered Water Sales	\$ 820,000
4020 · Hydrant Water Sales	\$ 11,500
4030 · New Service Installation	\$ 4,000
4040 · Backflow Revenue	\$ 11,500
Misc. Revenue	
4050 · Misc. Revenue-Other	\$ 2,000
4053 · Reconnect Charges	750
4054 · NSF Charges	300
4057 · Trip Fee Charges	5,400
4059 · Credit Card Charges	800
Total Misc. Revenue	<u>\$ 9,250</u>
4060 · Interest Earned	\$ 6,500
4062 · Well 2B Grant-Prop 84	\$ 581,000
4070 · Assessment Bond Interest Earned	500
4082 · Property Tax Assessment Bond	29,000
Total Income	<u><u>\$ 1,473,250</u></u>

Expense

WATER OPERATIONS EXPENSE

General Operations Expense

5110 · Shop Supplies	\$ 2,000
5115 · Tools & Equipment	2,000
5120 · Operators Uniforms	1,600
5125 · Cellular Phones	900
5130 · Operators Certifications	600
5135 · Water Testing Fees	3,700
5136 · Backflow Testing	1,000
5138 · Water System Fees	7,000
Total General Operations Expense	<u>\$ 18,800</u>

Well Sites Expense

5155 · Utilities - P G & E	\$ 87,000
5165 · Pump Repair/Maintenance	8,000
5170 · Supplies for Pumps & Well Sites	1,500
5178 · Generators Repairs/Maintenance	2,000
5180 · Tank Repair/Maintenance	1,000
5185 · Building Repair/Maintenance	1,000
5190 · Chlorine/Softener Repair/Maintenance	1,700
5195 · Well Sites - Other Expense	3,500
Total Well Sites Expense	<u>\$ 105,700</u>

**Castroville Community Services District
Water Income and Expense Budget
July 2015 through June 2016**

	2015/2016
Valve Expense	
5210 · Valve - Supplies	500
Total Valve Expense	<u>\$ 500</u>
Meter Expense	
5260 · Meter - Supplies	\$ 2,500
5270 · Meter - Repair/Maintenance	3,100
Total Meter Expense	<u>\$ 5,600</u>
Hydrant Expense	
5310 · Hydrant - Supplies	\$ 1,000
5330 · Hydrant - Repair Maintenance	1,000
Total Hydrant Expense	<u>\$ 2,000</u>
Water Lines Expense	
5355 · Water Lines - Supplies	\$ 2,500
5365 · Water Lines - Repair/Maintenance	5,000
Total Water Lines Expense	<u>\$ 7,500</u>
5400 · Water Depreciation Expense	\$ 220,000
Automobile Expense	
5451 · Fuel	\$ 2,400
5452 · Repair/Maintenance	2,500
Total Automobile Expense	<u>\$ 4,900</u>
Payroll Expense Water Operation	
5520 · Operators Water Wages	\$ 79,832
Total Payroll Expense-Operations	<u>\$ 79,832</u>
TOTAL OPERATIONS EXPENSE	<u><u>\$ 444,832</u></u>
ADMINISTRATIVE EXPENSE	
Billing Expense	
5565 · Postage	\$ 11,000
5570 · Billing Supplies	11,000
5580 · Toilet Rebate	2,850
5585 · Bad Debt Write Off's	500
5590 · Other Billing Expense	500
Total Billing Expense	<u>\$ 25,850</u>

**Castroville Community Services District
Water Income and Expense Budget
July 2015 through June 2016**

	2015/2016
Utilities Expense	
5611 · Utilities - P G & E	\$ 1,600
5612 · Utilities - Telephones	1,800
5613 · Utilities - Disposal	170
5650 · Utilities - M R W P C A	60
Total Utilities Expense	<u>\$ 3,630</u>
Insurance Expense	
5621 · Insurance - Auto & General	<u>\$ 11,538</u>
Total Insurance Expense	<u>\$ 11,538</u>
Bond, Loan & Certif Expense	
5633 · Assessment Bond Cost Amorization Expense	\$ 493
5634 · Assessment Bond Interest Expense	\$ 6,300
5637 · Willdan Assessment Bond Admin Fees	<u>5,768</u>
Total Bond, Loan & Certif. Expense	<u>\$ 12,561</u>
Office Expense	
5710 · Office Supplies	\$ 2,500
5715 · Office Equipment	1,000
5720 · Misc Office Expense	2,500
5730 · Alarm Monitoring Service	800
5735 · Property Taxes	600
5740 · Computer Programs/Upgrades	4,000
5745 · Bank Fees	500
5747 · Credit Card Monthly Fees	1,200
5750 · Seminars/Training/Staff	3,000
5752 · Seminar/Training/Directors	3,000
5755 · Journals/Subscriptions	150
5760 · Membership Dues	10,500
5765 · Office Repairs/Maintenance	3,000
5770 · Building Maintenance	3,000
Total Office Expense	<u>\$ 35,750</u>
Payroll Expenses	
5810 · Wages Water- General Manager	\$ 63,300
5820 · Wages - Administrative	74,092

**Castroville Community Services District
Water Income and Expense Budget
July 2015 through June 2016**

	2015/2016
5865 · Insurance - Workers Comp	5,150
5875 · Employee Health Benefits	52,000
5880 · PERS Retirement Benefits	20,780
5882 · Employee Life Insurance	567
5885 · FICA Expense	15,600
5895 · Retired Employee Benefits	3,000
5896 · Other Post Employment Benefits	7,650
Total Payroll Expenses	<u>\$ 242,139</u>
Consulting Expense	
5910 · Legal Fees	\$ 10,000
5920 · Engineering Fees	38,000
5930 · Director Fees	9,900
5940 · Accounting Fees	7,000
5960 · Other Consulting Fees	11,000
Total Consulting Expense	<u>\$ 75,900</u>
TOTAL ADMINISTRATIVE EXPENSE	<u><u>\$ 407,368</u></u>
TOTAL COMBINED EXPENSES	<u><u>\$ 852,200</u></u>
Net Income or Loss	<u><u>\$ 621,050</u></u>
*Less Capital Expenditures: (Meters \$3K, Valves \$15K, Pumping Equip.\$3,000 Well 2B/5 Arsenic Treatment \$1.4)	<u><u>\$ 1,421,000</u></u>
Net Income or Loss	<u><u>(799,950)</u></u>

*Capital Expenditures will be booked as an asset

*Depreciation Expense is reflected

**PRELIMINARY OPERATING BUDGET
SEWER & GOVERNMENTAL FUND (ZONE 1-
CASTROVILLE) FY 2015/2016**

**Castroville Community Services District
Castroville (Zone 1) Sewer Income and Expense Budget
July 2015 through June 2016**

	2015/2016
Income	
ZONE 1 (CASTROVILLE) REVENUE	
4105 · User fees - Storm Drain #75301	\$ 65,000
4115 · Property Tax	100,300
4116 · Pass Through	70,000
4125 · Sewer Connection Fees	3,168
4128 · USDA Income from M L Zone 3	22,000
4130 · Misc Revenue	2,000
4135 · Zone 1 Interest Earned	20,000
Total Income	\$ 282,468
 Zone 1 OPERATION EXPENSE	
General Operation Expense	
7005 · Shop Supplies	\$ 1,000
7010 · Small Tools	1,500
7015 · Operators Uniforms	1,200
7018 · Operators Certifications	500
7020 · Cellular Phones	700
Total General Operation Expense	\$ 4,900
 Lift Station Expense	
7105 · Sewer Utilities PG & E	\$ 3,600
7115 · Lift Station Repair/Maintenance	3,500
7120 · Supplies for Pump Station	1,000
7122 · Permit Fee for Generators	350
7125 · Building Repair & Maintenance	1,000
Total Lift Station Expense	\$ 9,450
 7200 · Sewer (Zone 1) Depreciaton Expense	 56,092
 Automobile Expense	
7305 · Fuel for Trucks	\$ 2,200
7310 · Repair/Maintenance	3,500
7315 · Other Auto Expense	500
Total Automobile Expense	\$ 6,200
 Payroll Expense-Operation	
7405 · Operators Zone 1 Wages	\$ 62,092
Total Payroll Expense	\$ 62,092

Castroville Community Services District
Castroville (Zone 1) Sewer Income and Expense Budget
July 2015 through June 2016

	2015/2016
Sewer Line Expense	
7465 · Sewer Line-Repair/Maintenance	\$ 10,000
Total Sewer Line Expense	<u>\$ 10,000</u>
Storm drain Expense	
7475 · Storm Drain-Supplies	\$ 1,000
7485 · Storm Drain-Repair/Maintenance	7,000
7492 · Storm Drain-Fuel for Trucks	900
Total Storm Drain Expense	<u>\$ 8,900</u>
TOTAL OPERATION EXPENSE	<u><u>157,634</u></u>
ZONE 1 ADMINSTRATIVE EXPENSE	
Office Expense	
7505 · Office Supplies	\$ 2,200
7510 · Office Equipment	1,000
7515 · Misc. Office Expense	1,600
7520 · Computer Program/Upgrade	2,000
7525 · Office Repair/Maintenance	1,300
7530 · Alarm Monitoring Service	500
7535 · Property Taxes	350
7540 · Seminars/Training/Staff	2,500
7545 · Seminar/Training/Directors	2,500
7550 · Journals/Subscriptions	50
7555 · Membership Dues	4,800
7560 · Building Maintenance	2,000
7586 · Bad Debt Write-Offs	500
Total Office Expense	<u>\$ 21,300</u>
Payroll Expense Admin	
7605 · Wages Zone 1 GM	\$ 49,234
7620 · Wages Zone 1 Admin	54,202
7625 · Insurance -Workers Comp	3,500
7630 · Employee Health Benefits	39,230
7632 · FICA Expense	12,200
7635 · PERS Retirement Benefits	16,404
7636 · Other Post Employment Benefits	5,950
7640 · Employee Life Insurance	441
Total Payroll Expense	<u>\$ 181,161</u>

Castroville Community Services District
Castroville (Zone 1) Sewer Income and Expense Budget
July 2015 through June 2016

	2015/2016
Utilities Expense	
7655 · Utilities - PG &E	\$ 1,470
7660 · Utilities-Telephones	1,390
7665 · Utilities - Disposal	130
7670 · Utilities - MRWPCA	45
Total Utilities Expense	<u>\$ 3,035</u>
Sewer Consulting Expense	
7705 · Sewer Legal Fees	\$ 2,000
7710 · Sewer Engineer Fees	3,000
7715 · Sewer Accounting Fees	6,800
7720 · Sewer Other Consulting Fees	2,000
7725 · Director Fees	7,700
Total Consulting Expense	<u>\$ 21,500</u>
Insurance Expense	
7755 · Insurance - Auto & General	\$ 8,974
Total Insurance Expense	<u>\$ 8,974</u>
Bond, Loan, & Certif. Expense	
7772 · Investment Advisory Services	\$ 50
7774 · CSA 14-CCSD Amorization Cost	\$ 4,122
7775 · Willdan Tax Code-Admin Fee	\$ 1,600
7776 · Unrealized/Gain-Loss of Investment	5,000
Total Bond, Loan & Certif. Expense	<u>\$ 10,772</u>
Storm Drain Consulting Expense	
7805 · Storm Drain Legal Fees	\$ 800
7810 · Storm Drain Engineer Fees	2,000
7815 · Storm Drain Other Consulting Fee	500
Total Consulting Expense	<u>\$ 3,300</u>
TOTAL ADMINISTRATIVE EXPENSE	<u><u>\$ 250,042</u></u>
TOTAL COMBINED EXPENSES	<u><u>\$ 407,676</u></u>
NET INCOME OR LOSS	<u><u>\$ (125,208)</u></u>

**Castroville Community Services District
Castroville (Zone 1) Sewer Income and Expense Budget
July 2015 through June 2016**

	2015/2016
*Less Capital Expenditures (Lift Stations)	<u><u>3,000</u></u>
Net Income or Loss	<u><u>(128,208)</u></u>

*Capital Expenditures will be booked as an asset

*Depreciation Expense is reflected

**Castroville Community Services District
 Castroville (Zone 1) Governmental Activities
 Income and Expense Budget
 July 2015 through June 2016**

	2015/2016
Income	
ZONE 1 (CASTROVILLE) REVENUE	
4107 · User fees - Street Lights #75301	\$ 32,500
4135 · Zone 1 Interest Earned	600
Total Income	\$ 33,100
ZONE 1 OTHER OPER & MAINT EXPENSE	
7825 · Street Light Utility Cost	\$ 40,500
7830 · Castroville Sign Maintenance	1,400
7835 · Pedestrian Over Cross Maintenance	1,000
Total Zone1 Other Oper & Maint Expense	<u>\$ 42,900</u>
TOTAL OTHER OPERATION EXPENSE	<u>42,900</u>
ZONE 1 RECREATIONAL EXPENSE	
7850 · No. Co. Rec & Park District	\$ 120,000
Total Zone 1 Recreational Expense	<u>\$ 120,000</u>
TOTAL RECREATIONAL EXPENSE	<u>\$ 120,000</u>
TOTAL COMBINED EXPENSES	<u>\$ 162,900</u>
NET INCOME OR LOSS	<u>(\$129,800)</u>
Transfer One-Time Property Taxes to Zone 1 Gov for Recreational Services	<u>\$ -</u>
Net Income or Loss	<u>(\$129,800)</u>

PRELIMINARY OPERATING BUDGET
SEWER & GOVERNMENTAL FUND (ZONE 2-Moro
Cojo, NMCHS, & Monte De Lago Mobile Park)
FY 2015/2016

**Castroville Community Services District
Sewer Zone 2 Income and Expense Budget
July 2015 through June 2016**

	2015/2016
Income	
ZONE 2 (MORO COJO) REVENUE	
4205 · Userfees MC-Sewer & Storm Drain #73701	\$ 54,000
4210 · Zone 2 Interest Earned	500
4215 · Userfees NMCHS & Mobile Park	34,500
Total Income	<u>\$ 89,000</u>
 ZONE 2 OPERATION EXPENSE	
General Operation Expense	
8030 · Shop Supplies	\$ 500
8035 · Small Tools	\$ 500
8037 · Operators Uniforms	\$ 300
8039 · Cellular Phones	200
Total General Operation Expense	<u>\$ 1,500</u>
 Lift Station Expense	
8055 · Utilities	\$ 8,700
8065 · Lift Station Repair/Maintenance	3,000
8070 · Supplies for Pump Station	1,000
8080 · Building Repair & Maintenance	500
Total Lift Station Expense	<u>\$ 13,200</u>
 8082 · Sewer (Zone 2) Depreciaton Expense	 \$ 13,260
 Automobile Expense	
8090 · Fuel for Trucks	\$ 1,000
8095 · Auto-Repair/Maintenance	2,500
8100 · Other Auto Expense	500
Total Automobile Expense	<u>\$ 4,000</u>
 Payroll Expense-Operations	
8110 · Operator Zone 2 Wages	\$ 17,750
Total Payroll Expenses-Operations	<u>\$ 17,750</u>
 Sewer Line Expense	
8135 · Sewer Line-Repair/Maintenance	\$ 2,000
Total Sewer Line Expense	<u>\$ 2,000</u>
 Storm Drain Expense	
8145 · Storm drain-Supplies	\$ 500
8155 · Storm drain-Repair/Maintenance	2,000
Total Storm Drain Expense	<u>\$ 2,500</u>

**Castroville Community Services District
Sewer Zone 2 Income and Expense Budget
July 2015 through June 2016**

2015/2016

TOTAL OPERATION EXPENSE

54,210

ZONE 2 ADMINISTRATIVE EXPENSE

Office Expense

8178 · Seminar/Training/Directors	\$	300
8179 · Membership Dues		300
8181 · Office Supplies	\$	500
8182 · Office Equipment	\$	100
8183 · Misc. Office Expense	\$	500
8184 · Building Maintenance	\$	300
8185 · Computer Program/Upgrade	\$	500
8186 · Office Repair/Maintenance	\$	300
8187 · Alarm Monitoring Service	\$	200
8188 · Property Taxes	\$	50
8189 · Seminars/Training/Staff	\$	300
Total Office Expense	\$	<u>3,350</u>

Payroll Expense Administration

8191 · Wages- Zone 2 GM		14,068
8195 · Wages-Zone 2 Admin		9,637
8200 · Insurance-Workers Comp		1,000
8205 · Employee Health Benefits		11,400
8210 · PERS Retirement Benefits		4,706
8212 · Employee Life Insurance		126
8213 · Other Post Retirement Benefits		1,700
8214 · FICA Expense		3,300
Total Payroll Expense Administration	\$	<u>45,937</u>

Utilities Expense

8221 · Utilities - PG &E	\$	420
8222 · Utilities-Telephones		365
8223 · Utilities - Disposal		40
8224 · Utilities - MRWPCA		15
Total Utilities Expense	\$	<u>840</u>

Consulting Expense

8215 · Sewer Legal Fees		1,000
8217 · Sewer Engineer Fees		1,000
8218 · Sewer Accounting Fees		1,400
8219 · Sewer Consulting Fees		700

**Castroville Community Services District
Sewer Zone 2 Income and Expense Budget
July 2015 through June 2016**

	2015/2016
8220 · Director Fees	\$ 2,200
	<u>\$ 6,300</u>
Insurance Expense	
8230 · Insurance-Auto & General	\$ 2,564
Total insurance Expense	<u>\$ 2,564</u>
TOTAL ADMINISTRATIVE EXPENSE	<u><u>\$ 58,991</u></u>
TOTAL COMBINED EXPENSES	<u><u>\$ 113,201</u></u>
NET INCOME OR LOSS	<u><u>\$ (24,201)</u></u>
LESS CAPITAL EXPENDITURES	<u><u>\$ 24,000</u></u>
4K for Lift Stations & \$20K Sewer Main	
Net income or Loss	<u><u>\$ (48,201)</u></u>

*Capital Expenditures will be booked as an asset

*Depreciation Expense is reflected

**Castroville Community Services District
Zone 2 Governmental Activities
Income and Expense Budget
July 2015 through June 2016**

	0215/2016
Income	
4207 · Userfees MC-Street, Open Sp, Street Lights #73701	\$ 33,500
4210 · Zone 2 Interest Earned	500
Total Income	<u><u>\$ 34,000</u></u>
ZONE 2 OTHER OPER & MAINT EXPENSE	
8245 · Open Space Maint-Outside Service	\$ 2,400
8250 · Street Light Utility Cost	4,450
8255 · Road Repair	1,000
8260 · Street Signage	1,000
Total Zone 2 Other Operation & Maint Expense	<u><u>\$ 8,850</u></u>
NET INCOME OR LOSS	<u><u>\$ 25,150</u></u>

**PRELIMINARY OPERATING BUDGET
SEWER FUND (ZONE 3-Moss Landing)
FY 2015/2016**

Castroville Community Services District
Moss Landing (Zone 3) Sewer Income and Expense Budget
July 2015 through June 2016

	2015/2016
Income	
Zone 3 (Moss Landing) REVENUE	
4305 · Property Taxes	82,000
4306 · Sewer Connection Fees	50,000
4307 · Sanitation Fees	174,000
4308 · Interest Earned	1,000
Total Income	\$ 307,000
 Zone 3 OPERATION EXPENSE	
General Operation Expense	
9005 · Shop Supplies	\$ 500
9010 · Small Tools	250
9015 · Operators Uniforms	300
9018 · Operators Certifications	350
9020 · Cellular Phones	200
Total General Operation Expense	\$ 1,600
 Lift Station Expense	
9105 · Sewer Utilities PG & E	\$ 9,400
9115 · Lift Station Repair/Maintenance	4,000
9120 · Supplies for Pump Station	500
Total Lift Station Expense	\$ 13,900
 9200 · Sewer (Zone 3) Depreciaton Expense	 19,859
 Automobile Expense	
9305 · Fuel for Trucks	\$ 1,200
9310 · Repair/Maintenance	1,500
9315 · Other Auto Expense	500
Total Automobile Expense	\$ 3,200
 Payroll Expense-Operation	
9405 · Operators Zone 3 Wages	\$ 17,750
Total Payroll Expense	\$ 17,750
 Sewer Line Expense	
9465 · Sewer Line-Repair/Maintenance	\$ 3,000
Total Sewer Line Expense	\$ 3,000
 TOTAL OPERATION EXPENSE	 59,309

**Castroville Community Services District
Moss Landing (Zone 3) Sewer Income and Expense Budget
July 2015 through June 2016**

2015/2016

Zone 3 ADMINSTRATIVE EXPENSE

Office Expense

9505 · Office Supplies	\$	500
9510 · Office Equipment		100
9515 · Misc. Office Expense		2,000
9520 · Computer Program/Upgrade		500
9525 · Office Repair/Maintenance		300
9530 · Alarm Monitoring Service		200
9535 · Property Taxes		50
9540 · Seminars/Training/Staff		300
9545 · Seminar/Training/Directors		200
9555 · Membership Dues		300
9560 · Building Maintenance		300
Total Office Expense	\$	<u>4,750</u>

Payroll Expense Admin

9605 · Wages Zone 3 GM	\$	14,068
9620 · Wages Zone 3 Admin		9,637
9625 · Insurance -Workers Comp		1,000
9630 · Employee Health Benefits		11,400
9632 · FICA Expense		3,300
9635 · PERS Retirement Benefits		4,706
9636 · Other Post Employment Benefits		1,700
9640 · Employee Life Insurance		126
Total Payroll Expense	\$	<u>45,937</u>

Utilities Expense

9655 · Utilities - PG &E	\$	420
9660 · Utilities-Telephones		365
9665 · Utilities - Disposal		40
9670 · Utilities - MRWPCA		15
Total Utilities Expense	\$	<u>840</u>

Sewer Consulting Expense

9705 · Sewer Legal Fees	\$	6,000
9710 · Sewer Engineer Fees		10,000
9715 · Sewer Accounting Fees		1,400
9720 · Sewer Other Consulting Fees		700
9725 · Director Fees		2,200
Total Consulting Expense	\$	<u>20,300</u>

**Castroville Community Services District
 Moss Landing (Zone 3) Sewer Income and Expense Budget
 July 2015 through June 2016**

	2015/2016
Insurance Expense	
9755 · Insurance - Auto & General	\$ 2,564
Total Insurance Expense	<u>\$ 2,564</u>
Loan-Bond Expense	
9776 · Sewer Bond Payment-Principal	-
2601 · Sewer Bond Payment-Principal	21,000
Total Loan-Bond Expense	<u>\$ 21,000</u>
TOTAL ADMINISTRATIVE EXPENSE	<u><u>\$ 95,391</u></u>
TOTAL COMBINED EXPENSES	<u><u>\$ 154,700</u></u>
NET INCOME OR LOSS	<u><u>\$ 152,300</u></u>
*Less Capital Expenditures	<u><u>30,000</u></u>
(Lift Stations 3K and Manholes \$27K)	
NET INCOME OR LOSS	<u><u>\$ 122,300</u></u>

*Capital Expenditures will be booked as an asset

*Depreciation Expense is reflected

Rich Guillen Associates

4 Shady Lane

Monterey, CA 93940

Telephone: (831)210-2284

Facsimile: (831)646-2057

Email: richguillenassoc@sbcbglobal.net

June 24, 2014 **2015**

Eric Tynan, General Manager
P.O. Box 1065
Castroville, CA 95012

RE: IRWM ROUND 3 GRANT ADMINISTRATION

Dear Mr. Tynan:

I am submitting this proposal for grant administration of the IRWM Grant Round 3 – Castroville CSD Water Supply Well 6 Project. The grant administration of this project involves the following tasks:

1. General administration – gather project information and coordinate the preparation of progress reports and invoices with Castroville CSD staff and the Department of Water Resources (DWR).
2. Progress Report preparation – write quarterly (or monthly) progress reports describing project progress, budget tracking and schedule status of two IRWM grant projects for review by Castroville CSD staff; edit and submit final report electronically to DWR.
3. Submit deliverables – organize supplemental documents for the two IRWM grant projects and upload them to the DWR IRWM project tracking web site (GRanTS).
4. Invoice preparation – Review and organize IRWM project invoices for project cost reimbursement, submit to Castroville CSD staff for review; edit and submit electronically to DWR.

The following table summarizes the total time and material costs proposed with a not to exceed total consulting services cost:

TASKS	Post IRWM Grant Award - Year 1		
	HOURS	HOURLY RATE	TOTAL
General Administration	30	\$50	\$1,500.00
Progress Report	40	\$50	\$2,000.00
Deliverables	20	\$50	\$1,000.00
Invoice	60	\$50	\$3,000.00
			\$7,500.00

Thank you for the opportunity to submit this proposal. If you have any questions, please give me a call.

Sincerely,



Rich Guillen

Resolution No. 2015-6
Resolution of the Board of Directors
Castroville Community Services District
Enter into Grant agreement with the California Department of Water Resources

Resolved by the Board of Directors ("Directors") of the Castroville Community Services District ("District"), at a regular meeting duly called and held on July 21, 2015, at the business office of the District, 11499 Geil Street, Castroville, California

That the Board of Directors of the Castroville Community Services District, that application be made to the California Department of Water Resources to obtain a 2015 Integrated Regional Water Management Grant pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code Section 75001 et seq.), and to enter into an agreement to receive a grant for the: application entitled, "Addressing Critical Water Supply Needs of Disadvantaged Communities in the Greater Monterey County Region." The General Manager of the Castroville Community Services District (or a delegate) is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with California Department of Water Resources.

Whereas; The three production wells of the District are at historic low levels; and

Whereas; the Governor of the State of California proclaimed a drought emergency on January 17, 2014 based on the State's water supply shortage; and

Whereas; the underground aquifers that the District relies on for 100% of its water supply are under threat from salt water intrusion; and

Whereas; The need for a new and deeper well is necessary to protect the community from a water shortage; and

Whereas; The District declared a Stage 2 water conservation; and

Whereas; The California Department of Water Resources has made funds available; and

Whereas; Castroville is considered to be a 47% Disadvantaged Community and therefore needs addition funding for a deep well;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castroville Community Services District does hereby direct the General Manager as follows:

1. APPLICATION BE MADE TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES TO OBTAIN AN INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT PURSUANT TO THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL,

RIVER AND COASTAL PROTECTION BOND ACT OF 2006 (PUBLIC RESOURCE CODE SECTION 75001 ET SEQ.);

2. ENTERING INTO AN AGREEMENT TO RECEIVE A GRANT FOR THE GREATER MONTEREY COUNTY REGION PROPOSITION 84 2015 IRWM IMPLEMENTATION ;
3. AUTHORIZING AND DIRECTING THE GENERAL MANAGER TO PREPARE THE NECESSARY DATA, CONDUCT INVESTIGATIONS, FILE SUCH APPLICATION, AND EXECUTE A GRANT AGREEMENT WITH CALIFORNIA DEPARTMENT OF WATER RESOURCES.

PASSED AND ADOPTED on July 21, 2015, by the Board of Directors of the Castroville Community Service District by the following roll call vote:

Ayes: Directors _____
Noes: Directors _____
Absent: Directors _____
Abstained: Directors _____

David Lewis, President

ATTEST:

Lidia Santos, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Castroville Community Services District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2015-6 adopted July 21, 2015 _____

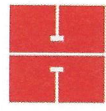
Lidia Santos, Secretary

Authorized Original Signature:

Printed Name: David Lewis

Title: President

Clerk/Secretary: Lidia Santos



Memorandum

To: Eric Tynan, Castroville Community Services District General Manager

From: Patrick Dobbins, Director

Date: July 14, 2015

Subject: Moss Landing Sewer System Connection Fee Development

Harris & Associates (Harris) was retained to provide professional and technical assistance to the Castroville Community Services District (CCSD) with regard to the development of a wastewater connection fee for the Moss Landing Wastewater Collection System (MLWWCS.) This memorandum summarizes our analysis and provides our professional and technical opinion in setting the MLWWCS Connection Fee.

Overview

CCSD annexed the MLWWCS in July 2014 via LAFCO after working under an operations and maintenance contract with Monterey County to operate and maintain the system for a number of years. With the formal LAFCO annexation, it was imperative that CCSD determine an appropriate connection fee for the system. To this end, Harris has gathered pertinent supporting documentation, in particular the Moss Landing Community Plan and the 2014 Municipal Service Review and Sphere of Influence Study: Castroville Community Services District. These documents as well as applicable budgetary and capital asset valuation records received from CCSD Staff have been reviewed in the formulation of the MLWWCS Connection Fee.

Analysis

The objective of Harris' study was to develop a local sewer connection fee for new customers connecting to the MLWWCS to reflect a prorated sharing of existing wastewater facilities, where new development repays the community for the excess capacity within the system that is available to serve new connections. By updating, CCSD is attempting to have new development repay existing utility customers for the excess capacity that is currently available. This growth in the case of the Moss Landing area is represented by the conversion of the Moss Landing Business Park & Dynege power plant from septic systems to the MLWWCS, as well as anticipated commercial, industrial, and residential development within Moss Landing as illustrated in the latest Moss Landing Community Plan.

Harris reviewed the CCSD capital asset records of the MLWWCS, which were previously maintained by Monterey County, in addition to CCSD installed capital improvements to the system, and planned future capital improvements. These assets are detailed in Attachment A – MLWWCS Asset List & Valuation with Capital Asset subsections by Lift Station, General Capital Assets, and Future Capital Improvements. Within Attachment A, for each asset component listing in those subsets we have included: the Placed in Service Date; Estimated Historical Cost (Book Value); Estimated Usable Life; Annual Depreciation amount (straight-line method); and Current Book Value (Historical Cost less accumulated depreciation).

The Current Book Value column represents the assets at a fully discounted (net of accumulated depreciation) valuation. However, in our opinion, basing the connection fee on this value dismisses both future valuation replacement of assets and a 2000 replacement cost estimate of the 7.8 miles of sanitary sewer lines that was completed by County Staff which showed an estimated replacement value of \$3.6 million at the time of calculation.

Given that this cost estimate is both a direct replacement cost estimate and is more recent data than historical cost escalation (as detailed below); we assume this valuation as a base for the sanitary lines, per Attachment A, Note 3. The County used a CPI Factor (U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, U.S. City Average) to value each asset at its service date, and we have continued this method as a means to asset value inflation. This is illustrated in the column entitled "CPI Index for Service Date Year" in Attachment A. Furthermore, given that annual averages have been used, we have assumed the average of the last ten (10) years (2005-2014) or a 2.29% increase over 2014 to represent a 2015 annual escalation rate. This assumption is illustrated in column "CPI for Est. Replacement Year 2015". The Inflated Cost Factor column represents the quotient of CPI for Est. Replacement Year 2015 divided by CPI Index for Service Date Year.

When the Inflated Cost Factor is multiplied by Estimated Historical Cost (Book Value) for each asset, the product is an estimate of what the asset would cost today if it were purchased and installed, and is shown as "Full 2015 Replacement Cost". However, simply escalating the original cost of each asset and using it as the numerator in the connection rate calculation ignores the usable life that has already elapsed. To account for this, the quotient of the Current Book Value (net of accumulated depreciation) divided by Estimated Historical Cost is multiplied by the Full 2015 Replacement Cost to derive a current valuation of each asset while accounting for its remaining usable life. The Depreciated 2015 Replacement Cost column displays this calculation and totals to \$2,227,840 which represents the MLWWCS current total valuation. This value is the numerator in our MLWWCS Connection Fee Calculation.

The denominator in the connection fee calculation is the MLWWCS capacity. During Harris' review of system documents, three figures of system collection gallons per day (gpd) were discovered and considered for this portion of the connection fee calculation.

- 1) The proposed allocation of 140,000 gpd, consistent with the CCSD Staff Memorandum to the CCSD Board of Directors recommendation;
- 2) The MLWWCS capacity of 309,000 gpd, again as described in the CCSD Staff Memorandum; and,
- 3) The treatment capacity allocation of 280,000 gpd within the Monterey Regional Water Pollution Control Agency (MRWPCA) treatment plant, per the Moss Landing Community Plan document.

Given that additional collection system flow beyond the CCSD Staff recommended allocation of 140,000 gpd would require Coastal Commission approval; the first alternative of 140,000 gpd was used in the rate calculation. This value is the denominator in the MLWWCS Connection Fee Calculation.

The resulting quotient of the numerator (total MLWWCS current valuation of \$2,227,840) divided by the denominator (CCSD Staff proposed allocation collection system capacity of 140,000) is a connection rate of \$15.91 per gallon per day (gpd). This rate must be allocated on an Equivalent Dwelling Unit (EDU) basis to be useful in applying the connection fee. We assume that one EDU is equal to one Single Family Residential Dwelling (SFR). Per the Moss Landing Community Plan, the water resources needed for an unbuilt lot or SFR are approximately 250 gpd. It is a given that not all potable water flows through the MLWWCS (e.g. landscaping irrigation); thus we assume 80% of one SFR's potable water (or 200 gpd) is collected in the MLWWCS. The resulting product of the \$15.91 gpd rate multiplied by 200 gpd is \$3,183. This figure represents the MLWWCS Connection Fee per EDU (rounded to the nearest whole dollar). A summary calculation is provided below:

2015 MLWWCS value, net of depreciation	\$2,227,840
<i>Divided by</i>	/
MLWWCS Capacity Allocation in gpd	140,000
<i>Equals</i>	=
MLWWCS Connection Fee Rate per gpd	\$15.91
<i>Multiplied by</i>	x
Est. wastewater flow from a SFD (1 EDU) in gpd	200
<i>Equals</i>	=
MLWWCS Connection Fee per EDU (rounded to nearest whole dollar)	\$3,183

This fee should be adjusted annually based upon the percentage change in the CPI factor from the prior year. Attachment B depicts the MLWWCS capital assets geographically within the Moss Landing area.

We appreciate the opportunity to provide this assistance to CCSD. Should you have any questions about our analysis, please do not hesitate to contact me.

Attachment A - MLWWCS Asset List & Valuation

Capital Assets	Placed in Service Date	Estimated Historical Cost (Book Value)	Estimated Usable Life ¹	Annual Depreciation	Current Book Value net of Accumulated Depreciation	CPI Index for Service Date Year ²	CPI for Est. Replacement Year 2015 ³	Inflated Cost Factor	Full 2015 Replacement Cost	Depreciated 2015 Replacement Cost
Lift Station 1: Struve Road										
Wet Well (lined)	1985	\$4,062	20	\$203	\$0	107,600	242,157	2.251	\$9,142	\$0
Pumps (2-20)	1997	\$9,321	10	\$932	\$0	160,500	242,157	1.509	\$14,063	\$0
Removal mechanism Controls (outdoors)	1985	\$1,562	15	\$104	\$0	107,600	242,157	2.251	\$3,515	\$0
Wet Well Cover Plate	1985	\$2,330	40	\$58	\$1,282	160,500	242,157	1.509	\$3,515	\$1,933
Scada	1999	\$2,187	20	\$109	\$0	107,600	242,157	2.251	\$4,922	\$0
Valve Box, Valves, & Cover Plate	1985	\$2,902	3	\$967	\$0	166,600	242,157	1.454	\$4,218	\$0
Motor*	1985	\$750	40	\$19	\$188	107,600	242,157	2.251	\$1,688	\$422
Motor*	2015	\$5,053	40	\$126	\$5,053	242,157	242,157	1.000	\$5,053	\$5,053
Lift Station 1 Subtotal		\$28,167			\$6,522				\$46,117	\$7,408
Lift Station 2: Little Baja/North Harbor										
Wet Well (lined)	1985	\$5,454	20	\$273	\$0	107,600	242,157	2.251	\$12,274	\$0
Pumps (2-20)	2001	\$10,000	10	\$1,000	\$0	172,200	242,157	1.406	\$14,063	\$0
Removal mechanism Controls (outdoors)	2002	\$2,098	40	\$52	\$1,416	144,500	242,157	1.676	\$3,515	\$2,373
Wet Well Cover Plate	1997	\$2,330	20	\$117	\$233	160,500	242,157	1.509	\$3,515	\$352
Scada	1985	\$2,187	10	\$219	\$0	107,600	242,157	2.251	\$4,922	\$0
Valve Box, Valves, & Cover Plate	2000	\$3,000	3	\$1,000	\$0	172,200	242,157	1.406	\$4,219	\$0
Pump for LF*	1985	\$764	40	\$19	\$191	109,600	242,157	2.209	\$1,688	\$422
Pump for LF*	2015	\$4,907	40	\$123	\$4,907	242,157	242,157	1.000	\$4,907	\$4,907
Lift Station 2 Subtotal		\$30,740			\$6,747				\$49,104	\$8,054
Lift Station 3: Moss Landing Island										
Wet Well (lined)	1985	\$4,062	20	\$203	\$0	107,600	242,157	2.251	\$9,142	\$0
Pumps (2-20)	1997	\$9,321	10	\$932	\$0	160,500	242,157	1.509	\$14,063	\$0
Removal mechanism Controls (outdoors)	1989	\$1,800	15	\$120	\$0	124,000	242,157	1.953	\$3,515	\$0
Wet Well Cover Plate	1997	\$2,330	30	\$78	\$932	160,500	242,157	1.509	\$3,515	\$1,406
Scada	1989	\$2,520	20	\$126	\$0	124,000	242,157	1.953	\$4,921	\$0
Valve Box, Valves, & Cover Plate	2002	\$3,000	3	\$1,000	\$0	172,200	242,157	1.406	\$4,219	\$0
Impeller Kit*	1985	\$750	40	\$19	\$188	107,600	242,157	2.251	\$1,688	\$422
Lift Station 3 Subtotal		\$23,783			\$1,120				\$41,063	\$1,828
Lift Station 4: Portrero Rd										
Wet Well (lined)	1985	\$4,062	20	\$203	\$0	107,600	242,157	2.251	\$9,142	\$0
Pumps (2-20)	1997	\$9,321	10	\$932	\$0	160,500	242,157	1.509	\$14,063	\$0
Removal mechanism Controls (outdoors)	1985	\$1,562	15	\$104	\$0	107,600	242,157	2.251	\$3,515	\$0
Wet Well Cover Plate	1997	\$2,330	35	\$67	\$1,132	160,500	242,157	1.509	\$3,515	\$1,707
Scada	1985	\$2,187	35	\$62	\$312	107,600	242,157	2.251	\$4,922	\$703
Valve Box, Valves, & Cover Plate	1999	\$2,902	3	\$967	\$0	166,600	242,157	1.454	\$4,218	\$0
Impeller Kit*	1985	\$750	40	\$19	\$188	107,600	242,157	2.251	\$1,688	\$422
Impeller Kit*	2015	\$1,826	40	\$46	\$1,826	242,157	242,157	1.000	\$1,826	\$1,826
Lift Station 4 Subtotal		\$24,940			\$3,488				\$42,890	\$4,659

Attachment A - MLWWCS Asset List & Valuation

Capital Assets	Placed in Service Date	Estimated Historical Cost (Book Value)	Estimated Usable Life ¹	Annual Depreciation	Current Book Value net of Accumulated Depreciation	CPI Index for Service Date Year ²	CPI for Est. Replacement Year 2015 ²	Inflated Cost Factor	Full 2015 Replacement Cost	Depreciated 2015 Replacement Cost
General Capital Assets										
Generac Portable Generator	1983	\$25,000	25	\$1,000	\$0	99.600	242.157	2.431	\$60,782	\$0
Sanitary Lines (Approx 7.8 mi.) ³	1985	\$714,117	50	\$14,282	\$285,647	172.200	242.157	1.406	\$5,096,541	\$2,038,616
Manhole Repairs (3)*	2015	\$20,985	40	\$525	\$20,985	242.157	242.157	1.000	\$20,985	\$20,985 *
Scada - CCSD-installed system*	2015	\$52,290	7	\$7,470	\$52,290	242.157	242.157	1.000	\$52,290	\$52,290 *
General Capital Assets Subtotal		\$812,392			\$358,922				\$5,230,599	\$2,111,891
Future Capital Improvements⁴										
Manhole Repairs (13)	N/A								\$91,000	\$91,000
Lift Station Repair	N/A								\$3,000	\$3,000
General Capital Assets Subtotal									\$94,000	\$94,000
GRAND TOTALS		\$920,022			\$376,768				\$5,503,772	\$2,227,840

2015 Moss Landing Wastewater Collection System (MLWWCS) value, net of depreciation
 MLWWCS Capacity Allocation in gallons per day (gpd)
 MLWWCS Connection Fee Rate per gpd \$15.91
 Estimated wastewater flow from a Single Family Dwelling (SFD), which equals 1 Equivalent Dwelling Unit (EDU) in gpd⁵ 200
MLWWCS Connection Fee per EDU (rounded to nearest whole dollar) \$3,183

Notes:

- * Denotes a Castroville Community Services District installed capital asset
- ¹ The estimated useable life for Pumps and Scada changed to 10 years and 3 years from 20 or 25 years in 2005.
- ² U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, U.S. City Average. The yearly average index was used and 2015 was estimated at 242.157 (2.29% increase from 2014, which is equal to the 10 yr average change from 2005-2014). The Sanitary Lines asset uses the CPI Index for Service Date Year of 2000, which chronologically congruent with the County's 2000 replacement cost estimate.
- ³ Sanitary Lines 2015 Replacement Cost are calculated by escalating a 2000 cost estimate of \$88/linear foot from Pacific Grove during a sewer line replacement in FY 1999/2000. The original \$5,624,192 estimate (7.8 mi. x 5280 ft. x \$88) has been escalated to 2015 dollars in the "Full 2015 Replacement Cost" column.
- ⁴ Future improvements include 13 manhole repairs @ \$7,000/ea. (net of 3 completed in FY 2014-15); and \$3000 Lift Station repairs (Sources: 2014 Castroville Municipal Services Review, pg. 15, and Proposed Castroville CSD FY 2015/16 Proposed Budget, respectively)
- ⁵ Per the Moss Landing Community Plan, Section 4.3.2.4., water resources needed for an unbuilt lot are approximately 250 gpd. The table above assumes 80% of this total or 200 gpd per EDU flow to the MLWWCS.

Moss Landing Sanitation District





**CASTROVILLE COMMUNITY
SERVICES DISTRICT**

MEMORANDUM

To: CCSD Board of Directors,

From: Eric Tynan, General Manager

Date: July 21, 2015

Re: Proposed Amendment to 1984 Moss Landing Sewer Allocation Plan

BACKGROUND

The Moss Landing Sewer Allocation Plan (MLSAP) was created in 1984 when a bond was passed and a sewer system installed to alleviate pollution from septic systems in Moss Landing. The Bond was financed by a USDA loan to be paid back with user fees.

The MLSAP plan was based on the total capacity of 105,000gpd available at the Castroville treatment plant in 1984, which is documented in a County memo dated October 1, 1984. The capacity flow was split among 5 service areas: #1 Struve Road, #2 North Harbor, #3 The Island, #4 Potrero Road and #5 Downtown.

In a November 6, 1984 report to the Board of Supervisors it is noted that, "The allocation plan will be subject to further review as new uses are brought into the area" and "The current allocation plan is based on estimates of flow, revisions to the plan may be necessary and desirable based on actual flows." There is no evidence that a follow-up review of the MLSAP based on actual flow data of the entire system had been done until the Castroville CSD initiated its own study in August of 2013.

THE PROBLEM

The MLSAP is based on the 105,000 gpd capacity of the former Castroville treatment plant, this is documented in the 1984 memo to the Board of Supervisors. The Castroville treatment plant has been gone for decades, and was replaced by the MRWPCA Castroville regional pump station (RPS) which has a capacity of 2,700,000 gpd. The Castroville pump station in turn receives flow from the Moss Landing RPS which has a capacity of 309,000 gpd. While the MLSAP is based on a capacity of 105,000 gpd from a treatment plant that has long since been replaced, the actual system capacity of the Moss Landing sewer system is the 309,000

gpd limit of the Moss Landing RPS. Currently, the Moss Landing sewer system averages about 79,000 gpd.

The problem is that the MLSAP as it now stands is not working. Of the 5 service areas, #1 (Struve Road) is at 88% of its allocation, # 2(North Harbor) is only using 10% of its allocation but has significant expansion plans for a restaurant, #3 (The Island) is exceeding its allocation, and has significant expansion plans and ample capacity, #4 (Potrero Road) is using about 31% of its allocation with no plans of using the rest and #5(Downtown) is using about 90% of its allocation. Clearly the facts show that there is a need for change

In short, the MLSAP is seriously out of date, not being followed, and in fact if it were followed would needlessly restrict access to unallocated capacity needed by residences and businesses in the Moss Landing community.

THE SOLUTION

The solution to the problem could be solved by increasing the MLSAP to 140,000 gpd. This is well below the actual system capacity of 309,000 gpd while leaving the remaining capacity in reserve and eliminating the MLSAP service areas altogether while making the allocations "at large" in the District so they can be used where they are needed.

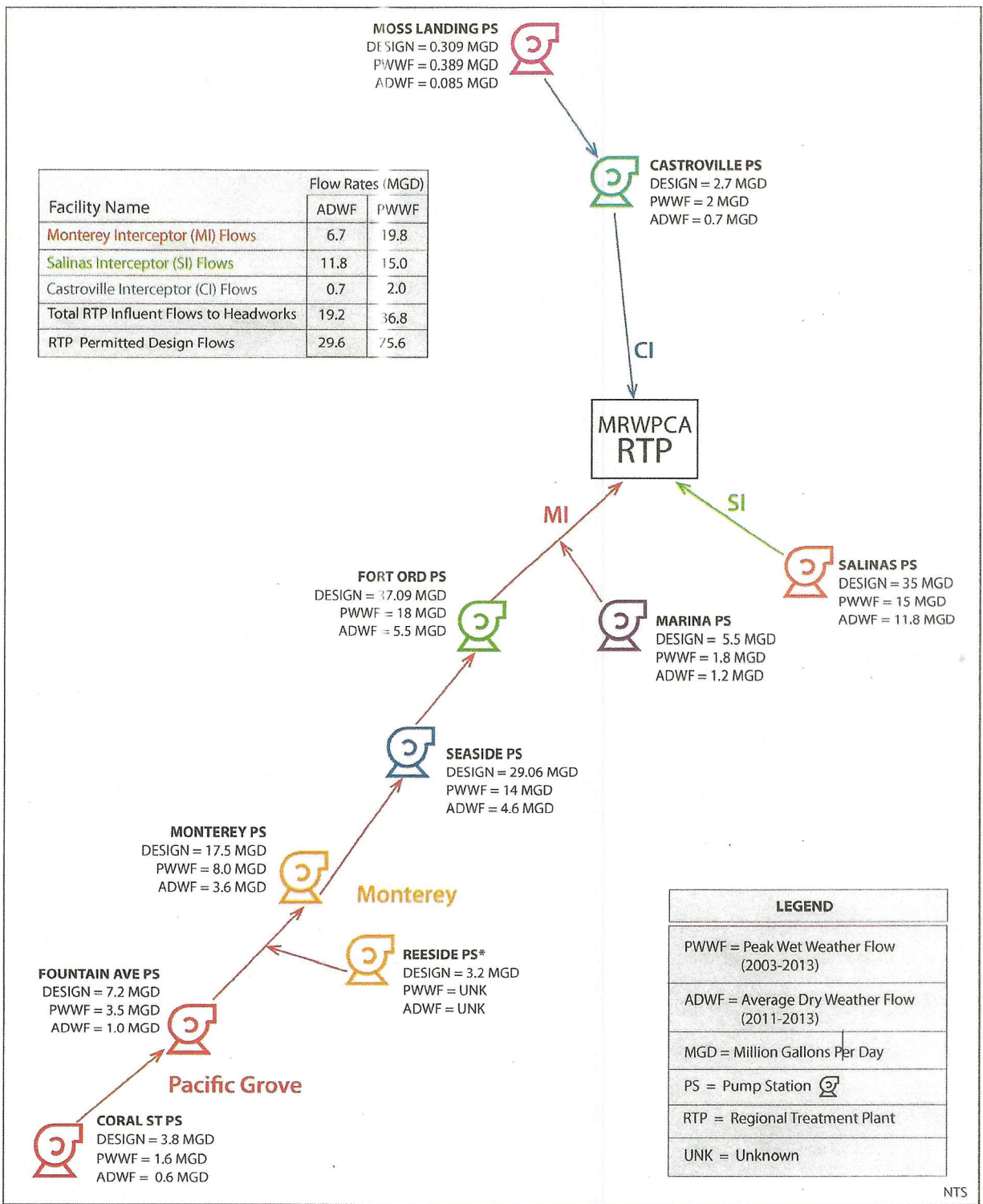
Alternately, the Allocation system could remain at the current allocation while adding capacity to Zone #3-The Island and Zone #5-Downtown as long as it conforms to the Moss Landing Community plan and California Coastal Commission guidelines.


Therefore, I would propose to the CCSD Board, the County and the Coastal Commission that the new sewer allocations for the Moss Landing sewer system should be:

	Current allocation (gpd)	%	Prop. Allocation (gpd)	Difference (gpd)
Area #1 -Struve Rd	34,250	88%	34,250	none
Area #2 - North Harbor	10,100	10%	10,100	none
Area #3 -The Island	14,000	100%	30,000	+16,000
Area #4 The Heights	13,000	31%	13,000	none
Area #5 Downtown	33,650	90%	52,650	+19,000
Totals	105,000	80%	140,000	+35,000

CURRENT UPDATE ON CASTROVILLE CSD OPERATION OF THE MOSS LANDING SEWER SYSTEM

- The Moss Landing sewer system has not had a spill or any violations since CCSD took over operation and maintenance in 2011.
- The 7 illegal cross connections with the storm drain on Struve Road have been eliminated.
- The three dangerously degraded manholes on Highway 1 have been replaced.
- The Bond financing for the installation of the sewer system was paid off by CCSD with an interest free loan, immediately saving the Moss Landing community \$65,505 in interest.
- The initial draft CIP 5 year plan for the Moss Landing system shows over \$70,000 in savings in the 1st year, this in spite of capital improvements necessary due to years of deferred maintenance.
- A state of the art command and control system has been installed at all the sewer lift stations allowing for real time monitoring, trending and remote control of the system , thus reducing overall operation & maintenance while allowing for an immediate response to emergency situations.



Brezack & Associates Planning  *No flow Meter at Reeside; PWWF & ADWF are Unknown. MRWPCA Pump Station Network Diagram

SOURCE: Jennifer Gonzalez, MRWPCA September 12, 2013 Figure 1 | Existing Discharges | Sept 2013

Figure 2: MRWPCA Pump Station Network Diagram



Memorandum

TO: Members of the Board of Supervisors DATE: October 1, 1984
FROM: Public Works Department and Planning Department
SUBJECT: MOSS LANDING SANITATION DISTRICT INTERIM SEWER ALLOCATION PROGRAM

This technical report explains the need for an allocation plan for the sewer capacity of the Moss Landing County Sanitation District. It states the need for such a proposal and describes the methodology for preparing it. The proposal reflects the design and capacity of the sewerage system, the priorities mandated by the Coastal Commission's permit to construct the system, and the policies of the Moss Landing Community Plan of the North County Land Use Plan of the Local Coastal Program.

The Environmental Protection Agency (EPA) and the State Water Resources Board approved and funded the design and construction of a wastewater collection system to accommodate a flow of 105,000 gallons per day (GPD) average daily dry weather flow. This flow is considered the absolute limit for allocation purposes because it is related to the capacity of the treatment facilities of the Castroville County Sanitation District, which will receive and process the flow.

The flow allocation and the design of the system were based on studies by the engineering consultants and letters of intent from the potential users at the time the system's design was being formulated. Conditions of the Regional Coastal Commission's permit authorizing construction of the system require that priority for service be assigned to five categories of existing and proposed land uses. The permit also established resource areas including dune, wetlands and agricultural lands and prohibited sewer service or guarantee of service to them.

The priorities designated in the Coastal Permit are:

- Priority I. Existing uses.
- Priority II. Moss Landing and Salinas River State Beaches, and the Harbor Districts pumpout facility.
- Priority III. New or expanded coastal dependent industries.
- Priority IV. New or expanded essential public services, basic industries or recreational uses.
- Priority V. All other uses.

The engineering studies conducted by Engineering Science during the design of the system estimated that 66,500 GPD of wastewater would flow from existing uses. This amount constitutes Priority I in accordance with the Coastal Permit and is presumed to have remained constant because of the moratorium on new construction and the limit of flow from converted uses to

RE: MOSS LANDING SANITATION DISTRICT
SEWER ALLOCATION PLAN


(c) The priority uses of Moss Landing Beach, Salinas River Beach and the Moss Landing Harbor district pump-out are given priority allocations.

(d) The full capacity available for development of coastal-dependent industrial uses on Moss Landing Island is provided.

(e) The balance of the capacity in the system is essentially pooled by service area to allow for new or expanded uses consistent with the Moss Landing Community Plan of the North County Land Use Plan.

3) The implementing ordinance will require a use permit for new uses in the district area. Through the review and decision-making process allocations will in effect be made by grant of the use permit. The availability of sewer capacity and impact of a project on that capacity will be an integral part of the decision-making process.

4) The allocation plan will be subject to further review as new uses are brought into the area and specific sewage flow information is gathered. The current allocation plan is based on estimates of flow. Revisions to the plan may be necessary and desirable based on the actual flow data that may be available over the first several months of operation.

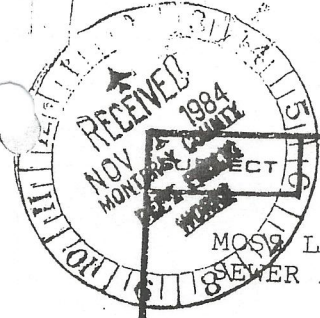


DALE ELLIS
Zoning Administrator
11/1/84

DE/mlk

Attachments: Allocation Plan, Background Report, Draft Ordinance

cc: Clerk to Board (15), Jose Ramos-County Counsel, Applicant,
File, Director of Public Works



inju 240
Public Works
5475

REPORT TO MONTEREY COUNTY BOARD OF SUPERVISORS

	INITIAL	NOTE	ACTION
<input checked="" type="checkbox"/> Public Works Director			
<input checked="" type="checkbox"/> Assistant P.W. Director	<i>ML</i>		
Supervising Civil Engineer			
Administration			
Design & Construction			
Maintenance			
Property Division			
Recital Services			
Traffic & Program			
Litter Investigator			
Road Damage Inv. & Safety			

MOSS LANDING SANITATION DISTRICT
 SEWER ALLOCATION PLAN

DISTRICT NO. 1

DEPARTMENT	PLANNING
------------	----------

BOARD MEETING DATE: NOV. 6, 1984
 TIME: 11:30 A.M.

BAGENDA NUMBER: 1

RECOMMENDATION

It is recommended that the Board of Supervisors sitting as the Board of Directors of the Moss Landing County Sanitation District,

- 1) Approve the sewage allocation plan for the Moss Landing County Sanitation District
- 2) Adopt an amendment to Ordinance No. 1 of the Moss Landing County Sanitation District to enable the allocation program to be administered and
- 3) Authorize the allocation plan and ordinance to be submitted to the California Coastal Commission for their approval

FILE COPY

SUMMARY

The construction of the facilities for the Moss Landing County Sanitation District required approval from the State Coastal Commission. In granting the permit the Coastal Commission required the allocation plan to be prepared by the County and approved by the Coastal Commission. Prior to your October 16th hearing you were sent allocation plan, background report and an implementing ordinance. Copies of these materials are attached to this report.

DISCUSSION

- 1) The Board needs to approve an allocation plan and implementing ordinance to allow submittal of the plan to the State Coastal Commission. Until the State Coastal Commission approves the plan allocation of sewer capacity for new uses in the district cannot be allowed. Without an allocation of sewer, new development cannot take place in the Moss Landing area.
- 2) The allocation plan provides for the following:
 - (a) All existing uses in the district will receive capacity to dispose of their current waste
 - (b) Each vacant parcel in the district is allocated 250 gallons per day flow. This capacity is equal to that of a single family dwelling.

Resolution No. 2015-7
Resolution of the Board of Directors
Castroville Community Services District
Accepting the 2015 Moss Landing Sewer Allocation Plan

July 21, 2015

RESOLVED by the Board of Directors ("Directors") of the Castroville Water District ("District"), at a regular meeting duly called and held on July 21, 2015 at the business office of the District, 11499 Geil Street, Castroville, California as follows:

Whereas; On July 13, 2015 the Castroville Community Services District consolidated with the Moss Landing County Sewer District.

Whereas; The Castroville CSD investigated the 1984 sewer allocation plan and determined that the plan was seriously out of date and needed to be modified to deal with potential applications for new service as well as using the current capacity in a fair and equitable manner.

Whereas; The investigation also found that there was far more capacity than the 1984 allocation plan accounted for.

Whereas; The 1984 MLSAP plan was based on the total capacity of 105,000gpd available at the Castroville treatment plant in 1984, which is documented in a County memo dated October 1, 1984.

Whereas; The capacity flow was split among 5 service areas: #1 Struve Road, #2 North Harbor, #3 The Island, #4 Potrero Road and #5 Downtown.

Whereas; In a November 6, 1984 report to the Board of Supervisors it is noted that, "The allocation plan will be subject to further review as new uses are brought into the area" and "The current allocation plan is based on estimates of flow, revisions to the plan may be necessary and desirable based on actual flows."

Whereas; There is no evidence that a follow-up review of the MLSAP based on actual flow data of the entire system had been done until the Castroville CSD initiated its own study in August of 2013.

Whereas; The MLSAP is based on the 105,000 gpd capacity of the former Castroville treatment plant; this is documented in the 1984 memo to the Board of Supervisors.

Whereas; The Castroville treatment plant has been gone for decades, and was replaced by the MRWPCA Castroville regional pump station (CRPS), which has a capacity of 2,700,000 gpd. The Castroville pump station in turn receives flow from the Moss Landing RPS (MLRPS), which has a capacity of 309,000 gpd.

Whereas; While the 1984 MLSAP is based on a capacity of 105,000 gpd from a treatment plant that has long since been replaced, the actual system capacity of the Moss Landing sewer system is the 309,000 gpd limit of the Moss Landing RPS.

Whereas; Currently, the Moss Landing sewer system averages 79,000 gpd.

Whereas; The MLSAP as it now stands is not working. Of the 5 service areas, #1 (Struve Road) is at 88% of its allocation, # 2(North Harbor) is only using 10% of its allocation but has significant expansion plans for a restaurant, #3 (The Island) is exceeding its allocation, and has significant expansion plans and ample capacity, #4 (Potrero Road) is using about 31% of its allocation with no plans of using the rest and #5(Downtown) is using about 90% of its allocation.

Whereas; Clearly the facts show that there is a need for change

Whereas; The MLSAP is seriously out of date, not being followed, and in fact if it were followed would needlessly restrict access to unallocated capacity needed by residences and businesses in the Moss Landing community.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Castroville Community Services District does hereby accept the 2015 Moss Landing Sewer Allocation as prepared by District Staff.

The CCSD Board as the official representative and legal authority responsible for the Moss Landing sewer system finds that the amended MLSAP is:

Zone	Current allocation (gpd)	%	New allocation (gpd)	Diff (gpd)
Area #1 -Struve Rd	34,250	88%	34,250	none
Area #2 - North Harbor	10,100	10%	10,100	none
Area #3 -The Island	14,000	100%	30,000	+16,000
Area #4 The Heights	13,000	31%	13,000	none
Area #5 Downtown	33,650	90%	52,650	+19,000
Totals	105,000	80%	140,000	35,000

PASSED AND ADOPTED on July 21, 2015, by the Board of Directors of the Castroville Community Service District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

David Lewis, President

ATTEST:

Lidia Santos, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Castroville Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2015-7 adopted July 21, 2015 _____

Lidia Santos, Secretary

**CASTROVILLE COMMUNITY SERVICES DISTRICT
INVESTMENT AND DEPOSIT POLICY**

BACKGROUND AND PURPOSE

State law requires that the District's Treasurer submit to the Board an annual statement of Investment Policy and periodic reports regarding investments and deposits. This document is the Annual Statement of Investment Policy for FY 2015/2016.

Pursuant to California Government Code Sections 61050(c) and 61053 (b) the Board of Directors ("Board") has appointed the General Manager to be the District Treasurer. Pursuant to Government Code Section 61053(a), the Board has established an alternative depository, other than the County of Monterey, for the District's funds.

Pursuant to California Government Code Section 53646(a)(2), regarding investments and deposits of District funds, the District deposits and investments shall be made by the District in accordance with this policy.

I. OVERALL POLICY

When investing, re-investing, purchasing, acquiring, exchanging, selling or managing public funds, the primary objective of the District shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the District. The third objective shall be to achieve a return on the funds under the District's control. When depositing funds pursuant to Section 53630 et seq., the District's primary objective shall be to realize maximum return, consistent with prudent financial management.

The District shall maintain an operating fund with enough reserve to avoid borrowing because of routine disruptions in revenue. The District shall maintain a replacement fund with a reserve fund for the replacement of facilities which will avoid all or part of the cost of borrowing. A reserve fund element should be calculated for each physical asset. The District shall maintain a reserve fund to replace facilities lost due to catastrophic events and to pay for the defense of claims often associated with such losses.

II. APPLICABLE LAW

All references to code sections in this Statement, unless otherwise specified, are from the California Government Code. The District's investment policy is based on provisions of the California Government Code commencing with Section 53600 governing the investments of local agency funds and deposits of public monies. All references to code sections in this Statement, unless otherwise specified, are from the California Government Code.

The District's investment policy is based on provisions of the Section 53600 and following governing the investments of local agency funds and public monies. The District's deposit policy is based on the provisions Section 53630 and following governing the deposit of local agency funds and public monies.

All District funds will be invested in compliance with governing provisions of law Government Code Sections 53600 et seq. and this policy. All District deposits will be made in compliance with Sections 53630 and following and this policy. If there is any inconsistency or conflict between the applicable state laws and the policies expressed in this Statement, the statutory provision shall be the policy of the District.

In accordance with Section 53600.3, the District intends to invest prudently in order to safeguard the invested principal and maintain adequate cash availability for the anticipated needs of the District. In accordance with Section 53637, the District intends to make its deposits with the objective of realizing maximum return, consistent with prudent financial management. With respect to deposits made by the District, such deposits shall be made with As far as possible, all money belonging to or in the custody of the District, including money paid to the Treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in an institution as described in Section 53635.2.

III. AVAILABILITY OF FUNDS

A. Funds For Immediate Expenditure. An amount approximately equal to the total of all District expenditures for an average three-month period shall be maintained in active deposits, as defined by Section 53644(a), such as the State Treasurer's Local Agency Investment Fund (LAIF). All Deposits (both active and inactive) shall be managed in accordance with Sections 53630 through 53686.

B. Funds Not Required for Immediate Expenditure. All funds in excess of the amount needed for immediate expenditure as described in paragraph A, shall either be a deposited as set forth in Section V, below with the objective of realizing maximum return, or invested in acceptable investment instruments as described in Section IV, below. Periodic analysis of cash flow during the fiscal year shall serve as the basis for determining when such funds should be made available for expenditure, so that an appropriate maturity date of deposits or investments may be fixed accordingly.

C. Earned Interest. In accordance with Section 53647, interest earned on all money deposited belongs to, and shall be paid quarterly into the general fund of, the District, unless otherwise directed by law. Notwithstanding this provision, the Board may direct such interest to be paid to the fund which contains the principal on which the interest accrued.

IV. ACCEPTABLE INVESTMENT INSTRUMENTS

The District's investment portfolio may include the following instruments subject to state law and subject to the constraints herein stated:

A. Negotiable certificates of deposits, subject to the limitations set forth in Section 53601(h) and Section 53638. Purchases of certificates of deposits shall not exceed thirty percent (30%) of the District's idle funds;

B. Deposits in the Local Agency Investment Fund (LAIF), subject to the provisions governing deposits which are set forth in Sections 53630 through 53686. No investment with the Local Agency Investment Fund may, by state regulation, exceed fifty million dollars (\$50,000,000);

C. Passbook savings accounts, subject to the provisions governing deposits which are set forth in Sections 53630 through 53686. In accordance with Section 53637, no funds shall be deposited into a credit union if a member of the Board or a District employee also serves on the board of directors or any committee of the credit union;

D. *Bonds and other evidences of indebtedness as set forth in Section 53601(a)-(e);*

E. Obligations issued by banks, and other participations and instruments as described in Section 53601(f);

F. Bankers acceptances as described in Section 53601(g);

G. Any other security or investment authorized by Section 53601(a)-(p).

V. DEPOSITS

A. All deposits shall be made in accordance with state law and are subject to the constraints stated herein:

1. The depository has received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency in accordance with Section 53635.2;

2. The funds are available for withdrawal in accordance with Section 53644;

3. Security is provided for the deposits in accordance with Section 53652;

4. The deposits do not exceed the maximum deposit limitations set forth in Section 53638 and 53635.8;

5. The contract for deposit complies with Section 53649; and

6. All other requirements of state law are met.

B. Types of deposits authorized are:

1. Deposits in the Local Agency Investment Fund (LAIF), subject to the provisions governing deposits which are set forth in Sections 53630 through 53686. No investment with the Local Agency Investment Fund may, by state regulation, exceed fifty million dollars (\$50,000,000);

2. Passbook savings accounts, subject to the provisions governing deposits which are set forth in Sections 53630 through 53686. In accordance with Section 53637, no funds shall be deposited into a credit union if a member of the Board or a District employee also serves on the board of directors or any committee of the credit union;

3. Time deposits (sometimes referred to as non-negotiable certificates of deposit);
and

4. Any other deposits allowed by law.

VI. INVESTMENT AUTHORITY AND REPORTING REQUIREMENTS

A. District Treasurer. The District General Manager shall perform the duties of "treasurer" under Sections 53630 through Sections 53686. District funds deposited in any account are deemed to be in the treasury of the District, pursuant to Section 53636. The District Treasurer is responsible for the safekeeping of money in his or her custody and shall enter into any contract with a depository relating to any deposit which in his or her judgment is to the public advantage, as provided by Section 53649. The District Treasurer is responsible for compliance with all state laws governing the day-to-day management of deposits as set forth in Sections 53630 through 53686.

B. Borrowing funds. In making any decision that involves borrowing in the amount of one hundred thousand (\$100,000) or more, the Board shall discuss, consider, and deliberate each decision as a separate item of business on the agenda of its meeting as prescribed in the Government Code, commencing at Section 54950.

C. Investment Committee. The Board Investment Committee shall meet periodically to review the cash flow requirements of the District and the compliance of its deposits and investments with this Statement.

D. Monthly report. As required by Section 53646, the District's Treasurer shall render a monthly report to the Board, the chief executive officer and the internal auditor, including the following information about each of the District's deposits and investments:

1. The type of deposit or investment, issuer, date of maturity par;

2. The total dollar amount invested in all securities, investments and moneys held by the District;
3. Description of any of the District's funds, investments or programs that are under the management of contracted parties, including lending programs. With respect to all of the District's securities that are under management of any outside party that is not also a local agency or LAIF, the report shall also include a current market value as of the date of the report, and shall include the source of this same valuation.
4. A statement of compliance of the portfolio to this Statement of Investment Policy, or, if the portfolio or any portion of it is not invested in accordance with this Statement of Investment, a clear and concise statement identifying the manner in which the portfolio is out of compliance with this Statement of Investment.
5. A statement denoting the ability of the District to meet its expenditures for the next six months, or provide an explanation as to why sufficient money shall, or may not be available.
6. A subsidiary ledger of deposits and investments may be used in the report in accordance with accepted accounting practices.
7. Whatever additional information the Board may require.

E. In-Lieu Statements. For District deposits and investments placed in the Local Agency Investment Fund, created by Section 16429.1, in National Credit Union Share Insurance Fund-insured accounts in a credit union, in accounts insured or guaranteed pursuant to Section 14858 of the Financial Code, or in Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the Treasurer may supply the most recent statement or statements received by the District from these institutions in lieu of the information required by paragraph D(1)-(7) above.

F. Annual Board Review. The Board shall meet annually to review the District Investment portfolio, monthly reports prepared pursuant to Section 53646 of the Government Code, and any other relevant information regarding anticipated cash requirements for the purpose of selecting deposit or investment instruments for District funds.

CSDA BOARD OF DIRECTORS 2015 ELECTION

OFFICIAL BALLOT



**COASTAL
NETWORK**

SEAT A
term ends 2018

Please vote for only one.

Robert Blair
Nipomo Community Services District

Peter Le
Marina Coast Water District

Elaine Magner
Pleasant Valley Recreation & Park District

All ballots must be completed for ballot to be counted

** incumbent running for re-election*

SIGNATURE:	DATE:
MEMBER DISTRICT:	

Must be received by **5pm, August 7, 2015**. CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814



CASTROVILLE COMMUNITY SERVICES DISTRICT

GENERAL MANAGER'S REPORT

JULY 21, 2015

❖ Regulatory Compliance

- ❑ No coliform violations (all routine samples negative) for June 2015
- ❑ Received documentation requiring annual water extractions and distributions of water sales from MCWRA, SWRCB (waiting for DWR)
- ❑ Submitted water quality reports to 8 large Water system customers
- ❑ Preparing CDPH Well permit for new well #5
- ❑ Preparing DWR Well permit for new well #5
- ❑ Preparing MCWRA Well permit for new well #5
- ❑ Regulatory documentation for CCSD sewer jetting activities
- ❑ Submitted California Integrated Water Quality "No spill" report for CCSD and Moss Landing for June 2015
- ❑ Regulatory documentation for MLCSD sewer jetting activities
- ❑ Regulatory documentation for CCSD sewer jetting activities

❖ Current Projects

- ❑ MLCSD Operations, see report in Board packet
- ❑ Moro Cojo Operations, see report in Board packet
- ❑ Investigate North entrance property for soccer fields
- ❑ Permit new Well 5 (formerly Well 2B) including CEQA documentation
- ❑ Address Moss Landing sewer allocation plan
- ❑ Update sewer ordinances for CCSD and Moss Landing- Sept-2014
- ❑ Investigate blockage on Castroville Blvd sewer siphon
- ❑ Sewer cleaning, repair, video and maintenance program for CCSD
- ❑ Assist NCP&RD with proposed tax measure – committee formed
- ❑ Enforce Water Conservation level 2

- ❖ Completed Projects
 - ❑ 2 Street light out- reported to PG&E
 - ❑ Repaired leak on Del Monte Street
 - ❑ Completed draft Moss Landing Sewer Connection fee study
 - ❑ 14 stormdrain bars installed
 - ❑ Award applicants for 218 rate study and financial plan

- ❖ Upcoming Projects
 - ❑ Well #3 replacement / rehab
 - ❑ Meet with NMR&PD Ballot Committee re: tax measure for NCR&PD
 - ❑ Resolve Moss Landing Sewer Allocation Plan
 - ❑ Resolve Moss Landing MRWPCA seat on Board of directors
 - ❑ Consider Desal opportunities
 - ❑ Design Washington sewer bypass line

Meetings/Seminars (attended)

- ❑ Kick off meeting for Well #5 Arsenic Treatment System installation
- ❑ Meeting with Supervisor Phillips and Monterey County re: Moss Landing Sewer allocation
- ❑ Met with IRWVG to discuss \$2.5 million grant funding for new well
- ❑ Met with Monterey County Planning re: Proposed Soccer field and MLSAP
- ❑ Met with Dale Huss, Vice President of Ocean Mist re: GSA formation
- ❑ Met with Bill Kocher MCWD IGM re: GSA formation
- ❑ Met with staff to discuss performance
- ❑ Monthly Rotary Board meeting

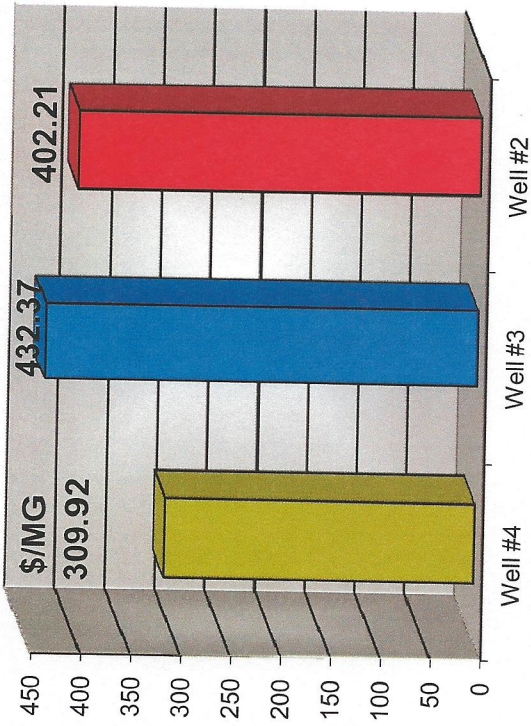
❖ Meetings/Seminars (upcoming)

- ❑ Redevelopment Oversight Committee- Ron
- ❑ Monterey County Sherriff's Citizens Advisory Group-Adriana & Eric
- ❑ NMR&PD Ballot Committee re: tax measure for NCR&PD
- ❑ MRWPCA representation for Castroville & Moss Landing systems
- ❑ Special District Water Managers Meeting
- ❑ Special District Managers meeting
- ❑ Meeting with Moss Landing Chamber re: undergrounding project
- ❑ MRWPCA meetings – Ron
- ❑ TAMC HWY 156 Citizens Advisory Group (CAG)

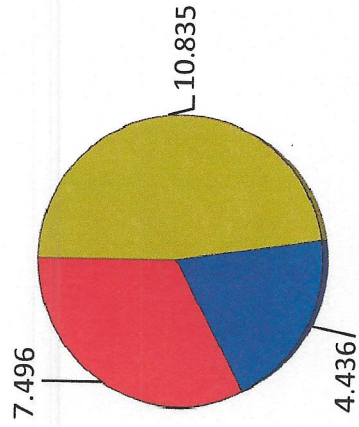
❖ Improvements/Ideas/Suggestions

- ❑ Consider Tony Akel to do Sewer master plan for Moss Landing
- ❑ Select areas for Saddle and lateral replacement program

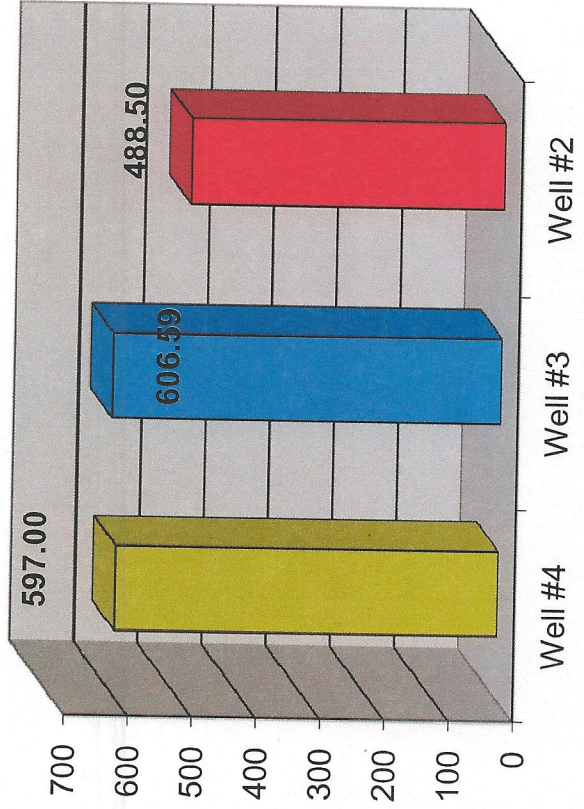
JUNE 2015

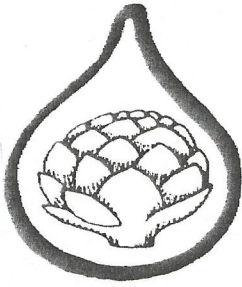


Million Gallons



GAL / KWH





CASTROVILLE COMMUNITY SERVICES DISTRICT

OPERATIONS REPORT

Emergency calls for the month of June 2015:

- a) N/A

Maintenance:

- a) Continue to exercise valves in the distribution system.
- b) Continue to flush the fire hydrants.
- c) Run the stand-by engines at the water plant sites bi-weekly.
- d) Run the stand-by engines at the sewer lift station weekly.
- e) Cleaned storm drains.
- f) Jetted sewer mains.
- g) Jetted storm drains.
- h) Adjusted Moss Landing Station antenna.
- i) Continued to install bars at storm drain basin inlets (15).
- j) Adjusted Well Site 4 transducer.
- k) Responded to Station 3 Pump #1 fault.
- l) Tested backflows (30).
- m) Chloride samples at all well Sites.
- n) Painted control panel and the generator box at Castroville Blvd.
- o) Supervised the repair of the leak on Merritt St. in front of The Patio.
- p) Responded to low chlorine residual at Well Site 4.
- q) Swapped a new impeller for Moss Landing Station 3's Pump 1.

Work Orders:

- | | |
|---------------------------------|-----------------------------------|
| a) 48 Hour notices - 53 | g) Turn On Service - 3 |
| b) Clear box - 0 | h) Padlock Service - 4 |
| c) Final bill – read meter - 14 | i) Toilet Rebate inspection - 2 |
| d) Investigate - 1 | j) Reconnection - 1 |
| e) Miscellaneous - 5 | k) Shut Off - 1 |
| f) Install / Change Meter - 11 | l) *Water Conserve Warnings - 5 |
| | m) TOTAL WORK ORDERS - 100 |



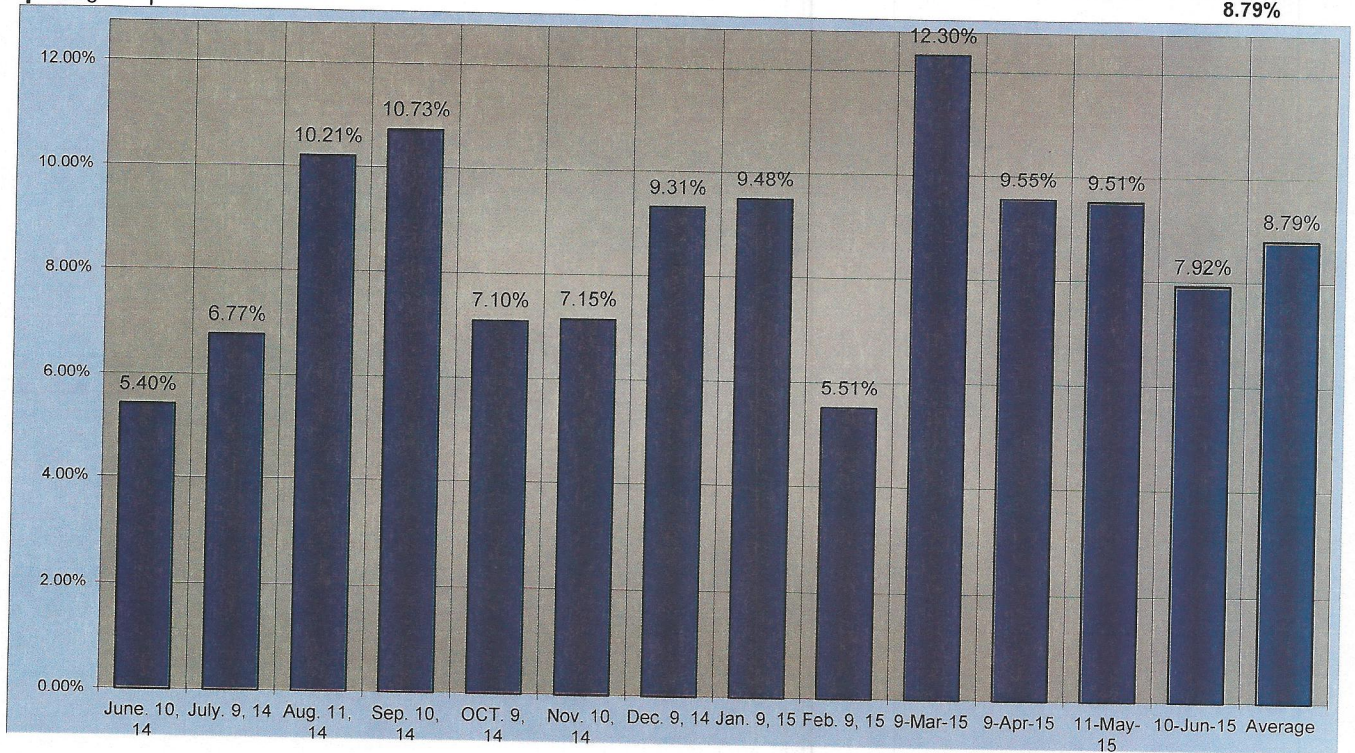
Castroville Community Services District



Percent Water Loss

Month & Year

Month	Site 2 Well Gal.	Site 3 Well Gal.	Site 4 Well Gal.	Totals		miscellaneous	Unaccounted Water %
				Water Pumped	Water Sold		
June. 10, 14	7410000	3190000	14349000	24949000	23236986	Hydrant meters 335179. Jetting 7500gal.Flushing 8k gal.Leaks 6000. FD 4000	5.40%
July. 9, 14	11767000	1576000	10869000	24212000	22052281	Hydrant meters 494264. Jetting 17k gal.Flushing 22k gal.Leaks 10k. FD 4000	6.77%
Aug. 11, 14	9680000	4555000	14097000	28332000	24539658	Hydrant meters 732301. Jetting 17200k gal.Flushing 0k gal.Leaks 75000k. FD 10000	10.21%
Sep. 10, 14	10962000	4598000	9436000	24996000	21834479	Hydrant meters 405259. Jetting 15000k gal.Flushing 0k gal.Leaks 150000k. FD 4000	10.73%
OCT. 9, 14	12169000	4407000	7586000	24162000	21361653	Hydrant meters 251176. Jetting 14000k gal.Flushing 0k gal.Leaks 760000k. FD 4000	7.10%
Nov. 10, 14	13377000	4465000	6461000	24303000	22370787	Hydrant meters 251178. Jetting 18000k gal.Flushing 10k gal.Leaks 10k. FD 4000	7.15%
Dec. 9, 14	5635000	3150000	8728000	17513000	15765109	Hydrant meters 65532. Jetting 13320k gal.Flushing 24k gal.Leaks 12k. FD 4000	9.31%
Jan. 9, 15	4680000	3880000	7432000	15992000	14263410	Hydrant meters 153789. Jetting 25500k gal.Flushing 3k gal.Leaks 25k. FD 4000	9.48%
Feb. 9, 15	7517000	0	8556000	16073000	14987234	Hydrant meters 162500. Jetting 20k gal.Flushing 22k gal.Leaks 20k. FD 4000	5.51%
9-Mar-15	6554000	0	8854000	15408000	13323203	Hydrant meters 180147. Jetting 10k gal.Flushing 10k gal.Leaks 0k. FD 4000	12.30%
9-Apr-15	6368000	2950000	11432000	20750000	18485877	Hydrant meters 25500. Jetting 20k gal.Flushing 21k gal.Leaks 10k. FD 4000	9.55%
11-May-15	8845000	1064000	12559000	22468000	20011977	Hydrant meters 25500. Jetting 17k gal.Flushing 18k gal.Leaks 20k. FD 4000	9.51%
10-Jun-15	6686000	4729000	10309000	21724000	19595303	Hydrant meters 369362. Jetting 20k gal.Flushing 10k gal.Leaks 0k. FD 4000	7.92%
Average							8.79%





Castroville
JUNE 2015 JETTING



CASTROVILLE COMMUNITY SERVICES DISTRICT



MORO COJO - ZONE 2 MONTHLY O&M REPORT JUNE 2015

❖ LIFT STATION @ CASTROVILLE BLVD

- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/4/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/11/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/18/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/25/2015

❖ LIFT STATION @ COMPO DE CASA

- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/4/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/11/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/18/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/25/2015

❖ JETTING ACTIVITIES

- ❑ Jetted sewer lines btwn MH #73.1 to-MH #73
- ❑ Jetted sewer lines btwn MH #73 to-MH #72
- ❑ Jetted sewer lines btwn MH #72 to-MH #CO1
- ❑ Jetted sewer lines btwn MH #72 to-MH #61
- ❑ Jetted sewer lines btwn MH #61 to-MH #61.2
- ❑ Total jetted approx. 1695 feet

❖ **OTHER MATTERS**

- ❑ Responded to 2 Under ground Alert marking requests
- ❑ Reported 0 street light outages
- ❑ Performed inspection of all storm drains in May 2015
- ❑ Emailed notice of "no spill" to CIWQS 5-4-2015
- ❑ Coordinated open space maintenance of field area mowing in June 2015
- ❑ Completed resurfacing of all residential roads in June 2014
- ❑ Completed restriping of all residential roads in June 2014
- ❑ Completed street sweeping in August 2014

❖ **Improvements/CIP/Suggestions**

- ❑ Need to confirm that stormdrain interceptors are clear and detention ponds are clean



MORO COJO JUNE 2015 JETTING



ID	Type	Activity	When Ended	Who	Why	Downstream Manhole ID	Upstream Manhole ID	Feet Jetted
Los Arboles Cir	8" PVC	Jetted	6/2/2015	MG/DC	Routine	MH 61	CO 61.2	450.00 ft
Los Arboles Cir.	8" PVC	Jetted	6/2/2015	MG/DC	Routine	MH 61	MH 60	248.00 ft
CortezLn3	8" PVC	Jetted	6/2/2015	MG/DC	Routine	MH 60	MH 68	255.00 ft
Campo De Casa2	8" PVC	Jetted	6/2/2015	MG/DC	Routine	MH 60	MH 59	450.00 ft
Cortez Ln. 2	PSM	Jetted	6/2/2015	MG/DC	Routine	MH 60	CO 60.1	40.00 ft
Campo De Casa	PSM	Jetted	6/2/2015	MG/DC	Routine	MH 59	MH 59.1	265.00 ft
Feet Jetted								1708

CASTROVILLE COMMUNITY SERVICES DISTRICT



MOSS LANDING (ZONE 3) MONTHLY O&M REPORT

JUNE 2015

❖ LIFT STATION # 1 (Struve Rd)

- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/4/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/11/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/18/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/25/2015

❖ LIFT STATION #2 (Hwy 1 @ Pottery barn)

- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/4/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/11/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/18/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/25/2015

❖ **LIFT STATION #3 (in front of Phil's fish market)**

- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/4/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/11/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/18/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/25/2015

❖ **LIFT STATION #4 (Potrero Rd)**

- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/4/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/11/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/18/2015
- ❑ Did pump-down, alarm check, and general inspection of Lift Station 6/25/2015

❖ **JETTING ACTIVITIES**

- ❑ Jetted sewer lines btwn MH #14 to-MH #13
- ❑ Jetted sewer lines btwn MH #13 to-MH #12
- ❑ Jetted sewer lines btwn MH #12 to-MH #11
- ❑ Jetted sewer lines btwn MH #11 to- LS#2
- ❑ Jetted sewer lines btwn MH #15 to- LS#2
- ❑ Jetted sewer lines btwn MH #30 to-MH #29
- ❑ Jetted sewer lines btwn MH #29 to-MH #28
- ❑ Total jetted approx. 1800 feet

❖ **OTHER MATTERS**

- ❑ Responded to 8 Under ground Alert marking requests
- ❑ Replaced 3 failing man-holes along hwy 1
- ❑ Perform Bi-annual inspection of grease traps @ various facilities IN March and November
- ❑ Emailed notice of "no spill" to CIWQS 6-2-2015

❖ **Improvements/CIP/Suggestions**

- ❑ confirmed that 7 residences on Struve Rd which had illegal storm drain hook-ups to the sewer collection system have been disconnected by smoke testing the system
- ❑ Need to recoat or replace 12-15 manholes that internal walls are failing
- ❑ Complete modification/elimination of Sewer Allocation Plan

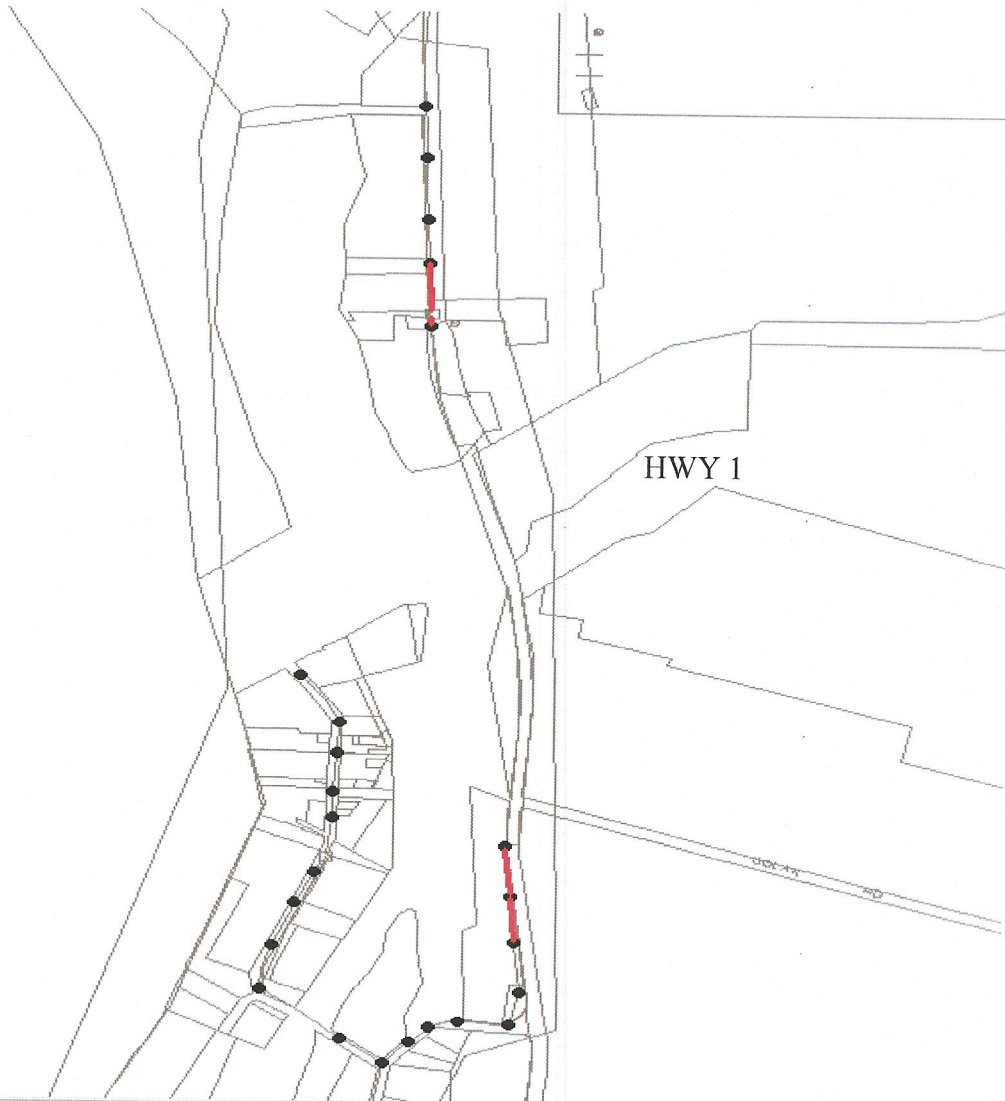


Sewer Jetted lines

JUNE

Moss Landing

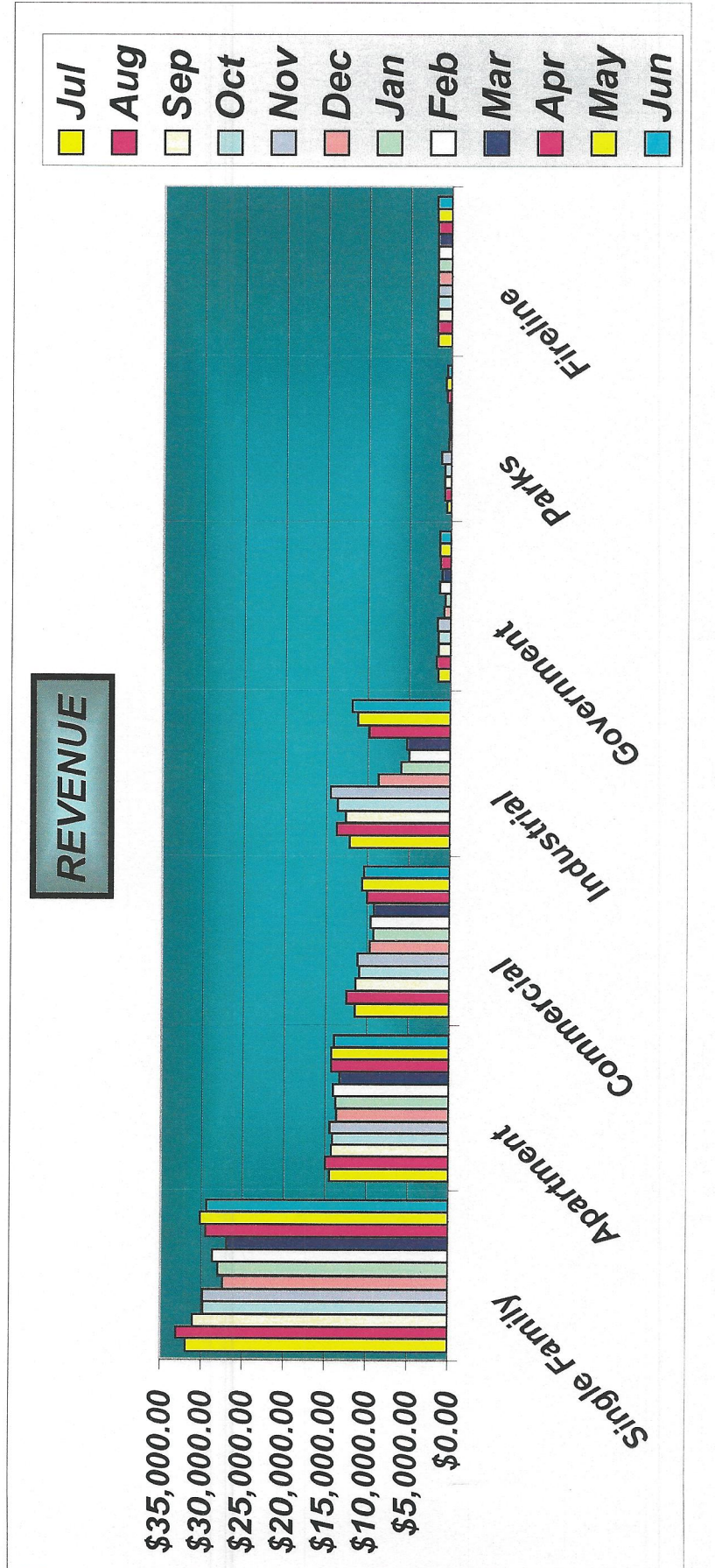
JULY 9, 2015



ID	Type	Activity	When Ended	Who	Why	Downstream Manhole ID	Upstream Manhole ID	Feet Jetted	
MH15>LT2	PSM	Jetted	6/2/2015	RG/MG	Routine		MH15 ML	50.00 ft	
	SDR35 8"				Maintenance				
MH29>MH28	PSM	Jetted	6/2/2015	MG/DC	Routine	MH28 ML	MH29 ML	321.00 ft	
	SDR35 8"				Maintenance				
MH11>LT2	PSM	Jetted	6/2/2015	RG/MG	Routine		MH11 ML	300.00 ft	
	SDR35 8"				Maintenance				
MH30>MH29	PSM	Jetted	6/2/2015	MG/DC	Routine	MH29 ML	MH30 ML	327.00 ft	
	SDR35 8"				Maintenance				
Total Events								Feet Jetted	998

Annual Water Revenue By Classification 2014-2015

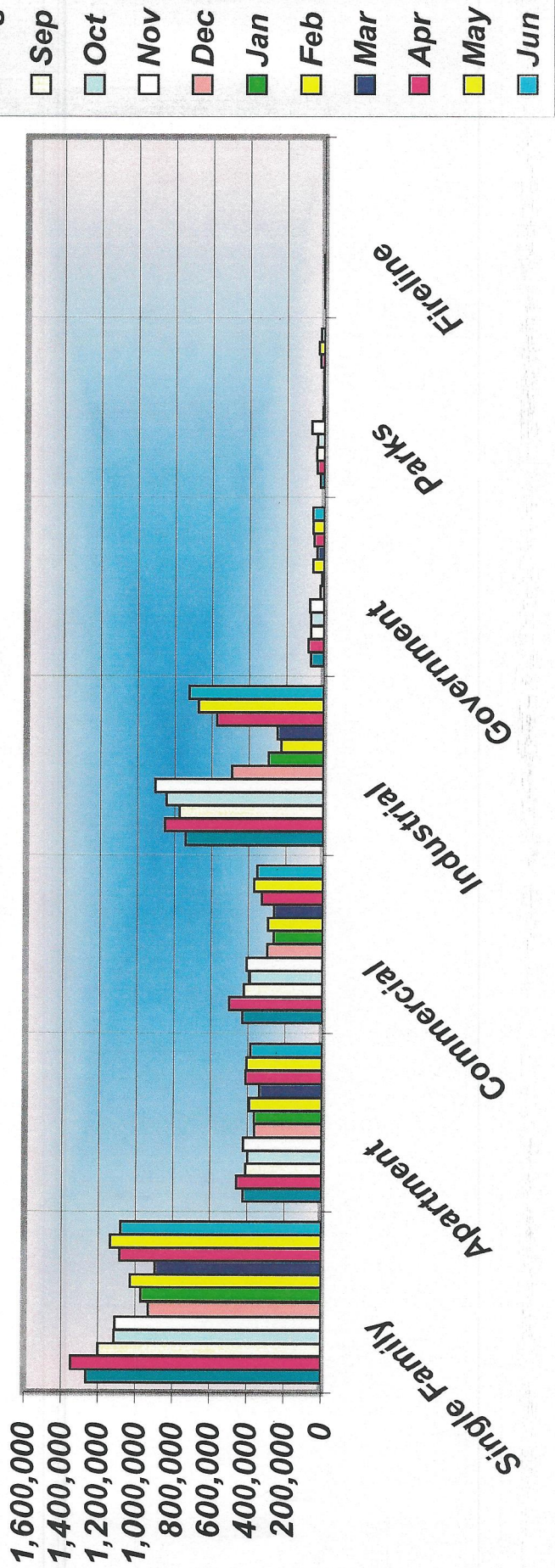
	Single Family	Apartment	Commercial	Industrial	Government	Parks	Fireline	Totals
Jul	\$31,916.89	\$14,473.66	\$11,463.15	\$12,168.48	\$1,494.85	\$535.94	\$1,684.58	\$73,737.55
Aug	\$33,068.37	\$14,957.91	\$12,486.63	\$13,730.00	\$1,686.80	\$789.35	\$1,742.87	\$78,461.93
Sep	\$31,046.16	\$14,255.94	\$11,407.95	\$12,645.38	\$1,506.37	\$823.40	\$1,738.14	\$73,423.34
Oct	\$29,804.21	\$14,130.84	\$10,968.93	\$13,632.34	\$1,490.83	\$772.57	\$1,735.63	\$72,535.35
Nov	\$29,818.75	\$14,459.43	\$11,152.80	\$14,495.10	\$1,589.56	\$1,203.66	\$1,689.77	\$74,409.07
Dec	\$27,411.35	\$13,631.83	\$9,688.41	\$8,694.62	\$805.19	\$340.09	\$1,689.51	\$62,261.00
Jan	\$28,003.32	\$13,728.46	\$9,235.33	\$5,956.06	\$690.85	\$266.70	\$1,689.94	\$59,570.66
Feb	\$28,669.28	\$14,039.44	\$9,602.75	\$4,998.51	\$1,352.81	\$303.34	\$1,690.32	\$60,656.45
Mar	\$26,926.93	\$13,272.66	\$9,176.82	\$5,283.64	\$1,053.32	\$292.80	\$1,689.14	\$57,695.31
Apr	\$29,498.80	\$14,285.45	\$10,037.24	\$9,836.10	\$1,271.36	\$549.17	\$1,689.61	\$67,167.73
May	\$30,166.70	\$14,302.36	\$10,635.90	\$11,214.42	\$1,366.58	\$665.56	\$1,783.82	\$70,135.34
Jun	\$29,385.74	\$13,938.98	\$10,393.65	\$11,908.28	\$1,377.02	\$504.63	\$1,780.10	\$69,288.40
Totals	\$355,716.50	\$169,476.96	\$126,249.56	\$124,562.93	\$15,685.54	\$7,047.21	\$20,603.43	\$819,342.13

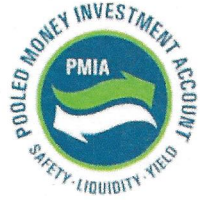


Annual Water Usage By Classification 2014-2015

	Single Family	Apartment	Commercial	Industrial	Government	Parks	Fireline	Totals
Jul	1,263,760	422,638	430,070	738,916	69,602	21,695	1,485	2,948,166
Aug	1,345,246	457,601	500,817	850,449	83,339	39,718	3,533	3,280,703
Sep	1,199,547	408,680	422,181	772,671	70,482	42,123	3,364	2,919,048
Oct	1,113,345	398,195	389,846	843,407	69,491	38,275	3,277	2,855,836
Nov	1,109,408	422,593	407,848	905,202	76,532	69,060	104	2,990,747
Dec	929,415	362,398	297,184	490,936	20,224	7,390	88	2,107,635
Jan	970,787	364,405	263,632	294,115	11,909	1,910	115	1,906,873
Feb	1,027,514	391,633	293,939	226,404	59,478	4,534	139	2,003,641
Mar	894,557	336,570	260,840	247,172	38,206	3,770	62	1,781,177
Apr	1,084,581	409,917	328,017	572,584	53,643	22,539	93	2,471,374
May	1,135,132	406,567	369,517	672,714	60,451	30,940	77	2,675,398
Jun	1,079,162	385,899	351,913	722,231	61,177	19,196	115	2,619,693
Totals	13,152,454	4,767,096	4,315,804	7,336,801	674,534	301,150	12,452	30,560,291

CUBIC USAGE





JOHN CHIANG
TREASURER
STATE OF CALIFORNIA



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
07/02/15	0.32	0.32	245
07/03/15	0.32	0.32	244
07/04/15	0.32	0.32	244
07/05/15	0.32	0.32	244
07/06/15	0.32	0.32	243
07/07/15	0.32	0.32	240
07/08/15	0.32	0.32	239
07/09/15	0.32	0.32	238
07/10/15	0.32	0.32	239
07/11/15	0.32	0.32	239
07/12/15	0.32	0.32	239
07/13/15	0.32	0.32	238
07/14/15	0.32	0.32	237
07/15/15	0.32	0.32	238

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

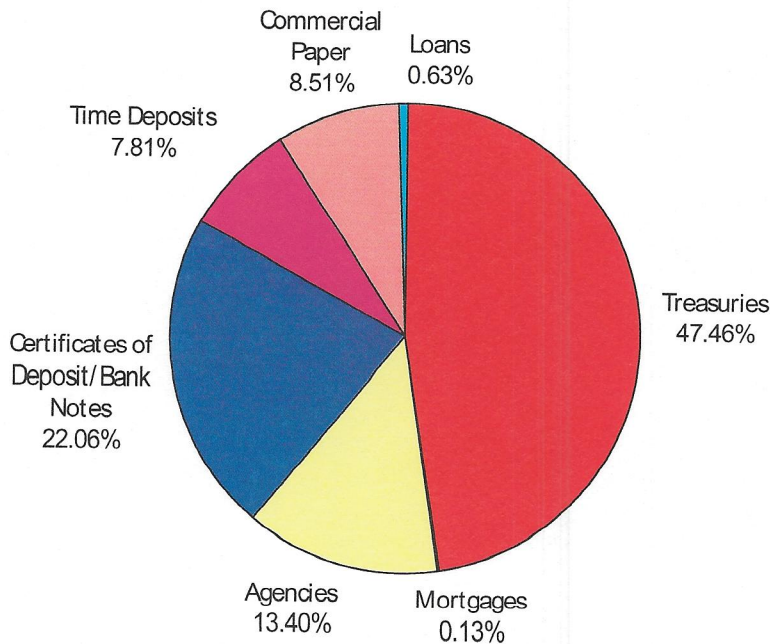
Quarter Ending 06/30/15

Apportionment Rate: 0.28%
 Earnings Ratio: 0.00000776875573384
 Fair Value Factor: 1.000375979
 Daily: 0.31%
 Quarter to Date: 0.29%
 Average Life: 239

PMIA Average Monthly Effective Yields

JUN 2015 0.299%
 MAY 2015 0.290%
 APR 2015 0.283%

Pooled Money Investment Account
Portfolio Composition
\$69.6 billion
6/30/15



**CASTROVILLE COMMUNITY SERVICES DISTRICT
INTERNAL REPORT**

Receipts, Disbursements, and Bank Balances as of June 30, 2015

Ending balance as of May 29, 2015 \$10,209,815.07

RABOBANK, GENERAL FUND - Revenue and Expenses

Beginning Balance	176,657.30
Water Receipts	61,509.07
Miscellaneous Receipts	3,076.93
Zone 3 MRWPCA Sanitation Fees	34,755.90
User Fees/Property Taxes	189,775.63
Interest Earned	4.15
Bank Fees & Returned Check	(64.09)
Expenses (Checks Written)	(98,434.69)
Misc Revenue Over or Short	(0.22)
Wire Transfer to LAIF 6-29-15	(200,000.00)
Credit Card Fees	(93.54)
Ending Balance for General Fund	<u>167,186.44</u>

RABOBANK, CUSTOMER DEPOSIT FUND

Beginning Balance	64,872.90
New Deposits (opened accounts)	600.00
Interest Earned	1.15
Deposits Returned or Applied to Accounts	(1,600.00)
Ending Balance for Customer Deposit Fund	<u>63,874.05</u>

LAIF FUND

Beginning Balance	7,345,289.52
Incoming Wire Transfer from Rabobank 6-29-15	200,000.00
Ending Balance for LAIF Fund	<u>7,545,289.52</u>

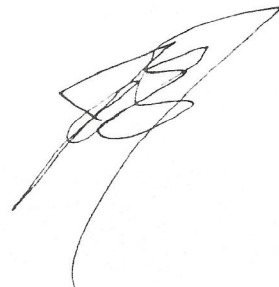
CAMP FUND

Sewer (Zone 1) Capital Improvements Account	112,722.70
Monthly Interest Earned	8.12
Ending Balance for CAMP Fund	<u>112,730.82</u>
Sewer (Zone 1) Reserves Account	223,004.02
Monthly Interest Earned	16.07
Ending Balance for CAMP Fund	<u>223,020.09</u>

CalTRUST-INVESTMENT

Sewer (Zone 1) Medium-Term Account Balance Forward	2,287,268.63
Income Distribution	1,497.36
Unrealized GAIN (Loss)	(2,272.85)
Ending Balance for CalTRUST Medium-Term Fund	<u>2,286,493.14</u>

New Balance as of June 30, 2015	10,398,594.06
---------------------------------	----------------------



Castroville Community Services District

List of Checks for June 2015

Date	Number	Name	Memo	Amount
General Fund Checking				
06/09/2015	22674	AT&T	Telephone Service	\$ 249.88
06/09/2015	22675	California Water Service Co.	Water Meters at Lift Stations	\$ 70.14
06/09/2015	22676	PERS-Health Benefits	Employees Health Benefits	\$ 8,543.44
06/09/2015	22677	Carmel Marina Corporation	Garbage Disposal Fees	\$ 29.65
06/09/2015	22678	Castroville Auto Parts	Parts & Supplies	\$ 20.23
06/09/2015	22679	ACWA/JPIA	Employees Dental Benefits	\$ 1,088.79
06/09/2015	22680	Conte's Generator Service	Lift Station Repair at Zone 2	\$ 450.38
06/09/2015	22681	CWEA	Eric-Annual Membership Dues	\$ 156.00
06/09/2015	22682	J Johnson & Company, Inc.	Sand for the Yard	\$ 302.20
06/09/2015	22683	M.R.W.P.C.A	Sanitation Fees	\$ 20.10
06/09/2015	22684	Maggiara Bros, Drilling, Inc.	Reinstalled Well 3 Motor & Shaft	\$ 1,865.00
06/09/2015	22685	McLaughlin Painting	Paint Interior of Main Office & Hall	\$ 1,400.00
06/09/2015	22686	PERS-Employer Contribution	Bi-Weekly Retirement Benefits	\$ 1,341.81
06/09/2015	22687	Principal Life Group	Employees Life Insurance Benefits	\$ 89.55
06/09/2015	22688	Redshift Internet Service	DSL Service	\$ 55.99
06/09/2015	22689	Visa-Eric	CWEA Conference: Hotel, Car, etc.	\$ 613.50
		continued	Supplies for Well #3	\$ 133.83
		continued	Asphalt for Leak on Oak Street	\$ 165.87
06/09/2015	22690	Visa-Lidia	Operator Cellular Phone	\$ 112.28
		continued	Monthly Website Fee	\$ 114.95
		continued	Translation of Document to Spanish	\$ 58.08
06/09/2015	22691	Visa-Roberto	Welding Equipment for all Zones	\$ 177.87
06/09/2015	22692	West Valley Construction	Moss Landing Manholes (3)	\$ 20,985.00
	22693-			
06/11/2015	22698	District Employees'	Bi-Weekly Net Payroll	\$ 10,250.39
06/11/2015	22699	EDD	Bi-Weekly Payroll Taxes	\$ 963.21
06/11/2015	22700	PERS -Employees' Contribution	Bi-Weekly Retirement Benefits	\$ 1,183.44
06/11/2015	22701	VALIC-Employees' Contribution	Bi-Weekly Deferred Comp	\$ 1,315.00
06/11/2015	1	Electronic Federal Tax Payment	Bi-Weekly Payroll Taxes	\$ 5,223.16
06/11/2015	22702	Miguel Garcia	Cellular Phone Reimbursement	\$ 25.00
06/11/2015	22703	Chevron and Texaco Business	Fuel for Vehicles	\$ 758.26
06/11/2015	22704	Sprint	Long Distance Telephone Service	\$ 42.79
06/11/2015	22705	PERS-Employer Contribution	Bi-Weekly Retirement Benefits	\$ 850.00
06/25/2015	22706	Adriana Melgoza	6-12 & 6-16-215 Meetings	\$ 200.00
06/25/2015	22707	Aramark Uniform Services	Operator Uniforms & Mats	\$ 348.90
06/25/2015	22708	Betty MacMillan	6-9- & 6-16-2015 Meetings	\$ 200.00
06/25/2015	22709	Castroville Hardware	Parts & Supplies	\$ 516.42
06/25/2015	22710	CCSD Petty-Cash	Eric-Two Rotary Meeting	\$ 36.00
		continued	Board Snacks & Miss.	\$ 43.06
		continued	Postage Fees	\$ 1.14
		continued	Storm Drain Repairs	\$ 114.92
06/25/2015	22711	David Lewis	6-12-2015 Committee Meeting	\$ 100.00
06/25/2015	22712	Eric Tynan-Reimbursement	Shop & Office Supplies	\$ 180.89
06/25/2015	22713	HD Supply Waterworks	Meter Supplies	\$ 1,427.22
06/25/2015	22714	Javier Campos	Toilet Rebate	\$ 150.00

Date	Number	Name	Memo	Amount
06/25/2015	22715	M.R.W.P.C.A	Shared Cost for Grease Education	\$ 337.44
06/25/2015	22716	Monterey Bay Analytical Services	Water Testing Fees	\$ 286.00
06/25/2015	22717	Pacific Gas & Electric	Steel Garage	\$ 11.24
		continued	Lift Stations Zone 1 & 2	\$ 1,042.16
		continued	Lift Stations Zone 3 ML	\$ 987.07
		continued	Street Lights Zone 1 & 2	\$ 3,724.09
		continued	Well Sites	\$ 8,290.63
		continued	Office	\$ 328.86
06/25/2015	22718	PERS-Employer Contribution	Bi-Weekly Retirement Benefits	\$ 1,341.81
06/25/2015	22719	Pitney Bowes Purchase Power	Postage	\$ 764.22
06/25/2015	22720	Rich Guillen Associates	Well 5 Grant Administration	\$ 70.00
06/25/2015	22721	Ronald J. Stefani	6-16-2015 Board Meeting	\$ 100.00
06/25/2015	22722	Silvestre Montejano	6-9 & 6-16-15 Meeting	\$ 200.00
	22723-			
06/25/2015	22728	District Employees'	Bi-Weekly Net Payroll	\$ 10,278.57
06/25/2015	22729	EDD	Bi-Weekly Payroll Taxes	\$ 964.66
06/25/2015	22730	PERS -Employees' Contribution	Bi-Weekly Retirement Benefits	\$ 1,183.44
06/25/2015	22731	VALIC-Employees' Contribution	Bi-Weekly Deferred Comp	\$ 1,315.00
06/25/2015	1	Electronic Federal Tax Payment	Bi-Weekly Payroll Taxes	\$ 5,235.16
				\$ 98,434.69
Customer Deposit Fund				
06/30/2015	3628	Miguel Angel Garcia	Deposit Refund	\$ 60.00
06/30/2015	3629	Jose Luis Ceja	Deposit Refund	\$ 24.38
06/30/2015	3630	JJIO	Deposit Refund	\$ 52.71
06/30/2015	3631	Lupe Castro	Deposit Refund	\$ 41.97
06/30/2015	3632	Jamie Hein	Deposit Refund	\$ 21.44
06/30/2015	3633	Josefina Rodriguez	Deposit Refund	\$ 51.43
06/30/2015	3634	Chad Harmon	Deposit Refund	\$ 12.44
06/30/2015	3635	Yesenia Quiroz-Cervantes	Deposit Refund	\$ 38.47
06/30/2015	3636	Castroville CSD	June Closures	\$ 297.16
		Total Customer Deposit Fund		\$ 600.00