

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
October 21, 2014

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

ROLL CALL:

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

Absent: None

General Manager: Eric Tynan

Secretary to the Board: Absent-Lidia Santos

Staff Present: Guadalupe Ibarra

Guest:

PLEDGE OF ALLEGIANCE

No Director led the Pledge of Allegiance; it was unconsciously overlooked.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Adriana Melgoza and seconded by Ron Stefani to approve the minutes of the September 16, 2014 Regular Board Meeting. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Melgoza, Montejano, MacMillan and Lewis
NOES:	0	Directors:	None
ABSENT/NOT			
PARTICIPATING:	0	Directors:	None

Consent Calendar accepted as presented

CORRESPONDENCE:

1. None

INFORMATIONAL ITEMS:

1. The Special Districts Association of Monterey County quarterly meeting is scheduled on Tuesday, October 21, 2014, 6:00 – 8:00 pm at the Shoreline Occupational Services Conference Center-249 10th Street (on the former Ft. Ord)
2. *The Sacramento Bee* – Railroads say California lacks authority to impose safety rules on oil shipments
3. *The Monterey County Herald* – Editorial: Groundwater bill crucial to managing state's water supply
4. *Chico Enterprise-Record* – Editorial: Water law takes a new and scary turn
5. *Bay Area News Group* – Gov. Jerry Brown will sign a landmark measure Tuesday to regulate groundwater pumping, enacting the most significant California water law in nearly 50 years
6. *The Los Angeles Times* – The cup's half full without groundwater regulation

Informational items accepted as presented

PRESENTATIONS:

1. None

UNFINISHED BUSINESS:

1. Update on well levels – General Manager Eric Tynan informed the Board that the wells all came up again. Well #2 is up 8 feet and currently 17 feet below sea level, Well #3 is up 28 feet and 37 feet below sea level and Well #4 is up 32 feet and also 37 feet below sea level. General Manager Eric Tynan will continue to update the Board on the well levels at the next board meeting.
2. Update on Prop 84: Well 5 (formerly Well 2B) Arsenic Treatment project – General Manager Eric Tynan informed the Board that the Wallace Group is reviewing different options for the arsenic treatment of Well 5 and will recommend the best solution for the Well 5 arsenic treatment in order to prepare a proposal to put out to bid. As for Prop 84 grant funding, it has been stalled by the Department of Water Resources.
3. Update on mural project for Castroville walkway over Highway 156 – General Manager Eric Tynan reported to the Board as mentioned at the last board meeting, Caltrans is requiring a traffic, air and lead study before making a decision (see pages 22-24 of board packet for specific detail on requirements.) Lead samples would need to be submitted to a lab for testing. This project currently has a budget of \$12,500 and all these additional requirements would likely kill this project. He has requested to Caltrans that they prep the wall instead and is waiting for their response to his request.
4. Update on tax measure for North Country Recreation and Park District (NCRPD) – General Manager Eric Tynan informed the board that it would be best to wait until after the November 2014 election to resume informational meetings to discuss the tax measure for the North County Recreation and Park District (NCRPD). The few informational meetings that have been scheduled have had a low turnout and those community members who have expressed interested in attending the informational meetings have been busy with the November 2014 Election.
5. Update on Castroville overhead sign - General Manager Eric Tynan reported to the Board that the traffic plan submitted to Caltrans by Castroville CSD to refurbish the Castroville overhead sign will work but the plan must first be stamped by a licensed engineer for liability purposes. In addition, once the sign comes down it can only go back up in accordance with Caltrans' safety standards. The Castroville CSD will need to also have an engineer's stamped plan verifying the structural integrity of the sign. See page 25 of the board packet for further detail on Caltrans' requirements.
6. Update on Moss Landing Manhole Rehabilitation project – General Manager Eric Tynan notified the Board that the Wallace Group submitted a proposal for 10K to oversee the Manhole Rehabilitation project. Before proceeding with this project with the Wallace Group, he wants to see how they execute the Well 5 Arsenic Treatment project.

NEW BUSINESS:

1. Review draft copy of audit report for fiscal year ended June 30, 2014 prepared by Hinricher, Douglas & Porter, Certified Public Accountants – General Manager Eric Tynan informed the Board that draft copy of the audit report has been enclosed for their review. The accountants will be attending next month's regularly scheduled board meeting to be held on November 18, 2014 to present the audit report for fiscal year ended June 30, 2014 to the Board for approval. President David Lewis and the rest of the Board of Directors were pleased to see that the District received a clean opinion on the audit report.
2. Discuss request from DeepWater Desal to consider annexation into the Castroville CSD sphere of influence – General Manager Eric Tynan reported to the Board that DeepWater Desals representatives have discussed with him that they will need sanitation services in the future and would like to be part of Castroville CSD sphere of influence and would send a letter to the Board making this request. DeepWater Desal's property is located in Moss Landing and currently not included in the sphere of influence for Castroville CSD. After some discussion, the Board stated that the Board cannot take action until a letter making this formal request has been submitted to Castroville CSD. The letter should be received soon and the request will be addressed at the next regularly scheduled board meeting to be held on November 18, 2014.

3. Consider eliminating interest on the Moss Landing USDA Bond for sanitation that was paid-in-full July 1, 2014 by Castroville CSD, which was the effective date of the consolidation of Castroville CSD and Moss Landing County Sanitation District per LAFCO – After some discussion, A motion is made by Ron Stefani and seconded by Betty MacMillan; pending District Legal Counsel Lloyd Lowrey's approval to eliminate interest on the loan and to only have Moss Landing (Sewer, Zone 3) pay-back the principal balance of \$234,000 to Castroville (Sewer, Zone 1) annually in scheduled payments until 2023. See page 26 of board packet for schedule of payments. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Melgoza, Montejano, MacMillan and Lewis
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None

4. Request from Monterey County Resource Management Agency for expressions of interest/qualifications, (REI #PWO2), for the Pajaro County Sanitation District (PCSD) and/or Boronda County Sanitation District (BCSD) – General Manager Eric Tynan provided the Board with a memorandum listing several reasons as to why Castroville CSD should not consider interest to assume ownership and operational responsibility for the PCSD and/or BCSD. Memorandum is on page 27 of the board packet for further review. After some discussion, a motion is made by Ron Stefani and Betty MacMillan not to express interest to assume ownership and operational responsibility for the PCSD and/or BCSD at this time. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Melgoza, Montejano, MacMillan and Lewis
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None

5. Request for proposal from Monterey County Resource Management Agency (RFP #10502) for the maintenance and operation of Pajaro County Sanitation District (PCSD) – General Manager Eric Tynan provided the Board with a memorandum listing several reasons as to why Castroville CSD should not consider the maintenance and operation of Pajaro County Sanitation District (PCSD). Memorandum is on page 29 of the board packet for further review. After some discussion, a motion is made by Betty MacMillan and seconded by Adriana Melgoza not to express interest for the maintenance and operation of Pajaro County Sanitation District (PCSD). The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Melgoza, Montejano, MacMillan and Lewis
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None

COUNSEL'S REPORT

1. None

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 a memorandum of understanding (MOU) has been signed with Monterey County Water Resources Agency regarding the Ground Water Replenishment Project to continue to negotiate an agreement on a source water supply by March 31, 2015. The MOU went before the County Board of Supervisors last week for approval as well.
2. Update on Oversight board meeting – Director Ron Stefani stated that at this meeting they agreed to a six month spending plan for ROPS. They currently have the disposition plan of what the County approved as the successor agency.

3. Update on CSDA Annual Conference; Directors: Ron Stefani and Adriana Melgoza – Director Ron Stefani stated that one of the classes he attended was on the Brown Act. Districts are now required to record in the minutes how Directors have voted. Per President David Lewis Castroville CSD already does this. Director Stefani stated that not all districts do this and will now be required to do so. There is also many other investment institutions out there. Also, Castroville CSD should consider a strategic plan. Director Adriana Melgoza stated CSDA offers a safety program for staff online that would be beneficial to the district staff. General Manager Eric Tynan noted that Castroville CSD employees' already participate in CSDA's Safety Target Solution program. She also attended a class on "How to be a Good Decision Maker" and quickly found out that many board members from other agencies do not get along with each other and many districts commit violations.

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 – September 2014. A motion was made by Adriana Melgoza and seconded by Ron Stefani to pay all bills presented. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Melgoza, Montejano, MacMillan and Lewis
NOES:	0	Directors:	None
ABSENT/NOT			
PARTICIPATING:	0	Directors:	None

ITEMS FOR THE NEXT MONTHS AGENDA: Tuesday, October 21, 2014 at 4:30 p.m.

CLOSE:

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

AYES:	5	Directors:	Stefani, Melgoza, Montejano, MacMillan and Lewis
NOES:	0	Directors:	None
ABSENT/NOT			
PARTICIPATING:	0	Directors:	None

The meeting adjourned at 5:15 p.m. until the next scheduled meeting.

Respectfully submitted by,


Lidia Santos
Secretary to the Board

Approved by,


David Lewis
President