

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

July 18, 2017

President Ron Stefani called the meeting to order at 4:30 p.m.

**ROLL CALL:**

**Directors Present:** President Ron Stefani, Director Adriana Melgoza, Director James Cochran and Director Glenn Oania

**Absent:** Vice President Silvestre Montejano

**General Manager:** Eric Tynan

**Secretary to the Board:** Lidia Santos

**Staff Present:**

**Guest:** Lloyd Lowrey

**PLEDGE OF ALLEGIANCE**

At the request of President Ron Stefani, Director Adriana Melgoza led the Pledge of Allegiance.

**PUBLIC COMMENTS**

1. None

**CONSENT CALENDAR**

1. A motion was made by Glenn Oania and seconded by Adriana Melgoza to approve the minutes of the June 20, 2017 Scheduled Board Meeting. The motion carried by the following vote:

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

*Consent Calendar accepted as presented*

**CORRESPONDENCE:**

1. Letter of thanks from RCAC Assistant Director Neumann to Castroville CSD acknowledging the level of service received from their employee Ms. Kimberly Strong for her assistance with the Castroville Medium Income Study.

**Vice President Silvestre Montejano arrives at 4:33 p.m.**

*Correspondence Calendar accepted as presented*

**INFORMATIONAL ITEMS:**

1. *Monterey Herald* – CPUC may order new desal project hearings considering smaller plan
2. *Journal AWWA* (Source: TechKnowledgey Strategic Group) – FIGURE 1, The Bare Facts about the Fixed Amount of Water compared with Population Growth through History
3. *UC Davis Policy Institute for Energy, Environment and the Economy* – Project Overview: Small water utility needs and resilience to drought and extreme events
4. *CalPERS Employer News Spring 2017* – Ensuring the long-term sustainability of the fund

*Informational items accepted as presented*

**PRESENTATIONS:**

1. None

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Per the request of Board President Ron Stefani, the Board skipped down to Closed Session since District Legal Counsel Lloyd Lowrey needed to excuse himself from this meeting earlier than anticipated due to other obligations.

**NEW BUSINESS:**

1. Moss Landing Sewer System Preliminary Risk Assessment by Akel Engineering Group, not to exceed \$24,692 – General Manager Eric Tynan requested the Board consider approving the proposal submitted by Akel Engineering Group to conduct for Moss Landing sewer system a preliminary risk assessment. The information obtained from this risk assessment would be used to aid the District in applying for a grant for the repair and rehabilitation of the existing Moss Landing wastewater infrastructure. Upon the recommendation of the General Manager, a motion is made by Silvestre Montejano and seconded by Glenn Oania to approve the proposal submitted by Akel Engineering Group for the Moss Landing Sewer System Preliminary Risk Assessment, not to exceed \$24,692. The motion carried by the following vote:

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

2. Resolution No. 17-4 Authorizing a Financial Assistance Application for Repair and Rehabilitation of Existing Moss Landing Wastewater Infrastructure – General Manager reported to the Board that Resolution No. 17-4 authorizes and directs the District's General Manager, and designates the General Manager as the District's "Authorized Representative", to prepare, sign and file, for and on behalf of the Castroville CSD, a Financial Assistance Application to obtain Proposition 1 Grant funding from the California Water Resources Control Board for the planning, design, and construction of repair, replacement, rehabilitation and improvement to existing Moss Landing Sewer collection system facilities. A motion was made by Adriana Melgoza and seconded by James Cochran to approve Resolution No. 17-4 Authorizing a Financial Assistance Application for Repair and Rehabilitation of Existing Moss Landing Wastewater Infrastructure. The motion carried by the following vote:

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

3. Resolution No. 17-5 Authorizing a Financial Assistance Application for Repair and Rehabilitation of Existing Castroville Wastewater Infrastructure – General Manager reported to the Board that Resolution No. 17-5 authorizes and directs the District's General Manager, and designates the General Manager as the District's "Authorized Representative", to prepare, sign and file, for and on behalf of the Castroville CSD, a Financial Assistance Application to obtain Proposition 1 Grant funding from the California Water Resources Control Board for the planning, design, and construction of repair, replacement, rehabilitation and improvement to existing Castroville Sewer collection system facilities. A motion was made by Adriana Melgoza and seconded by Glenn Oania to approve Resolution No. 17-5 Authorizing a Financial Assistance Application for Repair and Rehabilitation of Existing Castroville Wastewater Infrastructure. The motion carried by the following vote:

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

4. Request MRWPCA Board of Directors permanently preserve the ex-officio seat on the MRWPCA Board of Directors for one person residing in the territory comprising the jurisdiction of the former Moss Landing County Sanitation District, which is due to expire on November 30, 2017, to be appointed by action of the Castroville CSD – After some discussion, the Board all concurred that they would like to permanently preserve this seat. A motion is made by James Cochran and seconded by Glenn Oania for the Board to move forward with MRWPCA to permanently preserve the ex-officio seat on the MRWPCA Board of Directors for one person residing in the territory comprising the jurisdiction of the former Moss Landing County Sanitation District, to be appointed by action of the Castroville CSD. The motion

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carried by the following vote:

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

**District Legal Counsel Lloyd Lowrey excuses himself at 4:57 p.m. from the board meeting.**

5. Consider closing the CalTrust Medium Term Fund investment and transferring monies back to LAIF- President Ron Stefani requested additional information to be provided at next month's board meeting regarding a comparison in interest earned with CalTrust versus LAIF before making a decision on transferring funds. Currently, the daily yield with LAIF as of 6/29/2017 is 1.01. A motion is made by Glenn Oania and seconded by James Cochran to table this item to the next regularly scheduled board meeting. The motion carried by the following vote:

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

6. Authorize Directors and General Manager to attend the 2017 CSDA Annual Conference and Exhibitor Showcase, September 25-28, 2017 Monterey, California – The CSDA Annual Conference and Exhibitor Showcase has always provided great information for Special Districts. In addition the conference will be held in Monterey. A motion is made by Ron Stefani and Glenn Oania to authorize Castroville CSD Board Members and the General Manager to attend the 2017 CSDA Annual Conference and Exhibitor Showcase, September 25-28, 2017 in Monterey. The motion carried by the following vote:

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

7. Authorize General Manager to attend the American Water Works Association (AWWA) Water Infrastructure Conference, October 30-November 2, 2017 Houston, Texas – General Manager Eric Tynan requested the Board authorize him to attend the AWWA Water Infrastructure Conference as the preliminary conference schedule has many topics of interest that would be beneficial to the District. A motion is made by Adriana Melgoza and seconded by Glenn Oania to authorize the General Manager Eric Tynan to attend the AWWA Water Infrastructure Conference, October 30 to November 2, 2017 in Houston, Texas. The motion carried by the following vote

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

**UNFINISHED BUSINESS:**

1. Update on the Local Groundwater Sustainability Agency (GSA) Formation and Appoint Alternate Director for the Public Water System/Private Non-Profit Water System/Disadvantaged Community Seat on the Board of Directors for the Salinas Valley GSA: The following candidates have submitted an application; Richard Boyer and Frank P. Stanek – General Manager Eric Tynan reported to the Board that the Small Water System/Disadvantaged Community committee will be an advisory committee to Castroville CSD. President Ron Stefani is the primary director on the Small Water System/Disadvantaged Community seat for the GSA Joint Powers Authority. The Small Water System/Disadvantage Community committee is still not ready to make a recommendation and wants to do more outreach. Mr. Stanek does not meet the required criteria for the seat after all. Eric Tynan requested the Board take no action and remove this item from the agenda for now. A motion is made by Glenn Oania and seconded by James Cochran to take no action and remove this item from the agenda for now.

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The motion carried by the following vote:

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

2. Update on levels for Well #2, #3, #4 and #5 – General Manager Eric Tynan informed the Board on the current well levels as of July 1, 2017 were as follows: Well #2 is currently at -25.7 feet below sea level and June 1, 2017 it was -20.3 feet below sea level. Well #3 is currently at -49.9 feet below sea level and June 1, 2017 it was -42.2 feet below sea level, and Well #4 is at -81 feet below sea level and June 1, 2017 it was -69.6 feet below sea level. Well #5 is currently at -8.5 feet below sea level and June 1, 2017 it was -2.7 feet below sea level. A graph of the well trends for the months August 2015 through July 2017 can be viewed on page 31 of the board packet. General Manager Eric Tynan stated that all the well levels except for Well #5 continue to decline. The latest seawater intrusion maps by Monterey County Water Resource Agency were just released as of 2015, which show how seawater intrusion can and will affect Castroville wells as it continues to move inland. Unfortunately, the maps are always two years behind to due lack of resources. However, if the desal water project by Cal Am comes online as planned, then there will be no need for Castroville CSD to drill another well if seawater intrusion becomes a factor with the wells.
3. Update on tax measure for North County Recreation and Park District (NCRPD) – General Manager Eric Tynan informed the Board that he had no news to report and Director Grant T. Leonard from NCRPD was not present..

**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 – President Ron Stefani reported to the Board that at this meeting there was nothing important to report. Per Director James Cochran it was a very long meeting.
2. Update on meetings/an educational class attended by the Directors – None to report

## GENERAL OPERATIONS

1. General Manager's Report – Compliance update, current projects update, meetings/seminars update, staff update, suggestive projects discussions
2. Operation's Report
  - a) Water – Pumpage & Usage Update, Water Testing Update, Current Installation
  - b) Water -Status Update, Current Contractor Work Update, Maintenance/Repair Update, Customer Service Update, Safety 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 – 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** – June 2017. A motion was made by Adriana Melgoza and seconded by Glenn Oania to pay all bills presented. The motion carried by the following vote:

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

**CLOSED SESSION: The Board went into closed session at 4.35 p.m.**

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
**Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One case.** A point has been reached where, in the opinion of the District Board on the advice of District Legal Counsel, there is a significant exposure to litigation against the District, based on the receipt of a claim pursuant to the Tort Claims Act from the Duran Family Trust, which claim shall be available for public inspection at the District office.

**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 4.49 p.m. The Board conferred with District Legal Counsel Lloyd Lowrey and no action was taken.**

Board will consider action on tort claim submitted by the Duran Family Trust – The Board reviewed the claim submitted by the Duran Family Trust. A motion is made by Glenn Oania and seconded by James Cochran to reject/deny the claim submitted by the Duran Family Trust. The motion carried by the following vote:

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

The Board returned to the regular order of business, New Business

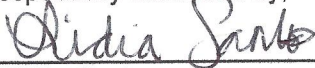
**CLOSE:**

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

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

The meeting adjourned at 5:30 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos  
Secretary to the Board

Approved by,



Ron Stefani  
President