

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
May 21, 2019

President Adriana Melgoza called the meeting to order at 4:30 p.m.

ROLL CALL:

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

Absent:

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: District Legal Counsel Christine Kemp and NCRPD Board President Grant Leonard and Finance and Administration Director Alex Lopez

PLEDGE OF ALLEGIANCE

Vice President James Cochran led the Pledge of Allegiance at the request of Board President Adriana Melgoza.

PUBLIC COMMENTS

1. North County Recreation and Park District (NCRPD) Board President Grant Leonard announced that NCRPD Finance and Administration Director Alex Lopez will be the new general manager upon Ms. Burditt's retirement this upcoming June 2019.

CONSENT CALENDAR

1. A motion was made by Glenn Oania and seconded by Ron Stefani to approve the minutes of the April 16, 2019 Scheduled Board Meeting. The motion carried by the following vote:

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

2. A motion was Made by Ron Stefani and seconded by Adrian Melgoza to approve the minutes of the Budget & Personnel Committee Meeting of May 13, 2019. The motion carried by the following vote:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter to the Supreme Court of California from Castroville CSD regarding City of Marina and Marina Coast Water District v. Public Utilities Commission (California American Water Company, et al.), Case No. S253585.
2. Memo to the Castroville CSD Board of Directors from General Manager Eric Tynan notifying the Board of their obligation to conduct the general manager's performance review as per the General Manager's employment contract.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *Monterey Herald* – Monterey pipeline cost headed for customers' water bills
2. *Monterey Herald* – Cal Am desal plant gets narrow Planning Commission OK
3. *Monterey Herald* – UPDATE: Cal Am withdraws appeal of desal permit denial
4. Annual 2018 Consumer Confidence Report available online at URL:
www.castrovillecsd.org/files/131576591.pdf
5. Salinas Valley Water Coalition's comments on proposed decision for the Monterey Peninsula Water Supply Project before the Public Utilities Commission of the State of California, dated August 30, 2018

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. North County Recreation and Park District request for funding, \$142,362 "Extended Recreation Services" for fiscal year 2019/2020 – Present at this board meeting NCRPD President Grant Leonard and Finance and Administrator Director Alex Lopez respectfully requesting funding of \$142,362 for "Extended Recreational Services" and Capital Improvements for fiscal year 2019/2020. A detailed breakdown of the request can be viewed on pages 36-38 of this board packet. The majority of "Extended Services" funding goes towards staff salaries which is for youth and senior programs.
2. Preliminary 2019/20 Operating Budgets for Water (Castroville Zone 1), Sewer and Governmental (Castroville Zone 1), Sewer and Governmental (Moro Cojo, NMCHS, & Monte Del Lago Mobile Home Park Zone 2) and Sewer (Moss Landing Zone 3). Recommendations from Budget & Personnel Committee: Directors Adriana Melgoza and Ron Stefani – General Manager Eric Tynan and the Board reviewed and discussed all budget items for the different funds. However, the Budget & Personnel Committee: Directors Melgoza and Stefani had met on May 13, 2019 and discussed and reviewed the budgets and discussed a 3% staff wage increase as well. Water (Castroville Zone 1) budget includes the water rate increases per Ordinance No. 66 that was approved January 19, 2016 for fiscal years 2016/2017 through 2020/21 and also the sewer rate increases per Ordinance No. 67 for Sewer (Moro Cojo, NMCHS, & Monte Del Lago Mobile Park Zone 2) that was also approved July 19, 2016 for fiscal years 2016/2017 through 2020/21. The Board agreed to leave the preliminary 2019/20 Operating Budgets presented with the exception of discussing the budget item for "Extended Recreational Services" for North County Recreation and Park District further, which is currently reflecting a 118K for Castroville Zone 1-Sewer and after much discussion changed it to reflect \$120K transfer out to Governmental but as two budget line items; Extended Recreational Services \$100K and Capital Projects \$20K for Castroville Zone1 instead. The NCRPD was not able to move forward with a tax measure since a second study completed June 2017 showed it would fail due to the lack of community support. For this reason NCRPD continue to request funding from Castroville CSD. General Manager Eric Tynan recommended the NCRPD continue with community outreach to garner support for a tax measure, which would benefit them in the future. Final adoption of the budget will not be made until the June 19, 2018 regularly scheduled board meeting.

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3. Appoint/Reappoint Director for a new three year term of office to the Small Water System/Disadvantaged Community seat on the Board of Directors for the Salinas Valley Basin Groundwater Sustainability Agency (Director Stefani's term to expire July 2019) – After some discussion, a motion is made by Cosme Padilla and seconded by Glenn Oania to reappoint Ron Stefani as a Director for the Small Water System/Disadvantaged Community Seat on the Board of Directors for the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) for a three year term of office. The motion carried by the following vote:

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

4. Consider \$2,000 funding for Susan Robins, Project Coordinator for coordination of the Greater Monterey County Regional Water Management Group through the California Marine Sanctuary Foundation – General Manager Eric Tynan recommended the Board approve this funding for \$2,000 for Susan Robinson, GMCIRWP Project Coordinator as this funding is for her assistance with grants. A motion is made by Cosme Padilla and seconded by Ron Stefani to approve \$2,000 funding for Susan Robins, Project Coordinator for coordination of the Greater Monterey County Regional Water Management Group through the California Marine Sanctuary Foundation. The motion carried by the following vote:

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

5. Water Pipeline Operations Plan between the Transportation Agency for Monterey County (TAMC) and Castroville Community Services District (CCSD) – The General Manager discussed and reviewed the TAMC-CCSD Water Pipeline Operations plan with Castroville CSD Board of Directors. As cited in the Water Pipeline Operations Plan, Recitals, section B. CCSD is a stakeholder in the Monterey Peninsula Water Supply Project ("MPWSP"), which includes a desalination plant to be located in unincorporated Monterey County and potable water delivery pipelines to Castroville and the City of Monterey. CCSD is in the process of acquiring from TAMC temporary construction easements ("TCE") and permanent easement ("Easement") to install, operate, and maintain water pipelines within the TAMC right-of-way. The acquisition and conveyance of the Easement and TCE are the subject of a separate Purchase and Sale Agreement, which is being approved concurrently herewith. After some discussion, a motion is made by Cosme Padilla and seconded by Ron Stefani to approve the Water Pipeline Operations Plan between the Transportation Agency for Monterey County (TAMC) and Castroville Community Services District (CCSD), pending District Legal Counsel Christine Kemp's approval. The motion carried by the following vote:

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

UNFINISHED BUSINESS:

1. Update on status of grants for Moss Landing-Sewer Zone 3, Castroville-Sewer Zone 1 and Castroville-Water Zone 1 for system upgrades and improvements - General Manager Eric Tynan reiterated to the Board that the District had to resubmit updated information for the Moss Landing, sewer grant funding application to the State Water Resources Control Board.

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Some of the documentation to be submitted: Resolution No. 19-4, certification of water metering and the 2018 audited financial statements. Minor edits to the application have been completed and a response should be received soon for the Moss Landing, sewer grant application. As for Zone1, Water, the plan is still to apply for Prop 1 funding and focus on the new deep well. He continues to work with Lidia Gutierrez with Gutierrez Consultants for grant assistance. Current funding efforts: Moss Landing sewer system improvements, Castroville emergency well replacement, Castroville water supply improvements and Castroville wastewater improvements.

2. Status of Well #3 and update on renovation of Well #3 by Maggiora Bros Drilling, Inc. – General Manager Eric Tynan informed the Board that Maggiora Brothers Drilling, Inc. has pulled the pump. The scope of work consists of installing the air lift pipe to a depth of 610 feet and air lift the well between 610 and 510 feet for 4 hours. Water to be air lifted to a 6,000 gallon water tank and then discharged to the drainage ditch. After air lifting is completed and air lift pipe removed, they shall install a 75 HP submersible pump (pump to be provided by the district) provide generator for power, valve, water meter and discharge piping to drainage ditch to pump the well for 4 hours. Upon completion of pumping, pump equipment shall be removed.
3. Update on Cal Am's Monterey Peninsula Water Supply Project (MPWSP) – District Legal Counsel Christine Kemp informed the Board that there is a deadline with filing an appeal to the California Coastal Commission (CCC) by May 28, 2019 if Castroville CSD wants to participate as an appellant regarding the City of Marina Planning Commissions denial of Cal Am's CDP for the Monterey Peninsula Water Supply Project. The Marina City Planning Commission denied the permit that Cal Am was seeking. Cal Am had filed an appeal with the city council and withdrew it. Per General Manager Eric Tynan, Cal Am withdrew because they felt the city council would be biased against them. Ms. Kemp suggested the Castroville CSD Board consider having a special board meeting in closed session to talk about whether the District wants to participate as an appellant in the CCC appeal as there are a lot of pros and cons and parameters on this matter. After attorney comments have been heard, it can be discussed in open session. General Manager Eric Tynan was not made aware of this information until Friday evening and the Agenda had already been posted for the Tuesday, May 21, 2019 meeting. The Board decided on a Special Board meeting to be held this Thursday, May 23, 2019 at 12 p.m.
4. Update on new sample requirements for lead testing for schools – General Manager Eric Tynan reported to the Board that the lead testing for North Monterey County Middle School and Castroville Elementary School has been completed and tested non-detect. Both schools have passed the lead testing requirements.
5. Update on Moss Landing Manhole Replacement Project out to bid – General Manager Eric Tynan reported to the Board that he is working on getting the request for proposal (RFP) together with the engineer. In addition, the specs are ready for this project.

CLOSED SESSION: 5:31 p.m.

1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (Eric Tynan)
Property Location: 11380 Commercial Parkway
A Portion of APN# 113-491-021
Negotiating Parties: Castroville CSD and Andrew E. Ausonio ETAL
Property Owner: Andrew E. Ausonio ETAL
Under Negotiation: Property Negotiations

ANNOUNCEMENT OF CLOSED SESSION ITEM: (if applicable): **Open Session: 5:40 p.m.** At a previous board meeting, the Board directed General Manager Eric Tynan, who was appointed real property negotiator for the Castroville CSD to negotiate the property purchase of 11380 Commercial Parkway, (listed above) with the property owner, Andrew E. Ausonio ETAL and report back to the board in closed session at the next regularly scheduled board meeting.

The board will reconvene into open session prior to adjournment and shall announce any action taken during the closed session. Action taken, the Castroville Board of Directors gave direction to General Manager Eric Tynan to finalize negotiations and come up with a purchase sale agreement for the purchase of the property located at 11380 Commercial Parkway, a portion of APN# 113-491-021 on terms that will be set forth on the purchase sale agreement that will be reviewed at the next 18th of June board meeting.

BOARD OF DIRECTORS COMMUNICATION: When needed, this time is reserved for the Board of Directors to communicate activity, educational classes, and/or Committee reports.

1. Update on Monterey One Water board meeting – Director Ron Stefani announced that currently Monterey One is going through employee negotiations. However, the biggest news is that the Pure Water Monterey Groundwater Replenishment Project is supposed to produce water by the end of June 2019 and it has been pushed back until October or November 2019.
2. Update on the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) – Director Ron Stefani thanked the Board for reappointing him to the SVBGSA board for a three year term. Chapter 8 is out for public review, which sets water levels.
3. Update on meetings or educational classes attended by the Directors – Directors Cosme Padilla and Ron Stefani along with General Manager Eric Tynan had attend the ACWA 2019 Spring Conference & Exhibition May 8-10 in Monterey, CA. They all gave a brief summary of the sessions they each had attended, which they all found beneficial.

GENERAL OPERATIONS

1. General Manager's Report – Compliance update, current projects update, meetings/seminars update, staff update, suggestive projects discussions
2. Operation's Report
 - a) Water – Pumpage & Usage Update, Water Testing Update, Current Installation
 - b) Water -Status Update, Current Contractor Work Update, Maintenance/Repair Update, Customer Service Update, Safety Issue
 - c) Sewer & Storm Drain – Jetting, Current Installation Status Update, Current Contractor Work Update, Maintenance/Repair Update, Customer Service Update, Safety Issues
3. Customer /Billing Reports – Water Sales, Water Usage, A/R Update, Customer Service Update
4. Financial Reports – Treasures L.A.I.F. Report, Internal Report, Administration Update

General Operations Reports were accepted as presented

CHECK LIST – April 2019. A motion was made by Glenn Oania and seconded by James Cochran to pay all bills presented. The motion carried by the following vote:

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

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

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

The meeting adjourned at 6:27 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Adriana Melgoza
President