

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

January 16, 2018

President Silvestre Montejano called the meeting to order at 4:30 p.m.

ROLL CALL:

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

Absent:

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Grant T. Leonard

PLEDGE OF ALLEGIANCE

At the request of President Silvestre Montejano, Director Ron Stefani led the Pledge of Allegiance.

PUBLIC COMMENTS

1. President Silvestre Montejano called for Public Comments – Grant T. Leonard thanked the Castroville CSD for including in the mailing of the January water bills a flyer on the NCRPD's Crab Fest event scheduled for the end of this month.

CONSENT CALENDAR

1. A motion was made by Ron Stefani and seconded by Adriana Melgoza to approve the minutes of the December 19, 2017 Scheduled Board Meeting. The motion carried by the following vote:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Memorandum received from LAFCO regarding call for Nomination of Candidates to Fill Two Special District Seats on LAFCO (Due by February 1, 2018):
 - Regular Member Seat (Term Expires May 2022)
 - Alternate Members Seat (Remainder Term Expires May 2020)

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *California News* – Hillside berry farms trigger erosion, speed flooding on central coast
2. *The Monterey Herald* – Report lays out options for Salinas Valley new wells moratorium
3. *The Monterey Herald* – Salinas Valley new wells moratorium delayed while work plan developed
4. *Water Conditioning & Purification* – Recent Increase in Documented US Waterborne Disease Outbreaks
5. *The PPIC Blog* – How California's Water Bond is Being Spent

Informational items accepted as presented

PRESENTATIONS:

1. None

Minutes of the Castroville Community Services District
January 16, 2018 Regular Board Meeting
Page 2

NEW BUSINESS:

1. Amend request for purchase of one new model truck to two instead; not to exceed \$60k – General Manager Eric Tynan informed the Board that at last month's board meeting the Board approved for him to sell the HHR vehicle and 2007 Chevy truck and to look into purchasing a new truck for the Operations Department. However, he would like to purchase two new trucks not one not to exceed \$60k for the purchase of both of these trucks. A motion is made by Ron Stefani and seconded by Adriana Melgoza to approve General Manager Eric Tynan to proceed with looking at purchasing two new trucks for the Operations Department not to exceed \$60k for the total purchase of both this vehicles combined. The motion carried by the following vote:

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

UNFINISHED BUSINESS:

1. Consider approving intervention as a party in CPUC proceeding A. 1201-19 – General Manager Eric Tynan stated that he tried to attend the interveners group meeting last week but was prohibited from attending since Castroville CSD is not a party to the group. By law those in attendance must be a party to the group; therefore it was not a surprise that he was not allowed to stay. Director Ron Stefani was able to attend on behalf of Monterey One Water but cannot report back to Castroville CSD due to Brown Act violations. The Board needs to decide if they want to approve intervention as a party in the California Public Utilities Commission (CPUC) proceedings in order to be assured as a participant at these meetings. Per District Legal Counsel Lloyd Lowrey, the proceeding that Cal Am has going, they filed in 2012 to build their desal plant to provide water for the Monterey Peninsula (Monterey Peninsula Water Supply Project). This project has been bumping along with environmental impact reports, objections and various things since it was filed in 2012 but it is coming close to a decision by the CPUC. Cal Am is applying for what is called a "Certificate of Public Convenience and Necessity", which is essentially the approval by the CPUC for them to build this project based on their application. In addition, at this time there are a lot of parties lined up on different sides. Although there are many groups that support the Cal Am desal project, there are also many other groups that do not support it. These groups that do not support the Cal Am desal project have relatively recently said that the CPUC should instead be looking at alternate water supply; mostly meaning a proposal by Marina Coast Water District to allow its recycled water rights to go to the Peninsula. It also involves a proposal to use recycled water from the Salinas Valley. Moreover, the commission is pretty flexible in allowing interveners to come in if they have a reason to do so. Castroville CSD has a reason if the commission decides to have alternate hearings since the District has signed the Return Water Agreement with Cal Am and has this interest in the recycled water and Salinas Valley water. It would be a worthwhile investment and prudent in that event. Cal Am has filled all its briefs and they should expect a decision from the commission sometime this coming March or April. District Legal Counsel Lloyd Lowrey informed the Board that he had consulted with the Cal Am attorney and there is no need for Castroville CSD to get involved until the commission does something. In his opinion, if the CPUC decides to have alternate hearings, Castroville CSD should consider approving intervention as a party in the CPUC proceedings. Castroville CSD has a voice that gives a different perspective. Upon the recommendation of District Legal Counsel Lloyd Lowrey, a motion is made by Ron Stefani and seconded by Glenn Oania to take action if the CPUC decides to have alternate hearings, then Castroville CSD should consider authorizing the filing of a motion to intervene and participate even though there will be a cost associated with that and a commitment of time. The motion carried by the following vote:

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

2. Update on levels for Well #2, #3 #4 and #5 – General Manager Eric Tynan informed and provided the Board with an amended well level graph due to transducer level changes for Well #2 and Well #3. The current well levels as of January 1, 2018 were as follows: Well #2 is currently at -8 feet below sea level

and December 1, 2017 it was actually -10.2 but reported as -18 feet below sea level as it was recalculated once more due to the sounders being off. Well #3 is currently at -19 feet below sea level and December 1, 2017 it was actually -23.4 but reported as -45.5 feet below sea level as it was recalculated once more due to the sounders being off, and Well #4 is at -23 feet below sea level and December 1, 2017 it was -36 feet below sea level. Well #5 is currently at -35 feet below sea level and December 1, 2017 it was still -35. The graph shows Well #2, #3 and #4 in the 400 foot aquifer are rising. The deep Well #5 is flat lining, affected by water mining and it is not getting recharged, which can be a problem. A graph of the well trends for the months August 2015 through January 2018 can be viewed on page 26 of the board packet. General Manager Eric Tynan stated that the District should be pushing hard for the desal project that Cal Am wants to build.

3. Update on the Local Groundwater Sustainability Agency (GSA) Formation and Alternate Director for the Small Water System/Disadvantaged Community Seat on the Board of Directors for the Salinas Valley GSA – Director Ron Stefani informed the Board that at the next meeting they are starting to look at proposals for consultants to develop a plan. The plan has to be approved and sent into the State by 2020. The State does not have to reply until 2022 and it is anticipated that there will be a lot of back and forth to make sure the plan is up to the State's standards. Therefore, it is looking like 2023 before the plan is approved. This is 2018 and that is why seawater intrusion is such a high priority right now. Marina Coast Water District is still forming their own GSA within their jurisdiction only.
4. 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 reported to the Board that Castroville CSD submitted a grant application to the State Water Resource Control Board for Moss Landing Sewer Zone 3 and a response should be received by mid January on the status of the application. Currently, he is holding off on grant applications for Castroville-Sewer Zone 1 and Castroville-Water Zone 1 since plans are being developed. He would first like to get Moss Landing-Sewer Zone 1 done. It also will give the District more time to see what will happen with the Cal Am desal project. If the project moves forward this would determine if the District will be paying for a desal pipeline/tanks or if falls through a new well or deep well. These are two different projects for Castroville CSD and until it is clear which direction will be taken, the District should not invest a lot of time or money into these projects.
5. Update on 630,000 gallon Welded Steel Tank Painting Project – General Manager Eric Tynan informed the Board that the project is not scheduled to start until late March or April when the weather is better. The contractor Quality Painting & Maintenance has done a great job in the past for the District.
6. Update on radio system upgrades for water and sewer systems for \$15,956 and have contractor install – General Manager Eric Tynan notified the Board that he has purchased the equipment (radio system upgrades) for water and sewer systems for \$15,956. The contractor he has selected to do the upgrades, Mike Brigham with Life Support Controls LLC is currently still out of town on a family emergency.

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

1. Update on Monterey One Water board meeting – Director Ron Stefani reported to the Board that there is no official meeting held in December 2017 for Monterey One Water. However, the January 2018 meeting should be exciting.
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 – December 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:

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

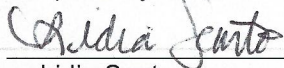
CLOSE:

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

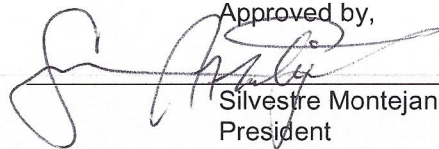
The meeting adjourned at 5:18 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Silvestre Montejano
President