

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

April 17, 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 James Cochran, Director Glenn Oania and Director Ron Stefani

Absent:

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Grant Leonard and David Hodgkin

PLEDGE OF ALLEGIANCE

At the request of President Silvestre Montejano, Vice President Adriana Melgoza led the Pledge of Allegiance.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Ron Stefani and seconded by Glenn Oania to approve the minutes of the March 20, 2018 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. None

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *The Monterey Herald* – Final environmental report for Cal Am desal project released
2. *Land Watch Monterey County* – Lawsuits Seek Sustainable Groundwater for Marina
3. *The Monterey Herald* – Marina Coast's Ford Ord annexation bid challenged by environmental groups
4. *Monterey County Weekly* – As environmental review for California American Water proposed desalination project nears completion, another proposed desal project – though not a competing one, necessarily – is quietly making strides
5. *Monterey County Weekly*- Marina Coast finds itself back in court – on both offense and defense – over its water supply
6. News Release, Monterey County Elections, Candidates Get Ready to File for the November 6, 2018 Election

Informational items accepted as presented

PRESENTATIONS:

1. Executive Committee Member, David Hodgkin to present a refund check from the ACWA JPIA. The ACWA JPIA is refunding funds from the Rate Stabilization Fund to members when they exceed -50% of the current years Liability Basic Premium - Executive Committee Member David Hodgkin with ACWA JPIA presented the Castroville CSD Board of Directors with a check for \$3,256. The District

participates in the property and liability program with ACWA JPIA. Mr. Hodgin is also a board of director with the Scotts Valley Water District. He thanked the board for participating in these programs and for allowing him the opportunity to present the check to the District.

NEW BUSINESS:

1. Election of one Alternate Special District Representative to Local Agency Formation Commission of Monterey County (LAFCO) – Grant Leonard informed the Board that he is requesting their vote for the election of one Alternate Special District Representative to LAFCO. A motion is made by Ron Stefani and seconded by Glenn Oania to vote for Grant Leonard for the Alternate Special District Representative to LAFCO. 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. Consider amending annual 2017/18 Operating Budgets for Castroville Zone 1-Water, Castroville Zone 1-Sewer, Castroville Zone 1-Governmental, Moro Cojo Zone 2-Sewer, Moro Cojo Zone 2-Governmental and Moss Landing Zone 3-Sewer – General Manager Eric Tynan presented to the Board the approved 2017/18 Operating Budgets. The budget line items that are highlighted in yellow are the budget line items to be considered being amended by the Board. General Manager Eric Tynan went over these items with the board and answered any questions or concerns the Board had. The Board reviewed the amended operating budgets for 2017/18 for all funds. A motion is made by Adriana Melgoza and seconded by Glenn Oania to approve the amended annual 2017/18 Operating Budgets for Castroville Zone 1-Water, Castroville Zone 1-Sewer, Castroville Zone 1-Governmental, Moro Cojo Zone 2-Sewer, Moro Cojo Zone 2-Governmental and Moss Landing Zone 3-Sewer. The motion carried by the following vote:

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

3. Approve Resolution No. 18-1, Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges – Resolution 18-1 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges needs to be approved by the Board to levy assessments for property related user fees for tax codes 75301, 73701 and 74701. A motion is made by Glenn Oania and seconded by Ron Stefani to approve Resolution No.18-1 Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges. The motion carried by the following vote:

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

3. Select Annual Budget & Personnel Committee (two directors) – General Manager Eric Tynan informed the Board that it is time once again to select the Annual Budget & Personnel Committee. Last year, the two directors on the Annual Budget & Personnel Committee were Ron Stefani and Glenn Oania. After some discussion, a motion is made by Ron Stefani and seconded by Adriana Melgoza to select Directors James Cochran and Glenn Oania for the Annual Budget & Personnel Committee. The motion carried by the following vote:

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

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4. Consider approval of General Manager Eric Tynan to attend the American Water Works Association Annual Conference & Exposition, June 11-14, Mandalay Bay Convention Center, Las Vegas, NV – General Manager Eric Tynan requested the Board consider approving his attendance at the conference. After some discussion, a motion is made by Glenn Oania and seconded by Adrian Melgoza to authorize General Manager Eric Tynan to attend the American Water Works Association Annual Conference & Exposition, June 11-14. 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. Recognize Roberto Galvez, employee's long-term service contribution of 20 years to Castroville CSD- General Manager Eric Tynan called Mr. Galvez and the rest of the staff into the Board room and presented Mr. Galvez with an award for his long-term service contribution of 20 years. Mr. Galvez will also receive a \$200 gift card/certificate of his choice per the employee handbook for his years of service. The Board, General Manager and staff praised Mr. Galvez for his achievement. A motion is made by Adrian Melgoza and seconded by Glenn Oania to recognize Roberto Galvez, employee's long-term service contribution of 20 years to Castroville CSD. 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 approving intervention as a party in CPUC proceeding A. 1201-19 – General Manager Eric Tynan reported to the Board that the Castroville CSD submitted a motion for party status in the application of California-American Water Company (U210W) for approval of the Monterey Water Supply Project. Currently, the District is waiting for a decision from the Public Utilities Commission of the State of California.
3. Update on levels for Well #2, #3 #4 and #5 – General Manager Eric Tynan informed the Board of the well levels. The current well levels as of April 1, 2018 were as follows: Well #2 is currently at -8.7 feet below sea level and March 1, 2018 it was -12.1. Well #3 is currently at -25 feet below sea level and March 1, 2018 it was -22.8. Well #4 is at -24.4 feet below sea level and March 1, 2018 it was -39.6 feet below sea level. Well #5 is currently at -29.4 feet below sea level and March 1, 2018 it was a -29.4 feet below sea level. It appears the late rainy season is helping the well levels. A graph of the well trends for the months February 2016 through April 2018 can be viewed on page 47 of the board packet.
4. Update on the Local Groundwater Sustainability Agency (GSA) – Director Ron Stefani informed the Board that a meeting was held in Gonzales where they met with the consultants. At this meeting there was also a presentation by DeepWater Desal and they are moving along with their environmental impact report and expect it to be out after the first of the year. They also mention the deficit for groundwater in the Salinas Valley is somewhere between 17,000 to 24,000 acre feet a year, which was obtained from data back from 2014. He assumes the deficit is more now. If their regional Deepwater Desal supplies drinking water to the city of Salinas, community of Castroville and city of Marina it would take 20,000 acre feet a year of groundwater pumping that would be replaced with desal water, which would go a long ways towards balance. General Manager Eric Tynan reminded the Board that this Board had approved a Memorandum of Interest with DeepWater Desal a few years ago, so if they ever come online Castroville CSD would have access to that water.
5. 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 for Prop 1 funding to the State Water Resource Control Board for the Moss Landing Sewer Zone 3 and they have been going back and forth with the Prop 1 funding for the Moss Landing sewer system. The District had provided the State Water

Resource Control Board with all the information back in November of 2017. They have requested this same information again and finally stated that the application is complete. The District should have an answer on the Moss Landing grant by the end of the month. The District is also working on Project two, the Castroville Water Supply Line Tank and System Improvements project. This project is for the pipeline to go to Cal Am source water. Another project being worked on is the Castroville Washington Bypass Wastewater Improvements, which is the pipeline that goes from the intersection of Tembladera and Washington; it's the old line that goes underneath the highway to the sewer pump station, which use to be the Castroville Treatment Plan. When they put the highway through they cut it and then they ran the sewer line out on Highway 1, then out on Merritt and then out on Highway 1 and doubled back. If work needs to be done to this line, it will need to be accessed in the middle of Highway 1. This line is getting pretty close to what is called surcharging, which means that it is more than $\frac{3}{4}$ full. The District will need to put a new line in that could be done under the old easement that is still in place that will provide us with the second line that will help alleviate some of the surcharging and by going this route the District would not have to work out on the highway.

6. Update on 630,000 gallon Welded Steel Tank Painting Project – General Manager Eric Tynan informed the Board that the contractor Quality Painting & Maintenance has completed the project and it looks beautiful. As mentioned at last month's meeting, the damage to the stairs on the tank was more extensive than anticipated. Twenty steps on the stairs were replaced not twelve. He had approved additional work for the extra corrosion repairs to the existing staircase for \$9,985. The total project was \$54,985.
7. 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 the equipment (radio system upgrades) for water and sewer systems are being programmed by the contractor Mike Brigham with Life Control Systems. The contractor should have the base station completed in the coming months.
8. Update on Moss Landing Sewer Allocation Plan – General Manger Eric Tynan let the Board know that he and District Legal Counsel Lloyd Lowrey met with County to discuss the sewer allocation plan that is in place, which was approved by the Castroville CSD Board in 2013. He also met with the Moss Landing Chamber and will be meeting with the Moss Landing Harbor District to discuss the 2013 Sewer Allocation Plan. Castroville CSD Board oversees the sewer system in Moss Landing and this Board makes the decision regarding the sewer system not the County.
9. Update on North County Recreation and Park District tax measure and 3rd quarter (January-March 2018) reports on extended recreation services activities – Grant Leonard reported to the Board that the NCRPD is moving forward with a survey for the tax measure. The cost of the survey is being paid by local businesses. They are hoping to have the tax measure on the November ballot. They were also made aware that the North County Fire Protection District plans to put a tax measure on the November ballot as well.

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 the Pure Water Monterey project has been put on hold. Monterey One Water is not getting any direction from the Public Utilities Commission. They are getting concerned about lawsuits and that the desal plant project may not be ready on time.
2. Update on meetings/an educational class attended by the Directors – Vice President Adriana Melgoza completed AB 123 Ethics training as required by elected officials.

GENERAL OPERATIONS

1. General Manager's Report – Compliance update, current projects update, meetings/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) 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 – March 2018. 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:	Melgoza, Cochran, Oania, Stefani and Montejano
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

CLOSED SESSION: District Legal Counsel was not present; therefore there was no closed session.

1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
Pending litigation pursuant to Government Code Section 54956.9: One case. Kathryn Parish, Trustee of the John & Irene Duran Family Trust, Plaintiff v. Castroville Community Services District; and Does 1 to 100 Inclusive, Defendants, Monterey County Superior Curt Case No. 18CV00213.

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.

There being no further business, a motion was made by Glenn Oania and seconded by Adriana Melgoza 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:	

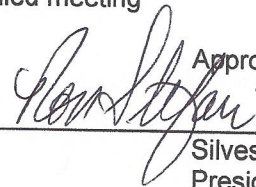
The meeting adjourned at 5:22 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Silvestre Montejano
President