

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

April 15, 2014

Vice President David Lewis called the meeting to order at 4:31 p.m.

ROLL CALL:

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

Absent: Jerome McCready, President

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present: None

Guest: None

PLEDGE OF ALLEGIANCE

Director Silvestre Montejano led those present in the Pledge of Allegiance.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Ron Stefani and seconded by Adriana Melgoza to approve the minutes of the March 18, 2014 Regular Board Meeting. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Notice of vacancies regarding Public Member Representation on the Local Agency Formation Commission of Monterey County.
2. Customized Design Report Proposal for the Reclamation Conveyance Facility Water Supply Project to General Manager David Chardavoyne, Monterey County Water Resources Agency (MCWRA) from President Brian D. Cullen, PERC Water.

Correspondence items accepted as presented

INFORMATIONAL ITEMS:

1. *The Monterey Herald* – Monterey County will go after Salinas-area runoff for irrigation, domestic use
2. *The Monterey Herald* – Monterey County budget projections don't look good
3. *ACWA News* – Capitol hearing explores sustainable groundwater management
4. *ACWA News* – Court decision reaffirms rate-setting powers of water districts
5. SB 927: Water Bond

Informational items accepted as presented

PRESENTATIONS:

1. None

UNFINISHED BUSINESS:

1. Update on consolidation of the Castroville Community Services District (CCSD) and the Moss Landing County Sanitation District (MLCSD) – General Manager Eric Tynan stated that the consolidation process is going well. On April 28, 2014 a protest hearing is scheduled at LAFCO and up until this point, there have been no inquires about the consolidation process. In addition, the Department of Justice has to give a preclearance. Eric reported to the Board that he still anticipates that the Certificate of Completion will be obtained from LAFCO before July 1, 2014. He also informed the Board that Moss Landing is having a community plan meeting on Wednesday, April 23, 2014 at 5:30 p.m. that he will be attending and extended the invitations to the Board. The Castroville CSD is only providing sewer services in this area.
2. Select and approve contractor for the Moro Cojo Slurry Seal Project – General Manager Eric Tynan informed the Board that eight contractors submitted a bid by 2:00 p.m. on April 3, 2014 for the Moro Cojo Slurry Seal Project. Vice President David Lewis and Director Ron Stefani were also present for the bid opening. Bond Blacktop was the lowest and qualified bidder for \$62,702.25. On page 21 of the board packet is a list of the bid amounts submitted by each contractor. Eric recommended the Board award the Moro Cojo Slurry Seal Project to Bond Blacktop. Eric is also considering having a portion of the bike path slurried and sealed for \$10K by the same contractor, which is part of the open space services provided by the Castroville CSD in this area. Eric also reported to the Board that he, Office Manager Lidia Santos, and John Brice, PE with Harris & Associates met with the property owners of Moro Cojo to discuss the upcoming Moro Cojo Seal Project. A motion is made by Adriana Melgoza and seconded by Ron Stefani to award the Moro Cojo Slurry Seal Project to Bond Blacktop not to exceed \$62,702.25. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

3. Update on new water supply options – General Manager Eric Tynan informed the Board that a water supply option that he is researching is in the perched aquifer and the sources would be sampled for water quality. Well #3 is doing okay and currently all chloride levels at all well sites are holding steady. Chloride levels for the well sites are on pages 35 and 36 of the board packet. OceanMist Farms is open to a discussion with Castroville CSD for a potential replacement well site on their property at the end of OceanMist Parkway.
4. Decide if Castroville CSD wants to participate in PERC Water study – General Manager Eric Tynan recommended to the Board to disapprove entering into a contract with PERC Water to investigate the Reclamation Ditch as a water source. He listed his concerns in a memo to the Board on page 22 of the board packet. For the following reasons it would be a poor use of District funds: estimated cost \$3,000 per acre-foot is far in excess of the \$78 per acre-foot the District currently pays, the acre-foot cost does not include a pipeline with access to product water, the proposed facility is over a mile away, in times of drought the source water would be unreliable as it is drain water, there is not enough water in the Tembladera Slough to serve the combined needs of all the proponents of this study, and the Tembladera Slough water is of very poor quality and quantity. Director Ron Stefani concurred with General Manager Eric Tynan's recommendations that the cost per acre-foot itself does not make this study sustainable for Castroville CSD. A motion is made by Ron Stefani and seconded by Silvestre Montejano not to participate in the PERC Water study based on General Manager Eric Tynan's recommendation. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

5. Update on mural project for Castroville walkway over Highway – General Manager Eric Tynan reported to the Board that the design of the mural has been completed and reflects the culture of the Salinas Valley. North County Recreation and Park District Board adopted a resolution to approve public art in CAL Trans right of way. Castroville CSD Board of Directors will also need to adopt a resolution that states the District will be responsible for the maintenance of the mural.
6. Update on Prop 84 Well 2B Arsenic Treatment Project – General Manager Eric Tynan reported to the Board that the California Department of Health Services wants the name for Well 2B changed to Well #5 since the District already has a well named Well #2 and this causes confusion. Well 2B will now be called Well #5. A company named BESST has proposed doing discreet zone testing to determine if there is a “hot spot” that could be blanked off to reduce the arsenic concentration levels. Anticipated cost may be approximately \$19,000.

NEW BUSINESS:

1. Approve putting out to bid blending project for Well #5 (formerly Well 2B) – General Manager Eric Tynan notified the Board that the engineer’s estimate (Frietas+Frietas) to put this project out to bid is \$223K. Eric spoke with some contractors and believes the project can be completed for 65K instead. Harris & Associates will prepare the bid package that will be put out to bid. A motion is made by Ron Stefani and seconded by Adriana Melgoza to approve the General Manager putting out to bid blending project for Well #5. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

2. Approve assumption agreement to assume the Moss Landing County Sanitation District USDA loan of \$235,028 contingent on the consolidation of the Castroville CSD and the Moss Landing County Sanitation District – General Manager Eric Tynan reported to the Board that this USDA loan would also need to transfer over to Castroville CSD in order for the consolidation process to be finalized. The Board will need to execute and approve the assumption agreement for the Moss Landing County Sanitation District USDA loan of \$235,028. A motion is made by Ron Stefani and seconded by Adriana Melgoza to approve the assumption agreement for the Moss Landing County Sanitation District USDA loan of \$235,028 contingent on the consolidation of the Castroville CSD and Moss Landing County Sanitation District.. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

3. Approve Destruction Certificate #14-1 of expired records over seven years old for accounts payable, accounts receivable and miscellaneous invoices – Office Manager Lidia Santos informed the Board that the records listed on Certificate #14-1 are seven years old and can now be shredded. A motion is made by Silvestre Montejano and seconded by Ron Stefani to approve Destruction Certificate #14-1 of expired records over seven years old for accounts payable, accounts receivable and miscellaneous invoices. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

4. Approve attendance of interested Directors and General Manager to attend ACWA's 2014 Spring Conference and Exhibition, May 6-9, 2014, Monterey – General Manager Eric Tynan expressed to the Board that both he and Office Manager Lidia Santos would like to attend the ACWA 2014 Spring Conference and Exhibition on May 7-8 in Monterey and if there were any Directors interested in attending the conference. Director Adriana Melgoza stated she may be interested and would confirm with Lidia the following day if she is able to attend the conference. A motion is made by Ron Stefani and seconded by Silvestre Montejano to approve the attendance of Director Adriana Melgoza, General Manager Eric Tynan, and Office Manager Lidia Santos to attend the ACWA 2014 Spring Conference and Exhibition on May 7-8 in Monterey. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

5. Approve the attendance of General Manager to the General Manager Leadership Summit, June 22-24, North Lake Tahoe held by California Special Districts Association (CSDA) – General Manager Eric Tynan advised the Board that he has wanted to attend the General Manager Leadership Summit and has yet to attend it due to a conflict with his work schedule in the past. After some discussion, the Board concurred that it would be beneficial for both General Manager Eric Tynan and Office Manager Lidia Santos to attend the General Manager Leadership Summit. A motion is made by Ron Stefani and seconded by Silvestre Montejano to approve the attendance to approve the attendance of both General Manager Eric Tynan and Office Manager Lidia Santos to the General Manager Leadership Summit, scheduled for June 22-24 in North Lake Tahoe. The motion carried by the following vote:

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 to the board that at this meeting there were a lot of public comments regarding the Water Replenishment Project. MRWPCA and Monterey County Water Resources decided to work out the third amendment clause in the contract regarding the allocation of the Recycled Water and not enter into arbitration at this time. If needed, Congressman Sam Farr may step in to try to help resolve the issues.
2. Update on Oversight Board meeting – Director Ron Stefani stated that the next Oversight Board meeting is scheduled for April 17, 2014 at 1:30 p.m. at the courthouse. With the dissolution of redevelopment agencies, the Japanese Schoolhouse ownership will transfer to the County, which in turn with an agreement will be maintained and operated by NCRPD General Manager Judy Burditt. Ms. Burditt is pleased with the outcome of being able to continue to maintain and operate the Japanese Schoolhouse.

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 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

Minutes of the Castroville Community Services District
April 15, 2014
Page 5

CHECK LIST – March 2014. A motion was made by Ron Stefani and seconded by Adriana Melgoza with a correction to the description of check number 21705 payment to ACWA/JPIA to reflect payment for employees: dental, vision, and EAP monthly premium not operator uniforms and to pay all bills presented. The motion carried by the following vote:

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

ITEMS FOR THE NEXT MONTHS AGENDA: Tuesday, May 20, 2014 at 4:30 p.m.

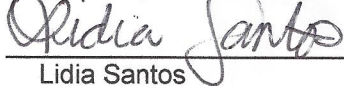
CLOSE:

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

AYES:	4	Directors:	Lewis, Stefani, Melgoza, and Montejano
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	1	Directors:	McCready

The meeting adjourned at 5:42 p.m. until the next scheduled meeting.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



David Lewis
Vice President