

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
February 15, 2022

President James Cochran called the meeting to order at 4:30 p.m.

ROLL CALL:

Directors Present (Meeting was held virtually): President James Cochran, Vice President Glenn Oania, Director Cosme Padilla, and Director Ron Stefani

Absent: Director Adriana Melgoza

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Donna Meyers and Grant Leonard

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Director Ron Stefani at the request of President James Cochran

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Glenn Oania and seconded by Ron Stefani to approve the minutes of the January 18, 2022 Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Memorandum from LAFCO to Independent Special District regarding call for nominations of candidates to fill two Special Districts seats on LAFCO (due by February 28, 2022).

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *Montana Water* – The rest of the country can learn from California
2. *Santa Cruz Sentinel* – The tsunami that battered Santa Cruz highlights the threat facing California's coast
3. *ACWA NEWS* – State Water Board Adopts Emergency Water Use Regulations
4. *Monterey Herald* – Salinas Valley Groundwater Sustainability Plans Approved

Informational items accepted as presented

PRESENTATIONS:

1. The Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) approved five Groundwater Sustainability Plans and the impact it will have on Castroville – Donna Meyers, General Manager for the SVBGSA informed the Board that the Salinas Valley Basin Groundwater Sustainability Agency

(SVBGSA) Board of Directors approved the five plans for the Salinas Valley Groundwater Sustainability on the 13th of January. The five plans are for Eastside, Forebay, Langley, Monterey and Upper Valley Subbasins. Plans will be submitted to CA Department of Water Resources for final approval. Per Ms. Meyers, the result is five locally-driven plans that will help us reach our goals of achieving groundwater sustainability over the next two decades. The 180/400-Foot Aquifer GSP submitted by the SVBGSA was among the first to be approved in the state by the California Department of Water Resources in June 2021. As this Board is aware, Director Ron Stefani and General Manager Eric Tynan are both on the 180/400-Foot Aquifer Advisory Committee. Ms. Myers also announced that the SVBGSA had selected Erroll L. Montgomery & Associates as the consulting scientist to complete the Deep Aquifer Study for Monterey County and wanted to thank Castroville CSD for their funding contributions. Ms. Meyers thanked the Board for their time and answered any questions or concerns they had.

NEW BUSINESS:

1. Resolution No. 22-02, A Resolution of the Board of Directors of the Castroville Community Services District Continuing Board of Directors Authority to Hold Virtual Meetings Pursuant to AB 361– As mentioned at last month’s board meeting, General Manager Eric Tynan recommended to the Board verbally and in a memo for the Board to approve Resolution No. 22-02 another 30 days in case this option is needed. The memo and Resolution No. 22-02 can be viewed on pages 22-24 of this board packet. The Board of Directors of the Castroville Community Services District finds that the Governor’s March 4, 2020, declaration of state of emergency due to the COVID-19 pandemic remains active. Every 30 days resolution to meet virtually must be approved if there is still a declaration of state of emergency. A motion is made by Ron Stefani and seconded by Cosme Padilla to approve Resolution No. 22-02, A Resolution of the Board of Directors of the Castroville Community Services District Continuing Board of Directors Authority to Hold Virtual Meetings Pursuant to AB 361. The motion carried by the following roll call votes:

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

2. State of California Department of Transportation (Caltrans) proposed highway construction project on Route 156 in Monterey County at Castroville Boulevard from PM R1.6 to PM 1.4 to construct a new interchange at Castroville Blvd and Route 156. Castroville CSD’s facilities and appurtenances (2017 sewer force main) are within the project and will be affected by planned construction – General Manager Eric Tynan reported to the Board that the Castroville CSD received a “Relocation Claim Letter to Owner” form Caltrans in regards to the proposed highway construction project on Route 156 in Monterey County at Castroville Boulevard from PM R1.6 to PM 1.4 to construct a new interchange at Castroville Blvd and Route 156. Castroville CSD’s facilities and appurtenances are within the project and will be affected by planned construction. A copy of this letter and plans can be viewed on pages 25-30 of this board packet. The sewer force main at this location was just installed in 2016 and he cannot see the Castroville CSD having to incur a cost to have it relocated. He will follow up with Caltrans to discuss further.
3. Consider approving Memorandum of Understanding Between County of Monterey and the Castroville Community Services District in the Replacement of Water Lines and Service Laterals as Part of the Castroville Street Improvements – General Manager Eric Tynan let the Board know that the MOU can be viewed on pages 31-35 of this board packet. The County is undertaking construction of the Castroville Street Improvements Project, which consists of rehabilitating and re-surfacing various streets, including re-construction curb ramps and sidewalks and Castroville CSD has existing main water lines and service laterals running under existing streets of the community of Castroville. The existing water lines and service laterals are aging and will need replacement in the near future. Replacing deteriorated water lines and service laterals concurrent with construction of the Project

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would provide a cost-effective and less disruptive manner to replacement of certain water lines and service laterals. The County will construct the work and CCSD will reimburse the County for all costs associated with replacement of water lines, service laterals, and ancillary valves; and the County will provide CCSD cost estimates for the work related to the water lines and services laterals 15 days in advance of the work initiating for their review and approval. CCSD and the County have always worked well together. In addition, District Legal Counsel Christine Kemp has reviewed the MOU. A motion is made by Glenn Oania and seconded by Cosme Padilla to approve the Memorandum of Understanding Between County of Monterey and the Castroville Community Services District in the Replacement of Water Lines and Service Laterals as Part of the Castroville Street Improvements "Project". The motion carried by the following roll call votes:

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

4. PG&E street light credit for LED lights installed June 3, 2016 – General Manager Eric Tynan let the Board know that earlier today he and Office Manager Lidia Santos had a virtual meeting with two PG&E representatives to finally discuss the LED street lights that were installed and the cost savings the District would see. This has been a long process waiting for PG&E to resolve when and what the cost savings should have been for the street lights as this was brought to their attention in December of 2020. Castroville CSD was originally told in 2016 when these LED lights were installed, the cost saving would be seen in the street light electrical bill in 4-5 years, however the savings took effect sooner, which Castroville CSD did not receive. The great news is Castroville CSD will be receiving a credit from PG&E for \$27,035.64 on the seven accounts that have the LED street lights. The report submitted by PG&E can be viewed on the page 36 of this board packet which reflects the credit for the seven accounts. In addition, Castroville CSD will also be receiving a credit on these seven accounts for the street light electrical fee from Central Coast Community Energy Electric for generation charges, estimated at \$13,000. The next statement from PG&E & Central Coast Community Energy Electric will reflect the credit for these accounts. The PG&E representative apologized for this error and that it took so long to resolve. This will be a significant cost savings for the street light accounts in Government Zone 1 and Government Zone 2.
5. Consider amending annual 2021/2022 Operating Budgets for Castroville Zone 1-Water, Sewer and Governmental, Moro Cojo Zone 2-Sewer and Governmental, and Moss Landing Zone 3-Sewer – The Board and General Manager Eric Tynan reviewed and discussed the yellow highlighted accounts that are being considered to be amended for the annual 2021-2022 Operating Budgets. A motion is made by Glenn Oania and seconded by Ron Stefani to approve the amended annual 2021/2022 Operating Budgets for Castroville Zone 1-Water, Sewer and Governmental; Moro Cojo Zone 2-Sewer and Governmental, and Moss Landing Zone 3-Sewer. The motion carried by the following roll call votes:

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

6. Consider approving Castroville CSD Actuarial Study of Retiree Health Liabilities Under GASB 74/75 Valuation Date: June 30, 2021, Measurement Date: June 30, 2021 For Fiscal Year-End: June 30, 2022 prepared by: Total Compensation Systems, Inc. – Office Manager/Secretary to the Board Lidia Santos provided each board member with a copy of the report, which can be viewed as an attachment to this board packet online. Mr. Will Kane, FSA, EA Consulting Actuary with Total Compensation Systems per email (can be viewed on page 53 of this board packet) had informed Office Manager Lidia Santos that this year's full valuation resulted in a combination of unexpected increases and decreases in the Net OPEB Liability (NOL) that created an overall increase. Lack of turnover from

2019-2021 combined with updated assumptions from CalPERS led to an increase in the NOL that was partially offset by excellent investment returns for the year. Whenever a new actuarial valuation is performed, these types of unexpected changes will occur, but the size and direction of this year's changes does not mean the same should be expected for next year's valuation. The District contributes \$19,000 annually to the CERBT fund and as mentioned by Mr. Kane in last year's email, as for the \$19,000 annual contribution, he ran a quick projection and that amount is expected to have the plan 100% funded around 2028 as long as the District continues to make benefit payment directly rather than drawing from the trust. A motion is made by Ron Stefani and seconded by Cosme Padilla to approve the Castroville CSD Actuarial Study of Retiree Health Liabilities Under GASB 74/75, Valuation as of June 30, 2021, Measurement Date June 30, 2021 for Fiscal Year-End June 30, 2022 as prepared by Total Compensation Systems. The motion carried by the following roll call votes:

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

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 reported to the Board that a summary of the action plans/description as of the January 18, 2022 meeting can be viewed as follows: **Moss Landing Sewer (pages 54-56)**. As mentioned at last month's board meeting, working on the right of way acquisition for Lift Station #1, easement. Also, the County had sent a draft MOU agreement that was reviewed by CCSD District Counsel Christine Kemp and approved by the CCSD Board back in October 2021. The executed MOU was sent to the County in regards to the Moss Landing Sanctuary Scenic Trail Bridge. CCSD is still waiting for the County to sign the MOU. CCSD pipeline to cross over the proposed bridge as the current pipeline is made of cast iron. The County is waiting on a proposal from the bridge firm, Wood Rodgers, who will provide structural analysis of weight of pipeline and redesign of the bridge. During the construction phase a Native American inspector will be required. **The Washington Bypass (pages 57-58)**, potholing has been completed as well as 60% of the plans. Currently, applying for a future grant for finishing the design and construction, California Housing Community Development, Infill Infrastructure Grant. This grant requires being co-applicant with Developer. Max grant amount \$8M and applicant would be the County or Developer as Co-applicants. At least 15% must be affordable housing. Acquiring this grant funding will take four to five months and another year or so for construction before the pipeline could be put in place. **Emergency Deep Aquifer Supply and Storage Tank (pages 59-62)**, the site layout for the storage tank has been completed but still not sure where Well #6 will be placed. The new fence being built on the property by WM Anderson Fence should also be completed by the end of this month. The District still needs to finalize the purchase of the land that is being acquired from adjacent property owner. Still needed is a copy of the grant deed, which he will obtain from the Monterey County Clerk Recorder's Office tomorrow. MSN submitted a grant application on behalf of CCSD for the SCDR grant, up to \$9 million had been funded. However, this grant is first come first serve and there are 55 applicants ahead of CCSD. Still, partial funding is a possibility. **The Overhead Sign at Highway 183 (pages 63-66)**. The Action Plan report is the same as last month's as there was no meeting in January 2022. Per General Manager Eric Tynan, he spoke with Corby Kilmer, District 5 Landscape Architect with Caltrans and she informed him that Caltrans would directly provide CCSD with the funds to administer this project once approved. CCSD is still waiting on the cooperative agreement between Caltrans and CCSD before disbursing any funds to Signs by Van. The action plans was put together by Paul Greenway, G7ei Inc. and provides him with a timeline on the status of where the grants are. Current grants awarded are the Clean Water Small Communities Planning Grant (\$500,000) with State Waterboards for administration, preliminary engineering report, plans and specs for sewer in Moss Landing, project assigned to MNS Engineers. The IRWM Implementation Grant (\$395,000) is with DWR for the Deep Well (Well #6) and the use will be specified in the DWR/MCRWA agreement. The DAC Involvement Programs amount \$61,807 with DWR is for the design of the Washington Sewer Bypass for Castroville sewer is also assigned to MNS Engineers. Current funding

efforts: Moss Landing sewer system improvements, Castroville emergency well replacement, Castroville water supply improvements and Castroville wastewater improvements.

2. Update on well levels and seawater intrusion contour – General Manager Eric Tynan had the Board review pages 67-68 of the board packet for the graph of the Castroville Well Levels 2015-2022 and seawater intrusion contour graph. He informed the Board well levels for Well #2 remained the same as last month, and Well #4 did drop from the previous month. These wells are used for production. Well #3 is not being used for production and water levels are just being monitored. However, Well #5 does not seem to be recharging like the other wells. All well levels are still significantly below sea level. In addition, the seawater intrusion contour map as of 2017 depict seawater intrusion within 1,930 feet of Wells #3 and #5 and 1,800 feet from Wells #4 and also where the proposed new Well #6 is to be drilled. As of today, seawater intrusion could be much closer than the seawater intrusion map reflects since this study was completed in 2017.
3. Update on lot line adjustment for acquisition of Well #6 land – General Manager Eric Tynan informed the Board that a map of the site layout for the Castroville CSD Well #6 project can be viewed on page 61, Figure 2 of this board packet. The lot line adjustment would accommodate necessary water infrastructure improvements (Well #6) for the Castroville CSD. As mentioned earlier, the fence will be put in by Castroville CSD. The contractor, WM Anderson Fence should complete installing the fence by the end of this month. The lot-line adjustment has been approved by the County and the District is still waiting to get the title documents and to pay the \$95,000 owed for the land purchased. CCSD has not been able to locate a copy of the grant deed for its land, which is needed to finalize the purchase. Tomorrow General Manager Eric Tynan plans to go to the Monterey County Clerk Recorder's Office to obtain a copy of the grant deed so the District can finalize the purchase of this land.
4. Update on Monterey One Water (M1W) lateral repair – General Manager Eric Tynan notified the Board that he had a meeting with M1W staff to consider doing the Private Lateral Rehabilitation Project for CCSD on the conceptual plan, for the Cypress Alley Sewer Realignment Project instead of the other area discussed. M1W staff seemed very supportive in considering this project instead and will get back to discuss further with him. This project is part of an enforcement action for M1W by the Central Coast Water Board and MIW needs to move fairly quickly on this project. The budget for the Private Lateral Rehabilitation Project is \$790,000. Grant Leonard asked if there would be any cost to the homeowner if they participate in this project. Per General Manager Eric Tynan there would be not cost to the homeowner to install the private laterals.
5. Update on Asset & Item Repairs Project, bundle tasks for cost savings – General Manager Eric Tynan reminded the board that last month he had provided a report with a list of the assets that are becoming deficient and action that is needed, ranked in level of priority from high, medium and low. He is currently working with MNS Engineers on the details of the assets & item repairs needed for this project and it appears bundling these task would create a better cost savings for the district. Once the scope of work is finalized, he will present it to the Board for approval. In addition, these projects will need to go out to bid, which should be during the 2022-2023 fiscal year and accounted for in the budget.

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 (M1W) board meeting – Director Ron Stefani reported to the Board that it is a 5 month process to get the Water Purchase Agreement approved by the CPUC. Also, Cal Am wanted to jump start working on the out fall for the desal project but the MIW board voted that as soon as they get the Water Purchase Agreement signed, then that agreement can be discussed. Current legal counsel will be retiring, therefore at the next meeting they will be interviewing for new legal counsel. Linda Grier is also retiring as a M1W representative for Boronda.

2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Director Ron Stefani stated that General Manager Donna Myers with SVBGSA already provide a complete update on the SaVBGSA and appreciated her doing so.
3. Update on meetings or educational classes attended by the Directors – None

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 – January 2022. A motion was made by Glenn Oania and seconded by Ron Stefani to pay all bills presented. The motion carried by the following roll call votes:

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

There being no further business, a motion was made by Glenn Oania and seconded by Cosme Padilla to adjourn to the next scheduled Board meeting; the motion carried by the following roll call votes:

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

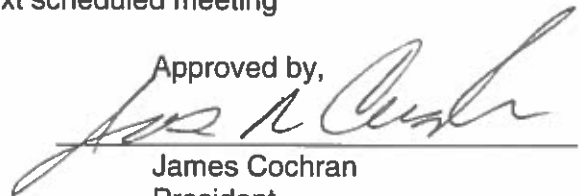
The meeting adjourned at 5:55 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



James Cochran
President