

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
May 24, 2022

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

ROLL CALL:

Directors Present: President James Cochran, Director Cosme Padilla, and Director Ron Stefani

Absent: Vice President Glenn Oania and Director Adriana Melgoza

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Alex Lopez, NCRPD General Manager

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by President James Cochran.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Cosme Padilla and seconded by Ron Stefani to approve the minutes of the April 19, 2022 Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

AYES:	3	Directors:	Stefani, Padilla and Cochran
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	2	Directors:	Oania and Melgoza

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter of support from various entities sent to the State Representatives: Senator John Laird, Senator Anna Caballero, Assemblymember Robert Rivas and Assemblymember Mark Stone requesting support for a state funding allocation to provide necessary maintenance and repair to our two reservoirs and dams, Nacimiento and San Antonio
2. Letter of support from Castroville CSD sent to the State Representatives: Senator John Laird, Senator Anna Caballero, Assemblymember Robert Rivas and Assemblymember Mark Stone requesting support for a state funding allocation to provide necessary maintenance and repair to our two reservoirs and dams, Nacimiento and San Antonio.
3. Letter from Castroville CSD to 9 affected tribes regarding AB 52 Consultation, Castroville Emergency Deep Aquifer Supply and Storage Tank Project for Castroville

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. Caltrans virtual community meeting, Thursday, May 26, 2022, 6:00 to 7:30 p.m. regarding the State Route 183 Castroville Improvements Project
2. Certificate of Completion for Cross-Connection Controls, Mobile Singer Level 1, and Groundwater Well Operation and Maintenance by Operator II Varela

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Resolution No. 22-05 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– After some discussion, a motion is made by Ron Stefani and seconded by Cosme Padilla to approve Resolution No. 22-05 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: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

2. Resolution No.22-06 Ordering an Election, Requesting the County Elections Department to Conduct the Election, and Requesting Consolidation of the Election – Office Manager Lidia Santos informed the Board that two seats are open for elections for the Castroville CSD Board of Directors this November 8, 2022 and are for a 4 year term (Melgoza and Padilla). Resolution No. 22-06 Ordering an Election, Requesting the County Elections Department to Conduct the Elections, and Requesting Consolidation of the Election needs to be approved by the Board and submitted to Monterey County Elections Department. The Board determined that the Statement of Qualifications would be limited to 200 words, the candidate will be responsible for paying the cost of publishing the Statement of Qualifications and in the event of a tie; the District would not conduct a special runoff election. A motion was made by Ron Stefani and seconded by Cosme Padilla to approve Resolution No. 22-06 Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election. The motion carried by the following roll call votes:

AYES: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

3. Resolution No. 22-07 A Resolution of the Board of Directors of the Castroville Community Services District Authorizing a Representative – General Manager Eric Tynan reported to the Board that an authorized representative needs to be authorized and directed to sign and file, for and on behalf of Castroville CSD, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of the Washington Street Sewer Bypass Project. After some discussion, a motion is made by Cosme Padilla and seconded by Ron Stefani to approve Resolution No. 22-07, A Resolution of the Board of Directors of the Castroville Community Services District Authorizing a Representative, General Manager Eric Tynan. The motion carried by the following roll call votes:

AYES: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

4. North County Recreation and Park District request for funding, “Extended Recreation Services” for fiscal year 2022/2023 – General Manager Eric Tynan let the Board know that NCRPD General Manager Alex Lopez has been doing a great job with extended recreational services and for fiscal year 2022/2023 is requesting a total of \$190,000, which includes carry forward from 2021/2022 the

\$40,000 that was allocated for capital improvement projects and not used in 2021/2022 and also requesting an additional \$50,000 for the Sports Complex Improvement and Rehabilitation project for 2022-2023 for a total of \$190,000. Per NCRPD General Manager Alex Lopez they were not able to move forward with capital improvement projects planned in 2021/2022. For this reason he is asking for Castroville CSD Board of Directors to budget \$100,000 for NCRPD for extended recreational services and \$90,000 for capital improvement projects for fiscal year 2022/2023. NCRPD request can be viewed on page 32 of this board packet.

5. Consider selecting a 10 years flat Employer Target Amount (effective fiscal year 2022-2023) for the OPEB plan to fund and reduce the plan's current \$215,916 Net OPEB Liability (NOL) to \$0 over the specified timeframe paying off the NOL while continuing to fund the annual Service Cost – The Board reviewed the letter from Will Kane, FSA,, EA, MAAA. Consulting Actuary with Total Compensation Systems, Inc. on guidance regarding an Employer Contribution Target Amount for the District's OPEB plan which can be viewed on pages 33-35 of this board packet. The CERBT account update summary can also be viewed on pages 36-43. It looks like the \$19,000 that the District has been contributing annually isn't quite enough to be on track to fully fund the plan. That amount is more like \$37,000 over a 15-year timeframe. The target contribution amount included any benefit payments made to retirees on a pay-as-you-go basis. For example, if you pay \$10,000 to retirees in a given year, then only the remaining \$27,000 would need to go to the trust. Upon reviewing the guidance letter and documentation, a motion is made by Ron Stefani and seconded by Cosme Padilla to approve the 10 years plan to contribute annually \$44,157, which includes any benefit payments made to retirees on a pay-as-you-go basis to the CERBT Trust. The new target contribution amount of \$44,157 will take place as January 2023. The motion carried by the following roll call votes:

AYES: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

6. Preliminary 2022-23 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) – General Manager Eric Tynan and the Board reviewed and discussed all budget items for the different funds. However, the Budget & Personnel Committee: Directors Stefani and Padilla had met on May 11, 2022 with the General Manager and discussed and reviewed the budgets and discussed moving to the next wage step increase for the Operations Department (varies between 3%-3.5% for each position) per the Wage Step Program approved by the Board, October 2018, which is included in this preliminary budget, along with increasing On-Call to 6 hours paid at time & one-half as long as the 7 day work week requirements are met Thursday-Wednesday. The Budget & Personnel Committee also discussed a 5% staff wage increase for the Administration Department and for the District to remain with PERS Platinum in 2023 for employees monthly health care coverage. The Budget & Personnel Committee also recommended the Board approve funding the NCRPD for \$190,000. Per the Board, changes will be made to the draft preliminary 2022/23 Operating Budgets to reflect the recommendations made to the affected accounts. Draft budgets and data can be viewed on pages 44-70 of this board packet (note some of the new recommendations discussed at this meeting are not yet reflected in these budgets) Final adoption of the budgets will not be made until the June 21, 2022 regularly scheduled board meeting.
7. Reappoint Ron Stefani as a Board Member to the Salinas Valley Basin Groundwater Sustainability Agency (3 year term) and also an alternate as his term expires July 1, 2022 – Per General Manager Eric Tynan, Director Ron Stefani has been doing a great job as a Board Member to the Salinas Valley Basin Groundwater Sustainability Agency. His term is due to expire July 1, 2022 as is the alternates, Grant Leonard. A motion is made by Cosme Padilla and seconded by James Cochran to reappoint Ron Stefani as a Board Member to the Salinas Valley Basin Groundwater Sustainability

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Agency (3 year term) and Grant Leonard as his alternate. The motion carried by the following roll call votes.

AYES: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

8. Consider approving proposal for Engineering Design and Construction Management Services for the Castroville North Water Services, not to exceed \$4,400 – General Manager Eric Tynan recommend the Board approve the summary proposal for engineering design and construction management services for the Castroville North water services not to exceed \$4,400. The scope of work can be viewed on pages 73-74 of this board packet. The County had wanted Castroville CSD to use its contractor, which he felt their fees were excessively high. Instead, he is requesting to put this project out to bid with the assistance of MNS Engineers. A motion is made by Ron Stefani and seconded by Cosme Padilla to approve the proposal submitted by MNS Engineers for the Engineering Design and Construction Management Services for the Castroville North Water Services, not to exceed \$4,400. The motion carried by the following roll call votes:

AYES: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

9. Discuss proposed water service line with Marina Coast Water District – General Manager Eric Tynan informed the Board that the Marina Coast Water District has reached out and asked if Castroville CSD would be interested in doing an intertie with them. Marina Coast Water District is currently applying for grants and Castroville CSD could be a co-applicant. At this time this is just a concept being considered. Director Ron Stefani stated this was a great idea but depending on their deep wells this could be found to be unsustainable. Per General Manager Eric Tynan he believes they are looking at desal facilities.
10. Review and approve new draft employee handbook to take effect July 1, 2022 – General Manager Eric Tynan informed the Board that the current employee handbook was modeled on Marina Coast Water District's employee handbook, which is much more complex as it references MOU's with Employees Unions and Teamster Locals, which does not apply to this District. The District had TPO Consultants model after the Aromas Water District's Employee Handbook since they are similar to Castroville CSD. The consultant has reviewed and updated the handbook with current regulations. The Budget & Personnel Committee also reviewed the draft copy of the handbook at the May 11, 2022 meeting and made their recommendation. Per the new draft employee handbook presented, the following minor corrections were made: The main issue addressed was Overtime and On-Call Pay, which can be viewed on Section 30-12: pages 8 and 9 of this handbook. On page 9, Holiday Worked, for non-exempt employees will state time & one-half instead of straight time if required to work on a holiday and the last sentence will be deleted. The District chooses to offer and abide by CA Overtime Provisions Section 50-05: page 17, will reflect 2% @ 62 PEPRA; page 18 for retiree health benefits will clarify qualified dependents as spouse and registered domestic partner; Section 50-08, page 23 as for holidays, Veterans Day will be added, full 8 hours and ½ Good Friday will be deleted. A motion is made by Ron Stefani and seconded by Cosme Padilla to adopt the new draft Castroville CSD Employee Handbook presented with the minor correction discussed and for the new Castroville CSD Employee Handbook to take effect on the 14th of July 2022. The motion carried by the following roll call votes:

AYES: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and 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 May 9, 2022 meeting can be viewed as follows: **Moss Landing Sewer (pages 75-77)**. As mentioned last month, the big news is that all the time and work that has been invested, Caltrans has pulled the funding regarding the executed MOU that was sent to the County in regards to the Moss Landing Sanctuary Scenic Trail Bridge. CCSD's pipeline was going to cross over the proposed bridge as the current pipeline is made of cast iron force main, installed in 1982. Caltrans pulling the funding makes the process simpler. Will go back to the original plan, which is putting the pipeline underneath or alongside the existing bridge. The proposed new lot for the lift station can be viewed on page 77. The current lift station impedes on the driveway of a property owner, which is not feasible. The property owner of the new designated location is willing to sell this piece of land to the District since it is not zoned as farmland. **The Washington Bypass (pages 78-79)**. As mentioned previously, since the potholing has been completed as well as 60% of the plans, the District has received all the grant funds of \$61,807 from DWR. The District has applied for a grant for finishing the design and construction, California Housing Community Development, Infill Infrastructure Grant and still waiting to hear on the status of this grant. This grant requires being co-applicant with the 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. In addition, State Water Resources Control Board, SRF set aside for small disadvantaged communities. The Small Community Clean Water Waste Water Funding Program. MNS is preparing the application as the State has requested the full application for \$3.5 million. **Emergency Deep Aquifer Supply and Storage Tank (pages 80-83)**. The District still needs to finalize the purchase of the land that is being acquired from adjacent property owner, which should happen soon since a copy of the grant deed has been obtained from the Monterey County Clerk Recorder's Office and a copy provided to the adjacent property owner. Eric also informed the Board that he has mailed out the tribal consultation letters to each tribal contact. The Geotech Reports have been submitted to MNS Engineers. Geotech indicated expansive soils and soil consolidation will need to be addressed in the design. Nick with MNS Engineers will review the Geotech report and submit comments to them. MNS also submitted a grant application on behalf of CCSD for the SCDR grant. 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 84-86)**. Per General Manager Eric Tynan, he is working on getting a new Caltrans maintenance agreement for the Overhead Sign. The State notified Castroville CSD of the approval and a future agreement to be sent to CCSD from the State. In addition, CCSD will need to enter into a sole-source agreement for the Overhead Sign. The State has also requested a traffic control plan and a storm water control plan which was sent to the state for approval. CCSD is still waiting on the cooperative agreement between Caltrans and CCSD to be executed before disbursing any funds to Signs by Van. The action plans were put together by Paul Greenway, G7ei Inc. and have provided 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 lot line adjustment for acquisition of Well #6 land – General Manager Eric Tynan informed the Board as mentioned last month, that he has obtained the title documents for the property and the District still needs to pay the \$95,000 owed for the land to finalize the purchase. A copy of the grant deed has been provided for the purchase of the land that is being acquired from the adjacent property owner. Apparently, the delay has been for the reason that the signature of the deceased property owner was being required to finalize the purchase of the land and is in the process of still being cleared up.
3. Update on Monterey One Water (M1W) lateral repair – General Manager Eric Tynan notified the Board that the Action Plan report can be viewed on pages 87-88 of this board packet. As mentioned last month, Cypress Alley has routine blockage problems causing challenges for the District. He is still waiting to hear if M1W staff will consider doing the Private Lateral Rehabilitation Project for CCSD on the conceptual plan, for the Cypress Alley Sewer Realignment Project instead of the other areas discussed in Castroville. M1W will need to get approval from the Central Coast Water Board before moving forward with this project. However, the Central Coast Water Board is asking about the income levels of these property owners before approving M1W to use this funds in this location. The District would fund cost of design and construction of the sewer main and relocation. M1W would fund design and construction costs of the laterals. However, the timing for the construction phase will be important. Timing will be addressed after determination if M1W participates. The District requested a proposal from MNS for the design fee of the sewer main relocation. The M1W project is part of an enforcement action for M1W by the Central Coast Water Board and M1W needs to move fairly quickly on this project. The budget for the Private Lateral Rehabilitation Project is \$790,000. **NCRPD Alex Lopez excuses himself from the meeting at 5:34 p.m.**

BOARD OF DIRECTORS COMMUNICATION: When needed, this time is reserved for the Board of Directors to communicate activity, educational classes, and/or Committee reports. **Grant Leonard arrived at 5.38 p.m.**

1. Update on Monterey One Water (M1W) board meeting – Director Ron Stefani reported to the Board that the biggest issue right now with M1W is retention time. The water is not staying in the ground long enough, it is not working as designed. The water for the Pure Water Monterey Project per regulations is required to stay in the ground for two months before it can be taken out but per the test it is coming out in four weeks. This is the only liability M1W has and there will probably be a lawsuit. However, there is one well that Cal Am really wants to use and is not being allowed to because of the retention time. They are looking to drill an new well or looking at the other options. In option is to slow down the water, pumping it in but will be guessing and M1W and Monterey Peninsula Water Management both do not want that because it could affect the permit at the state level and shut the project down. As mention last month, the recharge to date for the Pure Water Monterey Project is about 6,100 AF and that for the expansion a third construction bid package will be needed due to the hydraulics and constructions issued related to the pipeline that will be installed between the eastern and western well fields. The completion dates for the expansion was originally 2023 but may not be completed until 2024.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Director Ron Stefani stated the main discussion is who is going to pay and the South County does not want to pay. Also, he was not able to attend the meeting and had Grant Leonard attend in his place as he is his alternate. Per Mr. Leonard South County and LandWatch as well are talking about the subbasins and equal payment for equal benefits. They are trying to partition a group up to starting fighting against each other, instead of working as one sustainable agency. Governor Newsom has issued his executive order saying that GSA;s approve no new wells, as long as there is a drought which will open them up for potential litigation against farmers who want to drill a new well as the GSA will deny the permits.
3. Update on meetings or educational classes attended by the Directors – Director Cosme Padilla announced that he had attend the Supervisor District 2 Candidate Forum that was held in Castroville. One of the candidates was advocating for consolidating special districts and thought the Board should

be aware of this. General Manager Eric Tynan informed the Board that he, Director Ron Stefani and M1W General Manager Paul Sciuto flew to Orange County and did a facility tour of the Eastern Municipal Water District. Joe Mouawad, P.E., General Manager, and staff were all kind and courteous and took them on a tour of EMWD Desalination Complex, which was impressive. In addition, they were also impressed with Castroville CSD SCADA technology accessible via his cellular phone.

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

AYES:	3	Directors:	Stefani, Padilla and Cochran
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	2	Directors:	Oania and Melgoza

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

AYES:	3	Directors:	Stefani, Padilla and Cochran
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	2	Directors:	Oania & Melgoza

The meeting adjourned at 6:03 p.m. until the next scheduled meeting

Respectfully submitted by,


Lidia Santos

Secretary to the Board

Approved by,


James Cochran

President