

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
September 20, 2022

Director Ron Stefani called the meeting to order at 4:32 p.m.

ROLL CALL:

Directors Present: Director Cosme Padilla, Director Adriana Melgoza and Director Ron Stefani

Absent: President James Cochran and Vice President Glenn Oania

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Jeremy Vanderkraats

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Director Ron Stefani.

General Manager Eric Tynan reported to the Board that he is requesting this addition to the agenda as he has received a time sensitive proposal from MNS Engineers to provide grant writing services in conjunction with the California Department of Water Resources Water Desalination Grant (WDG) Program to secure WDG funding to implement a Design Pilot project at Well No. 3. A motion is made by Adriana Melgoza and seconded by Cosme Padilla to add this item under new business, item 4 as a motion item instead of a discussion as it is time sensitive. The motion carried by the following roll call votes:

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

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Adriana Melgoza and seconded by Cosme Padilla to approve the minutes of the August 16, 2022 Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter from Monterey County Board of Supervisors to General Manager Eric Tynan regarding invitation to speak at Regional Water Forum, September 20, 2022, 1:30 p.m.
2. Letter from Coalition of Peninsula Businesses to Californian American Water Company regarding Monterey Peninsula Water Supply Project California Coastal Commission application.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. October 3rd, 2022, 3:00-5:00 p.m., Public Workshop: Preliminary Findings of the Deep Aquifers Study

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Resolution No. 22-12 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 Cosme Padilla and seconded by Adriana Melgoza to approve Resolution No. 22-12 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 Melgoza
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Cochran

2. Johnson & Company change order (extra work) approval in the amount of \$23,265.31 for additional work on laterals and saddles for the Castroville North Services Replacement Project and, contract billed to date \$69,894.00 out of \$117,750 – General Manager Eric Tynan reported to the Board that the progress billing invoice for this project submitted by Johnson & Company can be viewed on pages 14-15 of this board packet. The contractor has been doing a great job and had to also replace many deteriorated water laterals, which resulted in extra work not included in the contract. General Manager Eric Tynan recommended the board approve the progress billing invoice. A motion is made by Adriana Melgoza and seconded by Cosme Padilla to approve and pay the contract amount to date of \$69,891.00 and the extra work of \$23,265.31 for a total of \$93,156.31 to Johnson & Company. The motion carried by the following roll call votes:

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

3. Discuss State of California Department of Transportation (Caltrans) proposed conflict with Castroville CSD assets located in Caltrans right of way on Highway 183/Merritt Street – General Manager Eric Tynan let the Board know that there may be a conflict with Caltrans and CCSD assets that are located in Caltrans right of way on Highway 183/Merritt Street and is not sure who will be responsible for the cost to relocate them if necessary. He will discuss with Caltrans further and report back to the Board on this matter.
4. Discuss feasibility study for desalter for Well #3 and consider approving a proposal from MNS Engineers to provide grant writing services in conjunction with the California Department of Water Resources Water Desalination Grant (WDG) Program to secure WDG funding to implement a Design Pilot project at Well No. 3. – General Manager Eric Tynan provided the Board with the proposal from MNS Engineers for the fee proposal for grant writing services to apply with the Department of Water Resources Water Desalination Grant Program not to exceed \$27,498 as the application must be submitted by the 5th of October 2022. However, he is still waiting to hear from Monterey One Water (M1W) to see if they may be willing to accept the chlorides and discharge into the sewer cleanout. He will follow up M1W before the deadline and also check on chlorides discharge levels. A motion is made by Cosme Padilla and seconded by Adriana Melgoza for General Manager Eric Tynan to only approve the proposal from MNS Engineers to provide grant writing services in conjunction with the California Department of Water Resources Water Desalination Grant (WDG) Program to secure WDG funding to implement a Design Pilot project at Well No. 3 pending a cost benefit analysis and report

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this information back to the Board. The motion carried by the following roll call votes:

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

5. Resolution No. 2022-13, Approving a Sole Source Contract with Maggiora Bros. Drilling Inc. for the Replacement of Well #4 Pump (not to exceed \$68,658) – General Manager Eric Tynan reported to the Board that District Legal Counsel Christine Kemp approved the District going this route with this contract as it is justified. The resolution, contract marked Exhibit A and sole source justification document marked Exhibit B can be viewed on pages 20-24 of this board packet. After some discussion, a motion is made by Adriana Melgoza and seconded by Cosme Padilla to approve Resolution No. 2022-13, Approving a Sole Source Contract with Maggiora Bros. Drilling Inc. for the Replacement of Well #4 Pump (not to exceed \$68,658). The motion carried by the following roll call votes:

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

District Legal Counsel arrived to the meeting at 4:47 p.m.

6. Resolution No. 2022-14, Engaging Signs By Van for the Design, Fabrication, and Installation of the Castroville Landmark Sign – District Legal Counsel Christine Kemp who was present drafted Resolution No. 22-14, attached as Exhibit A the “Caltrans Grant Estimate” and Exhibit B the Sole Source Justification document, which can be viewed on pages 25-29 of this board packet. Per District Legal Counsel Exhibit A the “Caltrans Grant Estimate” is the only approved document from Caltrans for this grant that she is aware of and the original Signs By Van estimate #2482, dated 02/02/2022 in the amount of \$294,720.18 seems to align more with Exhibit A not the second estimate submitted by Signs By Van with the same estimate #2482 and date for \$399,244.59. Mr. Jeremy Vanderkraats with Signs By Van was also present and did not concur with Exhibit A the “Caltrans Grant Estimate” and stated his fees would increase by 30% as cost of materials have increased and Corby with Caltrans is aware. District Legal Counsel Christine Kemp pointed out the Signs By Van estimate of \$399,244.59 does not allocate grant funds for this amount and if his proposal is approved the District would be on the hook for the difference. The Board concurred that the District should not have to be on the hook for fees over the grant approval and all parties involved need to be in agreement and it is apparent that is not the case. A meeting needs to occur with all parties involved (CCSD, Caltrans and Signs By Van) before approving this resolution. For this reason, a motion is made by Cosme Padilla and seconded by Adriana Melgoza to table this item until the next regularly board meeting or a special board meeting if resolved sooner. The motion carried by the following roll call votes:

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

7. Approve attendance of Directors and General Manager to the ACWA Region 5 Program and Tour-Developments in Monterey County Water Management, October 6, 2002 (correction 2022) Tour Event Date and October 7, 2022 Program Event Date, Monterey, CA – General Manager Eric Tynan mentioned to the Board that he and some of the Board Members are interested in attending this local event. Event information can be viewed on page 30-31 of this board packet. After some

discussion, a motion is made by Adriana Melgoza and seconded by Cosme Padilla to approve the attendance of Directors and General Manager to the ACWA Region 5 Program and Tour-Developments in Monterey County Water Management, October 6, 2022 Tour Event Date and October 7, 2022 Program Event Date, Monterey, CA. The motion carried by the following roll call votes:

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

UNFINISHED BUSINESS:

1. Approve Mutual Assistance Agreement between Marina Coast Water District and Castroville CSD – General Manager Eric Tynan stated the agreement needs further review as CCSD needs to verify it can meet the insurance requirements per section 8 of this agreement. A motion is made by Cosme Padilla and seconded by Adriana Melgoza
2. Update on Well levels – General Manager Eric Tynan reported to the Board that the well levels report can be viewed on page 38 of this board packet. Per the graph, Well levels came up again this month. General Manager Eric Tynan stated well levels rose for the reason that farmers have stopped pumping. Well #3 is not pumping and the motor is not hooked up. He is considering a desalter for Well #3.
3. Update on Asset Management and Maintenance Projects – General Manger Eric Tynan reported to the Board that the action plan prepared by MNS Engineers for these projects can be viewed on pages 39-40 of this board packet. The Castroville North Water Services Project was awarded to J Johnson & Company, Inc, which includes 28 laterals. J Johnson & Company has completed the work on the laterals and as discussed earlier had to do extra work to repair additional laterals and saddles in the amount of \$23,265.31. Most importantly, the contractor is doing a great job. He and Lead Operator Galvez have been working with the contractor to finalize the project. The Water Valve project has been put out to bid. Maggiora Bros. Drilling will be working on the new pump submersible at Well #4, converting from oil to water lubrication. MNS Engineers will assist as needed with the projects listed on the Action Plan report for Asset Management and Maintenance Project.
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 a summary of the action plans/description meeting can be viewed as follows: **Moss Landing Sewer (August 29, 2022 Action Plan meeting, pages 41-43)**. MNS is to work with Rincon, which is the subconsultant working on including requirement in environmental documents. The 60% Design plans should be completed by the end of September 2022. MNS has also prepared a construction application following the 60% completion. **The Washington Bypass (August 29, 2022 Action Plan meeting, pages 44-45)**. As mentioned prior months, the State has requested the full application for \$3.5 million projects by mid-July. CCSD just approved the environmental proposal from MNS Engineers for this project. 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. The proposal for Professional Engineering and Constructions Management Services-Washington Sewer Trunk Line Bypass Final Design and

Construction (not to exceed \$498,141) is contingent on award of grant to CCSD. **Emergency Deep Aquifer Supply and Storage Tank (August 29, 2022 Action Plan meeting, pages 46-50)**. As previously mentioned, 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. The 30% design has been completed as of May 2022. MNS to check back with DWR on the grant and MNS to prepare a Future Grant Application if SCDR is a "no go". Also, potential future activity of a Federal Earmark. District to consider this action after August as potential Plan C. 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 (August 29, 2022 Action Plan meeting, pages 51-52)**. As mentioned previously, the Board approved the draft copy of the Cooperative Agreement and draft copy of the Maintenance Agreement with Caltrans for the Overhead Sign. The State has also requested a traffic control plan and a storm water control plan which was prepared by MNS Engineers and sent to the state for approval. The District is also requesting a construction schedule from Signs by Van. General Manager Eric Tynan will most likely have MNS handling the administration for this project pending board approval. However, General Manager Eric Tynan followed up with District Legal Counsel to sole source this project with Signs by Van although this item was on the agenda, it has been tabled to next month's board meeting or a special board meeting pending approval of the Resolution approving the contract with Signs by Van as there are issues still needing to be resolved. 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.

5. Update on Monterey One Water (M1W) lateral repair – General Manager Eric Tynan notified the Board as discussed previously that M1W has continued to follow up with residents to obtain and sign a "License Agreement to Enter Property and Inspect Sewer Lateral" and still have had a few residents not respond to their notice. However, with the assistance of Castroville CSD's Customer Service Representative Lupe Ibarra many residents responded and have signed the consent forms needed by M1W. 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 and is still waiting on State funding. 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. Timing will be addressed after determination if M1W participates as M1W is waiting on State funding and has also not made a decision if they are willing to use the funding project. 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. The Action Plan for the Cypress Alley Sewer Relocation can be viewed on pages 53-54 of this board packet.

CLOSED SESSION: The Board went into closed session at 5.48 p.m.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8

Property Location: APN: 413-012-014 (por.) West side of Struve Road, North of Giberson Road, Watsonville, CA

Negotiating Parties: Castroville CSD and Finepro, LLC

Property Owner: Finepro, LLC
Under Negotiation: Property Negotiations

OPENS SESSION: The Board returned to open session at 4:51 p.m.

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.

General Manager Eric Tynan reported to the Board that he had successful negotiations with the property owner Finepro, LLC and reached an agreement to purchase the land easement for \$10,000 and will move forward with the purchase of the land easement for this parcel. A motion is made by Cosme Padilla and seconded by Adriana Melgoza to approve the purchase of this parcel APN: 413-012-014(por.) West side of Struve Road, North Gibrson from property owner Finepro, LLC. The motion carried by the following roll call votes:

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

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 the biggest news was that CPUC’s voted to approve the Expansion project. Also, M1W has a doddle poll going to consider changing the M1W board meetings to 5:00 p.m. instead of starting at 6:00 p.m.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Director Ron Stefani stated the study for the Deep Aquifer has been revealed and the preliminary finding show that the deep aquifers are not recharging. On October 3, 2022 at 3:00-5:00 p.m. is a Public Workshop to discuss the preliminary findings of the deep aquifers study. As mentioned prior, the state wants the GSA to be the final well permitting authority and Governor Newson issued executive order saying the GSA’s approve no new wells. The famers are not taking this well..
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

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CHECK LIST – August 2022. A motion was made by Adriana Melgoza and seconded by Cosme Padilla to pay all bills presented. The motion carried by the following roll call votes:

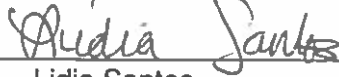
AYES:	3	Directors:	Stefani, Padilla, and Melgoza
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	2	Directors:	Oania and Cochran

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

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

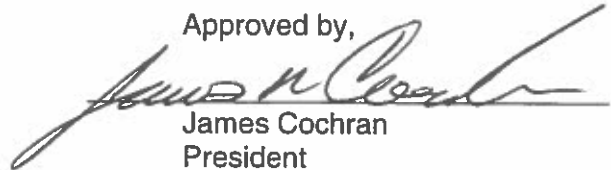
The meeting adjourned at 6:04 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



James Cochran
President