THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
June 16, 2026

President Ron Stefani called the meeting to order at 4:30 p.m.

ROLL CALL:
Directors Present: Vice President Greg MacMillan, Director James Cochran, Director Cosme Padilla, and President Ron Stefani
Absent: Director Glenn Oania
General Manager: James Derbin
Secretary to the Board: Lidia Santos
Staff Present:
Guest: Alex Lopez, General Manager North County Recreation and Park District

PLEDGE OF ALLEGIANCE

President Ron Stefani led the pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

General Manager James Derbin advised the Board of a correction to the board packet agenda. Zone 1 Sewer & Storm Drain, Five-Year Capital Improvement and Operational Planning 2026 report on page 32 and Zone 2 Sewer & Storm Drain, Five-Year Capital Improvement and Operational Planning 2026 report on page 39 will be replaced with an updated report.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. Consider and approve the draft minutes of the Budget & Personnel Committee Meeting, May 5, 2026, and Regular Board Meeting, May 19, 2026. A motion was made by James Cochran and seconded by Greg MacMillan to approve the draft minutes of the Budget & Personnel Committee Meeting, May 5, 2026, and Regular Board Meeting, May 19, 2026. The motion carried by the following roll call votes:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. None

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. Transportation Agency for Monterey County (TAMC) Active Transportation Plan
2. Castroville CSD 2025 Annual Water Quality Report

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Consider and Approve "Castroville CSD Investment and Deposit Policy" for fiscal year 2026/2027 – A motion is made by Cosme Padilla and seconded by Greg MacMillan to approve the "Castroville CSD Investment and Deposit Policy" for fiscal year 2026/2027. The motion carried by the following roll call votes:

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

2. Consider and vote for one candidate for the California Special Districts Association Board of Directors Term 2027-2029 Seat C – General Manager James Derbin informed the Board to view each of the candidates information sheet and vote for one of the following candidates: Vincent Ferrante, Commissioner, Moss Landing Harbor District (Incumbent); Maisha Cole Perri, Board President, Blanchard Santa Paula Library District; Jacquelyn McMillan, Board Member, Calleguas Municipal Water District; and Scott Meckstroth, General Manager, Ojai Valley Sanitary District. A motion is made by Cosme Padilla and seconded by Greg MacMillan to vote for Vincent Ferrante (Incumbent), Commissioner, Moss Landing Harbor District (Incumbent) for the California Special Districts Association Board of Directors Term 2027-2029 Seat C. The motion carried by the following roll call votes:

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

3. Consider designation of James Derbin, General Manager as labor negotiator for all employees for the District for purpose of (Gov. Code Sec. 54957.6) – A motion is made by Greg MacMillan and seconded by Cosme Padilla o designate James Derbin, General Manager as labor negotiator for all employees for the District for purpose of (Gov. Code Sec. 54957.6). The motion carried by the following roll call votes:

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

UNFINISHED BUSINESS:

1. Update on street lighting for Castroville Zone 1 and Moro Cojo Zone 2 – General Manager James Derbin informed the Board that he continues to have standing monthly meetings with Pacific Gas & Electric (PG&E). Staff is working with PG&E on creating a project to upgrade three remaining high pressure sodium vapor streetlights and the replacement of one additional light that is missing. It appears twenty-two of the Moro Cojo lights are still being billed to the County and PG&E is working with the County to resolve. There are still a few miscellaneous billings cleanup items remaining.

Director Glenn Oania arrives at 4:45 p.m.

2. Consider and Adopt Resolution No. 2026-04, Adopting the District Budgets for Fiscal Year 2026/2027; 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), Five-Year Capital Improvement Projects 2027/2031 and updated Wage Step Program.

   - Recommendation of the Budget & Personnel Committee (Directors: Stefani and Padilla) to consider along with the Income and Expense Operating Budgets for fiscal year 2026/2027:
     - Five-Year Capital Improvement Projects 2027/2031
     - Extended Recreational Services with North County Recreation & Park District (NCRPD)
     - Consider and approve the updated Wage Step Program effective July 9, 2026

After some discussion, a motion is made by Greg MacMillan and seconded by James Cochran, to approve the recommendation of the Budget & Personnel Committee and adopt Resolution No. 26-04, Adopting the District Budgets for Fiscal Year 2026/2027, which also includes approval of a Five-Year CIP 2027/2031, and updated Wage Step Program effective as of July 9, 2026. The motion carried by the following roll call votes:

AYES:	5	Directors:	MacMillan, Cochran, Padilla, Oania, and Stefani
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

CLOSED SESSION: At 5.21 p.m. the Board went into Closed Session.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957

Title: General Manager

CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code Section 54957.6

Unrepresented Employee: General Manager

ANNOUNCEMENT OF CLOSED SESSION ITEM: (if applicable):
The board will reconvene into an open session prior to adjournment and shall announce any action taken during the closed session. At 5:28 p.m. the Board returned to Open Session. Per Board President Ron Stefani, there was no reportable action taken on the item discussed.

3. Consider and approve salary increase for General Manager, effective July 9, 2026 – The motion is made by Cosme Padilla and seconded by Greg MacMillan to approve a salary increase of 3% for the General Manager, effective July 9, 2026. The motion carried by the following roll call votes:

AYES:	5	Directors:	MacMillan, Cochran, Padilla, Oania, and Stefani
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

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 meeting (M1W) – President Ron Stefani stated M1W is busy doing community outreach regarding their rate increases. M1W has already mailed out Proposition 218 Notice to its customers which requires notification of proposed changes to wastewater rates. Proposed rate increase of revenue adjustments would be starting July 1, 2026, for a period of five years. General Manager James

Derbin also let the Board know that on Tuesday, 23rd of June, the California State Lands Commission will be voting to approve California American Water's lease application for the use of state lands as part of a segment of the proposed Monterey desalination project. They need the communities' help encouraging to vote "yes" to continue moving the project forward. The meeting will be hybrid and Cal Am is requesting this Board call in and make a comment in person or virtually at the meeting scheduled for Tuesday, June 23, 2026, at 12:00 p.m.

2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – President Ron Stefani announced SVBGSA is moving towards the selection of the right project. The Advisory Committee will be looking for a list of projects to implement by September 2026. However, the growers are still providing push back.

3. Update on meetings or educational classes attended by the Directors – There were no meetings or educational classes attended by the Directors. General Manager James Derbin stated that he attended a meeting hosted by the Monterey Chamber of Commerce on "Special Districts" Big Impacts that was informative.

GENERAL OPERATIONS

1. General Manager's Report – Compliance update, current projects update, meetings/seminars update, staff update, suggestive projects discussions
2. Operations 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 – Mayl 2026. A motion was made by Glenn Oania and seconded by Greg MacMillan to pay all bills presented. The motion carried by the following roll call votes:

AYES:	5	Directors:	MacMillan, Cochran, Padilla, Oania, and Stefani
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

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

AYES:	5	Directors:	MacMillan, Cochran, Padilla, Oania, and Stefani
NOES:	0	Directors:	
ABSENT/NOT PARTICIPATING:	0	Directors:	

The meeting was adjourned at 5:51 p.m.

Respectfully submitted by,

Lidia Santos
Secretary to the Board

Approved by,

Ron Stefani
President