

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
December 16, 2025

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

ROLL CALL:

Directors Present: Director Cosme Padilla, Director Glenn Oania, Director James Cochran, and Director Greg MacMillan and President Ron Stefani

Absent:

General Manager: James Derbin

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Scott German, CPA with Fetcher & Company and NCRPD General Manager Alex Lopez

PLEDGE OF ALLEGIANCE

President Ron Stefani led the pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. The motion was made by James Cochran and seconded by Greg MacMillan to approve the draft minutes of November 18, 2025, Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter from ACWA JPIA presenting the President's Special Recognition Award to Castroville Community Services District for outstanding performance in the Liability program, demonstrated by maintaining exceptionally low claim costs relative to contributions during the period 10/01/2021-09/30/2024.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. Caltrans Moss Landing CAPM Project Description
2. County of Monterey Supervisor's Snapshot, District 2 Glenn Church. A Summary of Your Local Government Action, December 2025
3. Best Best & Krieger LLP, New Fiscal and Financial Training for Board Members and Certain Employees

Informational items accepted as presented

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PRESENTATIONS:

1. Fechter & Company, Certified Public Accountants to present proposed final draft of Castroville Community Services District, Annual Financial Report and Supplemental Information with Independent Auditor's Report Thereon, for fiscal year ended June 30, 2025 – Castroville CSD's annual financial audit for fiscal year ended June 30, 2024, was completed, and presented to the Board of Directors by Certified Public Accountant Scott German with Fechter & Company. A copy of the audit can be viewed as an attachment to the December 16, 2025, board packet on the District website. Per Mr. German, Castroville CSD received a clean audit and opinion, which is issued by an auditor when the financial statements presented are free from material misstatements and are represented fairly in accordance with Generally Accepted Accounting Principles (GASB). In other words, Castroville CSD's financial condition, position, and operations are fairly presented in their financial statements. It is the best type of opinion an auditee may receive from an external auditor. He informed the Board that they did not experience any difficulties or delays with management, in turn they have been very cooperative, responsive and are doing an excellent job. Mr. German reviewed the audit report with the Board by providing them with an overview of the Financial Statements, in particular the three statements presented: Government Wide (all activity for all fund types), Governmental Funds (all activity supported primarily by tax revenue) and Enterprise or Proprietary Funds (Business Type Activities supported by user fees). In addition, he answered any questions the Board had regarding the audit report for fiscal year end June 30, 2025. Mr. German thanked the Board and wanted to thank Castroville CSD management for being very cooperative, transparent, and having all the data ready for them to view.

NEW BUSINESS:

1. Consider and approve Resolution No. 25-04, A Resolution of the Board of Directors of the Castroville CSD to Accept Annual Financial Report and Supplemental Information with Independent Auditor's Report Thereon for Fiscal Year Ended June 30, 2025, as Prepared by Fechter & Company, Certified Public Accountants – Resolution No. 25-04 can be viewed on page 25 of the board packet. A motion is made by Cosme Padilla and seconded by Glenn Oania to approve Resolution No. 25-04, A Resolution of the Board of Directors of the Castroville CSD to Accept Audit Report for Fiscal Year Ended June 30, 2025, as Prepared by Fechter & Company, Certified Public Accountants. The motion carried by the following roll call votes:

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

2. Consider approving proposal from Fechter & Company Certified Public Accountants to provide audit services to Castroville CSD for three-year period – General Manager James Derbin recommended the Board approve the proposal for audit services with Fechter & Company Certified Public Accountants for fiscal years 2027, 2028 and 2029 as they have shown to have experience and talent to provide the District competent and professional financial oversight. The proposal can be viewed as an attachment to this board packet. A motion is made by Glenn Oania and seconded by Cosme Padilla to approve the proposal with Fechter & Company Certified Public Accountants for three years of audit services: 2027, 2028 & 2029. The motion carried by the following roll call votes:

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

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3. Consider authorizing the General Manager James Derbin to surplus the old Xerox copier/printer – General Manager James Derbin informed the Board that the old Xerox copier/printer is being stored in the office and is no longer needed as Xerox does not provide service or supplies for this outdated model. With Board approval, he is requesting to first surplus this equipment by auction with GovDeals and if it does not sell Optimum has offered to recycle it at no cost to the district A motion is made by Greg MacMillan and seconded by Glenn Oania to authorize the General Manager to surplus the old Xerox copier/printer. The motion carried by the following roll call votes:

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

4. Consider approving and authorizing the General Manager to execute a Cover Agreement with State of California Department of Transportation (DOT) to streamline routine necessary paperwork to allow DOT to make elevation adjustments to any of Castroville CSD's valve or manhole covers that are located within the State of California Right of Way – General Manager James Derbin recommended the Board approve the Cover Agreement with DOT. A motion is made by Glenn Oania and seconded by Greg MacMillan to authorize the General Manager to execute a Cover Agreement with the Department of Transportation. The motion carried by the following roll call votes:

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

5. Consider approving and authorizing the General Manager to Execute a future Amendment No. 3 to the Caltrans Cooperative Funding Agreement for the Castroville Historic Landmark Sign Replacement Project – General Manager James Derbin let the board know that this project has a shortfall and Caltrans is willing to secure additional funding. As soon as Amendment No. 3 for this project is ready, it is important for CCSD to execute the agreement promptly to secure funding. A motion is made by Glenn Oania and seconded by Greg MacMillan to authorize the General Manager to execute a Cover Agreement with the Department of Transportation. The motion carried by the following roll call votes:

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

6. Consider approving and authorizing funds allocated for streetlighting improvements in the Governmental Zone 1 Activities Fund to be paid to North County Recreation and Park District to improve the lighting at the Japanese Schoolhouse and neighboring ballfield structures – General Manager James Derbin reminded the Board that at last month's board meeting lighting for the Japanese Schoolhouse was discussed. North County Recreation and Park District General Manager Alex Lopez was present at this meeting and stated that the Japanese Schoolhouse is utilized 7 days a week for different community events and lighting is crucial. He would be grateful if the CCSD Board of Directors considered approving this request as it is a solution to lighting issues near the Japanese Schoolhouse and ballfield structures that would be beneficial to the community. CCSD would be funding the street lighting project as a pass through for the Japanese Schoolhouse. A motion is made by Cosme Padilla and seconded by Glenn Oania to authorize the General Manager to approve and authorizing funds allocated for streetlighting improvements in the Governmental Zone 1 Activities Fund to be paid to North County Recreation and Park District to improve the lighting at the Japanese Schoolhouse and neighboring ballfield structures in a not-to-exceed amount of \$30,153. The motion carried by the following roll call votes:

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

7. Further discussion on schedule and scope for future water and sewer rate study – General Manager James Derbin and the Board discussed the need, timing and scope of a future rate study. The last water rate study and sewer rate study for Zone 2 was conducted by Harris and Associates in 2015. CCSD has not raised rates since 2020. Inflation of constructions costs have doubled since 2020 due to increase in labor, material costs and tariffs. CCSD recently completed the construction of Well #6 and needs to complete the site civil improvements to allow the use of this new potable source. After much discussion, the General Manager is directed by the Board to obtain proposals from consultants that can do a water & sewer rate study.

UNFINISHED BUSINESS:

1. Update on Well #6 Project – General Manager James Derbin informed the Board that the Well #6 construction is complete. The development, pump testing and water quality sampling is also complete and pending analytical results. The spinner log testing is also complete pending results and interpretation discussion with Pueblo Water Resources.

CLOSED SESSION: 5.36 p.m.

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): 5:47 p.m.

The board will reconvene into an open session prior to adjournment and shall announce any action taken during the closed session. There was no action taken in closed session.

2. Consider and approve salary increase for General Manager, effective December 25, 2025 – After some discussion, a motion is made by Greg MacMillan and seconded by Glenn Oania to approve a 2.5% salary increase for the General Manager, effective December 25, 2025. The motion carried by the following roll call votes:

AYES: 5 Directors: Padilla, Oania, Cochran, MacMillan, 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.

3. Update on Monterey One meeting – President Ron Stefani announced that there was no meeting in December other than a Special Closed Session Meeting.
4. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – President Ron Stefani announced that there was no meeting in December other than the upcoming advisory meeting scheduled for this Thursday.

5. Update on meetings or educational classes attended by the Directors – There were no meetings.

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
5. L.A.I.F. Report, Internal Report, Administration Update

General Operations Reports were accepted as presented

CHECK LIST – November 2025. 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:

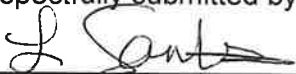
AYES:	5	Directors:	Padilla, Oania, Cochran, MacMillan, and Stefani
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	0	Directors:	

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

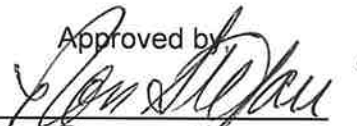
The meeting was adjourned at 6:02 p.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by



Ron Stefani
President