

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
September 15, 2026

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

ROLL CALL:

Directors Present: Vice President Greg MacMillan, Director Glenn Oania, and President Ron Stefani

Absent: Director James Cochran and Director Cosme Padilla

General Manager: James Derbin

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Anthony Elowsky

PLEDGE OF ALLEGIANCE

President Ron Stefani led the pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. Consider and approve the draft minutes of the Regular Board Meeting, August 15, 2026. A motion was made by Greg MacMillan and seconded by Glenn Oania to approve the draft minutes of the Regular Board Meeting, August 15, 2026. The motion carried by the following roll call votes:

AYES: 3 Directors: MacMillan, Oania, and Stefani

NOES: 0 Directors:

ABSENT/NOT

PARTICIPATING: 2 Directors: Cochran and Padilla

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter from Jeremy Sadler, CSP Risk Control Advisor with ACWA JPIA to Castroville CSD regarding liability and property risk assessment of the District.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) August Newsletter –*
 - SVBGSA Board selects IIS PMA preferred portfolio to achieve, maintain sustainable groundwater in Salinas Valley
 - SVBGSA responds to Monterey County Grand Jury Report on seawater intrusion
 - SVBGSA Board passes Groundwater Sustainability Fees for FY 2027

Informational items accepted as presented

PRESENTATIONS:

1. Castroville CSD 2026 Water and Sewer Rate and Fee Study, Draft Report prepared by Robert D. Niehaus, Inc. (RDN) – Anthony Elowsky, Project Manager/Analyst was present at the board meeting and presented the Draft Report of the Castroville CSD 2026 Water and Sewer Rate and Fee Study. Summary of

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recommendations: For Water, adjusting rates annually by the recommended revenue adjustments of 8.0 percent in Fiscal Years 2027 through 2031, issuing a \$9.0 million bond in FY 2028 to offset capital PAYGO, adjusting meter rates to reflect industry standard meter ratio calculations and removing the monthly fee for units above the first connect to each meter. For Sewer Zone 1, make no change to the rates. For Sewer Zone 2, make no changes to the rates. For Sewer Zone 3, adjusting rates annually by the recommended revenue adjustment of 8.0 percent in Fiscal Years 2027 through 2031 and issuing a \$6.75 million bond in FY 2029 to offset capital PAYGO. For Connection Fees, adjusting fees to include the value of the utility system and developing fees that equitably charge customers with different service requirements.

NEW BUSINESS:

1. Receive the Castroville CSD 2026 Water Rate and Fee Study, Draft Report prepared by Robert D. Niehaus, Inc. (RDN) – Project Manager/Analyst Anthony Elowsky answered questions and concerns the Board had regarding the Draft Report. At this time, the Board received the Draft Report.
2. Consider and approve authorizing the General Manager to enter into professional services agreement with MNS Engineers, Inc. for the Clean Water State Revolving Fund Program Grant Application Support for the Moss Landing Wastewater System Construction Application 8370-210, not-to-exceed amount of \$34,734 – After some discussion, a motion is made by Glenn Oania and seconded by Greg MacMillan to approve authorizing the General Manager to enter into professional services agreement with MNS Engineers, Inc. for the Clean Water State Revolving Fund Program Grant Application Support for the Moss Landing Wastewater System Construction Application 8370-210, not-to-exceed amount of \$34,734. The motion carried by the following roll call votes:

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

3. Consider and adopt Resolution No. 26-05, Castroville Reimbursement Resolution, as Required for the District's Clean Water State Revolving Fund Program Grant Application for the Moss Landing Wastewater System Construction Application 8370-210 – After some discussion, a motion is made by Glenn Oania and seconded by Greg MacMillan to adopt Resolution No. 26-05, Castroville Reimbursement Resolution, as Required for the District's Clean Water State Revolving Fund Program Grant Application for the Moss Landing Wastewater System Construction Application 8370-210. The motion carried by the following roll call votes:

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

4. Consider and adopt Castroville CSD Debt Management Policy No. 2155 – A motion is made by Greg MacMillan and seconded by Glenn Oania to adopt Castroville CSD Debt Management Policy No. 2155. The motion carried by the following roll call votes:

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

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5. Consider and approve authorizing the General Manager to enter into professional services agreement with MNS Engineers, Inc. for as-needed engineering services, not-to-exceed amount \$28,000 – A motion is made by Rin Stefani and seconded by Glenn Oania to approve authorizing the General Manager to enter into professional services agreement with MNS Engineers, Inc. for as-needed engineering services, not-to-exceed amount \$28,000. The motion carried by the following roll call votes:

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

6. Consider and approve authorizing the General Manager to execute Contract Change Order #2, in the not-to-exceed amount of \$142,666.43 with J. Johnson & Company, Inc. for District requested extra work and material price escalation on the Merritt Street Water Service Replacement Project – After some discussion, a motion is made by Glenn Oania and seconded by Greg MacMillan to approve authorizing the General Manager to execute Contract Change Order #2, in the not-to-exceed amount of \$142,666.43 with J. Johnson & Company, Inc. for District requested extra work and material price escalation on the Merritt Street Water Service Replacement Project. The motion carried by the following roll call votes:

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

UNFINISHED BUSINESS:

1. Consider and approve authorizing the General Manager to order a 2027 Ford F350 4x2 Regular Cab from Cypress Coast Ford, Seaside, not-to-exceed amount of \$79,392.59 – General Manager James Derbin informed the Board that staff currently utilizes a tow behind trailer for loading materials for field work requiring backfill/paving. This trailer is 15 years old and does suit the needs of the field staff. Bids were solicited from several Ford dealerships, and the lowest bidder was Cypress Coast Ford, Seaside. A motion was made by Greg MacMillan and seconded by Glenn Oania to approve authorizing the General Manager to order a 2027 Ford F350 4x2 Regular Cab from Cypress Coast Ford, Seaside, not-to-exceed amount of \$79,392.59. The motion carried by the following roll call votes:

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

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 that M1W has five injection wells and three of the five injection wells broke down at the same time. The good news is that all three injection wells have been fixed.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – President Ron Stefani stated that the Informational Items noted above provided all the current updates on the SVBGSA.
3. Update on meetings or educational classes attended by the Directors – There were no meetings or educational classes attended by the Directors.

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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 – August 2026. A motion was made by Greg MacMillan and seconded by Glenn Oania to pay all bills presented. The motion carried by the following roll call votes:

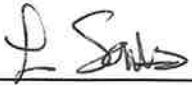
AYES:	3	Directors:	MacMillan, Oania, and Stefani
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	2	Directors:	Cochran and Padilla

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

The meeting was adjourned at 5:37 p.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Ron Stefani
President