

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT

June 21, 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: Mike McCullough Director of External Affairs

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 Budget & Personnel Committee Meeting, May 11, 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

2. A motion was made by Cosme Padilla and seconded by Ron Stefani to approve the minutes of the May 24, 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. None

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *The Carmel Pine Cone* – Private is the answer
2. *The Carmel Pine Cone* – Supes favor private desal projects

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Resolution No. 22-08 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. 22-08 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. Consider approving letter from District Legal Counsel, Noland Hamerly Etienne & Hoss Attorneys at Law with Waiver of Conflict of Interest and Consent to Represent City of Marina – The Board received the letter which can be viewed on pages 19-23 of this board packet. After some discussion, a motion is made by Cosme Padilla and seconded by Ron Stefani to approve the Waiver of Conflict of Interest and Consent to Represent City of Marina request from District Legal Counsel, Noland Hamerly Etienne & Hoss Attorneys at Law. 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. Consider Mutual Assistance Agreement by and between the Marina Coast Water District and Castroville Community Services District – General Manager Eric Tynan reported to the Board that it would be beneficial to consider this agreement (can be viewed on pages 24-27 of this board packet) with Marina as it only benefits both districts if they ever need mutual assistance. After some discussion, a motion is made by Cosme Padilla and seconded by Ron Stefani to approve the Mutual Assistance Agreement by and between the Marina Coast Water District and Castroville Community Services District. 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. Approve Draft of Cooperative Agreement. Purpose of this Agreement, funding provided by the Clean California Beautification Program will be used to construct the Castroville Historic Main Street Landmark Restoration Beautification Project (Castroville Overhead Sign) – General Manager Eric Tynan let the Board know that a draft copy of the Cooperative Agreement has been included with their board packet for their review. Also, the Cooperative Agreement can be viewed as an attachment on the CCSD web page under agenda for June 21, 2022.) Per General Manager Eric Tynan once this agreement is approved by all parties involved, Castroville CSD should receive the funds in three weeks. However, he wanted to make the Board aware he still needs clarification on the insurance requirements and will resolve before moving forward with submitting the contracts to Caltrans. A motion is made by Ron Stefani and seconded by Cosme Padilla to approve Draft of Cooperative Agreement. Purpose of this Agreement, funding provided by the Clean California Beautification Program will be used to construct the Castroville Historic Main Street Landmark Restoration

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Beautification Project (Castroville Overhead Sign). 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

5. Approve Draft copy of Landmark Sign Maintenance Agreement (Castroville Overhead Sign) between the State of California and Castroville Community Services District – Per General Manager Eric Tynan he would like to have this agreement executed today although the insurance requirements for the draft copy of the Landmark Sign Maintenance Agreement still need further clarification. He still needs to following up with CCSD's insurance provider to confirm per page 5, section 10 of Landmark Sign Maintenance Agreement. Insurance- CCSD and its contractors shall maintain in force during the term of this agreement, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming the STATE, its officers, agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this agreement. After some discussion, a motion is made by Cosme Padilla and seconded by Ron Stefani to approve Draft copy of Landmark Sign Maintenance Agreement (Castroville Overhead Sign) between the State of California and Castroville Community Services District pending clarification on the insurance requirements. 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. Consider approving proposal from MNS Engineers for Proposal for Professional Services- Washington Sewer Trunk Line Bypass Project, Environmental Review and Permitting; not to exceed \$146,239 – General Manager Eric Tynan recommended the Board consider approving the proposal from MNS Engineers for this project as it is anticipated that any funds spent by CCSD for this project will be reimbursable under the grant if awarded to the District. The proposal can be viewed on pages 28-43 of this board packet. This project is necessary for MNS to apply for the grant on behalf of CCSD. A motion is made by Ron Stefani and seconded by Cosme Padilla to approve the proposal from MNS Engineers for Professional Services-Washington Sewer Trunk Line Bypass Project, Environmental Review and Permitting; not to exceed \$146,239. 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

7. Notice of Intention to Award Contract, Castroville North Water Services Project to Johnson & Company, Inc. – General Manager Eric Tynan informed the Board that the Castroville North Water Services Project was put out to bid. Three contractors responded, which can be viewed on page 44-47. Johnson & Company, Inc. was the lowest bidder, \$117,750 and bid was determined to be responsible and responsive per the bidding requirements and therefore recommends the Board award the contract to Johnson & Company, Inc. Originally he was planning to work with the County's contractor but their fees were excessive for this project. By using this contractor the District has saved a lot of money. A motion is made by Ron Stefani and seconded by Cosme Padilla to award the contract for the Castroville North Water Services Project to Johnson & Company, Inc., not to exceed \$117,750. The motion carried by the following roll call votes:

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

8. The Board will take action to designate Eric Tynan, General Manager as labor negotiator for all employees for the District for purpose of (Gov. Code Sec. 54957.6) – General Manager Eric Tynan let the Board know as a formality this is required in order to represent the employees. A motion is made by Ron Stefani and seconded by Cosme Padilla for the Board to take actions to designate Eric Tynan, 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: 3 Directors: Stefani, Padilla and Cochran
NOES: 0 Directors:
ABSENT/NOT
PARTICIPATING: 2 Directors: Oania and Melgoza

UNFINISHED BUSINESS:

1. Update on Well levels – General Manager Eric Tynan reported to the Board that the well levels report can be viewed on page 48. Per the graph, Well #4 has a steep drop. August 2015 was the last significant drought and well levels are the lowest they have ever been to date below sea level. Well levels were double checked with bubblers. CCSD needs to get moving with a new well or preferably a desal project.
2. 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 49-50 of this board packet. The Castroville North Water Services Project was awarded to Johnson & Company, Inc, which is for 28 laterals. The three other projects will be Well #4 Pump Conversion, Water Gate Valve Replacement, and Sewer Lift Station Generator Replacements. MNS Engineers will assist as needed with these projects.
3. 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 June 13, 2022 meeting can be viewed as follows: **Moss Landing Sewer (pages 51-53)**. MNS is to work with Rincon, which is the subconsultant working on including requirement to environmental document and MNS to prepare 30% design by end of June 2022 and the 60% Design by end of September 2022. MNS will also prepare construction application following the 60% completion. **The Washington Bypass (pages 54-55)**. 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. **Emergency Deep Aquifer Supply and Storage Tank (pages 56-59)**. 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 (pages 60-61)**. Per General Manager Eric Tynan, he is still 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. The cooperative agreement between Caltrans and CCSD was just executed. 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.

4. 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 62-63 of this board packet. As mentioned, 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. Per Mike McCullough, MIW Director of External Affairs, the Central Coast Water Board is still asking about the income levels of these property owners before approving M1W to use this funds in this location and MIW is fighting this request as Castroville is considered a Severely Disadvantaged Community. Per Mr. McCullough, MIW also has hired a consultant Catalina Ferreto to contact the 52 property owners to sign the agreement, allowing MW1 and its contractors access to their property for the sole purpose of accessing their home's sewer line via the outside clean-out valve. Ms. Ferreto stated she has spoken to several property owners and surprised they did not attend this board meeting as they told her they would come. 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. MIW is waiting on State funding. 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 MIW needs to move fairly quickly on this project. The budget for the Private Lateral Rehabilitation Project is \$790,000.
5. Resolution No. 22-09 Adopting the District Budget for FY 2022/2023 for Water (Castroville Zone 1), Sewer and Governmental (Castroville Zone 1), Sewer and Governmental (Moro Cojo, NMCHS, Monte Del Lago Mobile Park Zone 2) and Sewer (Moss Landing Zone 3) and 5 year CIP – **motion item**
 - Recommendation of the Budget & Personnel Committee (Directors: Stefani and Padilla) to consider along with the annual income and operating budget for fiscal year 2022/2023:
 - Extended recreational services with North County Recreation & Park District, \$195,000 (of which \$45,000 carried forward from 2021/2022).
 - Operation Department move up to the next Wage Step Program (varies from (3%-3.5%) percent salary increases depending on what step employee (operator) is

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currently on; effective July 14, 2022. Per new Employee Handbook adopted at the 5-24-2022 board meeting and effective as of July 14, 2022, On-Call for the week (7 days) 6 hours paid at time & one-half as long as requirements met for hours worked for work week.

- Administration Department move up to the next Wage Step Program 3% percent salary increase, plus an additional 2%; total 5% wage increase. Effective July 14, 2022.
- Capital Improvement Projects

The Board reviewed and discussed the final budget presented for FY 2022/2023 for Water (Castroville Zone 1), Sewer and Governmental (Castroville Zone 1), Sewer and Governmental (Moro Cojo, NMCHS, Monte Del Lago Mobile Park Zone 2) and Sewer (Moss Landing Zone 3) and capital improvement projects for the fiscal year. Resolution No. 22-09, the District Budgets for FY 2022/2023 and supporting documentation can be viewed on pages 64-92 of the board packet. \$195,000 will be allocated for extended recreational services with 95,000 towards capital improvement projects for the recreation center (\$45,000 is being carried forward from fiscal year 2022/2022 due to the delay of projects caused by the Covid-19 pandemic), and employees hourly/salary increases as noted above for the Operations Department(plus On-Call) and Administration Department effective July 14, 2022. After some discussion, a motion is made by Ron Stefani and seconded by Cosme Padilla to approve Resolution No. 22-09 Adopting the District Budget for FY 2022/2023 for Water (Castroville Zone 1); Sewer and Governmental (Castroville Zone 1); Sewer and Governmental (Moro Cojo, NMCHS, Monte Del Lago Mobile Park Zone 2) and Sewer (Moss Landing Zone 3); and Extended recreational services with North County Recreation & Park District, \$195,000 (of which \$45,000 carried forward from 2021/2022), Operation Department move up to the next Wage Step Program (varies from (3%-3.5%) percent salary increases depending on what step employee (operator) is currently on; effective July 14, 2022. Per new Employee Handbook adopted at the 5-24-2022 board meeting and effective as of July 14, 2022, On-Call for the week (7 days) 6 hours paid at time & one-half as long as requirements met for hours worked for work week, Administration Department move up to the next Wage Step Program 3% percent salary increase, plus an additional 2%; total 5% wage increase. Effective July 14, 2022 and Capital Improvement Projects. 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

CLOSED SESSION: 5:00 p.m.

1. Pursuant to Government Code Section. 54957, Public Employee Performance Evaluation, Title: General Manager

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. **The Board returned from Closed Session at 5:04 p.m.** The Board conducted a performance evaluation of the General Manager and the employment agreement was reviewed. Any action will be taking out in open session. The Board announced that General Manager Eric Tynan is doing a great job. He has initiated many projects for the District and is on top of everything. In addition the District is fortunate to have him as there are many water issues to deal with. A motion is made by Ron Stefani and seconded by Cosme Padilla to increase the General Manager's wages by 5% effective July 14, 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 & Melgoza

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 they are still hassling with Cal Am. However the fight is between Cal Am and Monterey Peninsula Water Management. As discussed last month, 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 a new well or looking at the other options. One option is to slow down the water, pumping it in but will be guessing and MIW 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. The farmers are still worried about getting enough water from the Castroville Seawater Intrusion Plan and the Expansion. This is an unprecedented drought we have ever seen.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Director Ron Stefani stated the GSA is required to report annually now. As mentioned last month, 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 – 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

CHECK LIST – May 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:

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

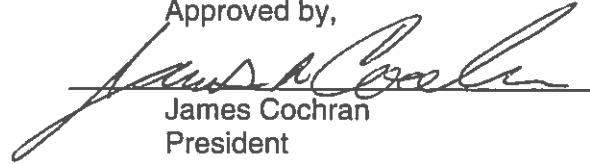
The meeting adjourned at 5:13 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



James Cochran
President