

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

January 16, 2024

President Cosme Padilla called the meeting to order at 4:30 p.m.

**ROLL CALL:**

**Directors Present:** President Cosme Padilla, Vice President Ron Stefani, Director James Cochran, and Director Greg MacMillan

**Absent:** Director Glenn Oania

**General Manager:** Eric Tynan

**Secretary to the Board:** Lidia Santos

**Staff Present:**

**Guest:** Christine Kemp, District Legal Counsel and Marylin Vierra, Chief of Staff, Office of Supervisor Glenn Church

**PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Director Greg MacMillan at the request of President Cosme Padilla.

**ADDITIONS OR CORRECTIONS TO THE AGENDA**

**PUBLIC COMMENTS**

1. Chief of Staff Marlyn Vierra for Supervisor Glenn Church informed the Board that that they want to make themselves known to the ten Special Districts that are in Region 2. She is currently making her rounds to attend the board meetings of these districts. Her intention is to listen to and understand each district so she can see how they can help with any matters or concerns each district may have. She plans to attend Castroville CSD board meetings quarterly. In addition, She is a resident of Monterey County and takes pride in working for the community.

**CONSENT CALENDAR**

1. A motion was made by Greg MacMillan and seconded by Ron Stefani to approve the minutes of the December 17, 2023, Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

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

*Consent Calendar accepted as presented*

**CORRESPONDENCE:**

1. Letter to valued community member from California State Lands Commission regarding Environmental Justice Outreach: Application for a General Lease-Industrial Use, Monterey Peninsula Water Supply Project, near Marina, Monterey County
2. Letter to California State Lands Commission from Castroville CSD in response to the Environmental Justice Outreach: Application for a General Lease-Industrial Use, Monterey Peninsula Water Supply Project, near Marina, Monterey County

*Correspondence Calendar accepted as presented*

**INFORMATIONAL ITEMS:**

1. *CWEA News* – California’s Water Association Applaud Historic Approval of Direct Potable Reuse Regulations

Minutes of the Castroville Community Services District  
January 16, 2024, Regular Board Meeting  
Page 2

2. *Monterey Herald* – Peninsula District Offers \$448M for Cal Am System
3. Montgomery & Associates 2070 Groundwater Level Change in 180-Foot Aquifer Model Layer, 2070 Groundwater Level Change in 400-Foot Aquifer Model Layer, Projected Seawater Intrusion and Projected Chloride Concentrations
4. *Monterey Herald* – Marina, 3 water agencies sue Coastal Commission
5. California Water Boards, Streamlining criteria part of state’s multipronged Water Supply Strategy

*Informational items accepted as presented*

**PRESENTATIONS:**

1. None

**NEW BUSINESS:**

1. Amendment to Cooperative Agreement 05-0408, Project No. 0522000079 with Caltrans regarding the Castroville Historic Landmark (Overhead Sign) – General Manager Eric Tynan reported to the Board that Jackson Ho, PE, Project Manager with Caltrans has requested an amendment to the Cooperative Agreement 05-0408, Project No. 0522000079. The amendment increased the funding amount for this project by \$29,500 per the funding table for PS&E, which can be viewed on page 27 of this board packet. He also had District Legal Counsel Christine Kemp review the amendment to the agreement. The foundation is now the main hold up for this project. As mentioned last month, Ms. Corby Kilmer with Caltrans had recommended Castroville CSD contact Penhall to do the coring work to assess the depth and condition of the foundation. Penhall has been contacted and has been unresponsive to Castroville CSD. He has contacted Ms. Kilmer with Caltrans and informed her that Penhall has not responded and is waiting to hear back from her. Chief of Staff Marlyin Vierra for Supervisor Glenn Church informed the Board that Supervisor Church has a good working relationship with Jackson Ho, PE, Project Manager with Caltrans and will see if they can get this project moving forward. District Legal Counsel stated that the funding was increased by \$29,500. Total funding for this project is now \$471,000. However, if there is any shortfall/project exceeds funding of \$471,000 then Castroville CSD will be on the hook to fund the difference. President Cosme Padilla stated that when this project was presented there was not going to be any out-of-pocket cost for Castroville CSD and since the sign is already done it puts the District in a corner to complete this project. Vice President Ron Stefani stated he was okay going over budget. After some discussion, a motion was made by Ron Stefani and seconded by Greg MacMillan to approve Amendment to Cooperative Agreement 05-0408, Project No. 0522000079 with Caltrans regarding the Castroville Historic Landmark (Overhead Sign). The motion carried by the following roll call votes:

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

2. Castroville Community Plan regarding Infill Development Areas and Land Use Plan – General Manager Eric Tynan noted to the Board that on pages 39-40 of this board packet is Figure 4 and 5 showing the Castroville Community Plan regarding Infill Development Areas and Land Use Plan. Per Vice President Ron Stefani these figures do not reflect the updated water crisis issues. Chief of Staff Marlyin Vierra for Supervisor Glenn Church informed the Board that there is an update to the plan with certain adjustments but does not specifically mention water. It addresses concerns for sea rise. She is still waiting for the draft from the consultant.

3. Consider request for proposals (RFP's) to move forward with Emergency Well #6 Project with or without grant funding; hydrogeologist and engineer's opinion of probable cost for Well 6 – General Manager Eric Tynan once again recommended the Board consider moving forward with Emergency Well #6 Project with or without grant funding and approve the General Manager initiate the documents to permit and drill Well #6 on Commercial property. He listed his concerns if the District waits for grant funding to drill Well #6, which can be viewed on a memo addressed to the Board on page 41 and the engineer's opinion of probable cost from 2021 at this time period and given the cost today for stainless steel and increased costs for other construction elements, estimate today would be \$2.25 million. One of the main concerns is that the projected cost to drill the well continues to go up as time passes. Per Vice President Ron Stefani according to the models by Montgomery & Associates 2070 Groundwater Level Change in 180-Foot Aquifer Model Layer, 2070 Groundwater Level Change in 400-Foot Aquifer Model Layer, Projected Seawater Intrusion and Projected Chloride Concentrations, hired by the Salinas Valley Basin Ground Water Sustainability Agency (SVBGSA) there is no rush to move forward without grant funding with the Emergency Well #6 Project. General Manager Eric Tynan handed out to the Board a Historical Seawater Intrusion Map, prepared by Monterey County Water Resources Agency (MCWRA) as of 1/3/2023 (the map can be view as an attachment to this board packet) that reflects seawater intrusion for Castroville. There was a discussion regarding the Models & Contour Map. The Board agreed both reports provided conflicting information. General Manager Eric Tynan informed the Board that he will see if he can have a representative from the SVBGSA and MCWRA attend a board meeting to explain their data and will include well date for the past 5 years at the next meeting. The Board still had concerns that needed to be addressed. After some discussion, a motion is made by Ron Stefani and seconded by Greg MacMillan to table this item until a date to be determined. The motion carried by the following roll call votes:

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

#### UNFINISHED BUSINESS:

1. Update on potential grant funding resources for community outreach program – General Manager Eric Tynan stated he will schedule a meeting with Sarah Hardgrave, Senior Advisor/Deputy General Manager with Salinas Valley Basin Sustainability Agency to discuss the GSA grant for \$25k that is available and flexible for any public outreach materials and would be able to work together with Castroville CSD to help design informative materials such as posters and banners for the District to present to the community. Mike McCullough, Director of External Affairs with Monterey One Water also offered to assist Castroville CSD with public outreach information.
2. Update on discussion with LAFCO regarding latent powers and community outreach program – General Manager Eric Tynan let the Board know he had spoken with LAFCO regarding community outreach, and it is not considered a latent power. It is up to the District when they set their budget how much money the District wants to allocate towards community outreach regarding their agency. Vice President Ron Stefani stated he was more concerned about educating the rate payers about the District. Per President Cosme Padilla the grant money from the GSA will help with community out, however he would like to see an ad hoc committee selected at the next board meeting to discuss how ad valorem property funds can be spent.
3. Update on Well levels – General Manager Eric Tynan reported to the Board that the well levels report from January 2018 to present can be viewed on page 43 of this board packet. Per the graph, well levels continue to look good. As mentioned before, the bubblers give a direct calculation of well levels. The District continues to monitor the chloride levels of all the wells. Well #3 is not pumping and the motor is not hooked up. A desalter is being considered for Well #3.

4. Update on status of grants for Castroville-Sewer Zone 1 (**Washington Sewer Trunk Line Bypass**), Moss Landing-Sewer Zone 3 **Moss Landing Wastewater System Rehabilitation Project**) land acquisition for Lift Station 1, Castroville-Water Zone 1 (**Emergency Deep Aquifer Supply and Storage Tank Project, Well No. 6**) for system upgrades and improvements, and **Castroville Landmark Sign at Highway 183**. MNS Engineers is working on all these projects for the Castroville CSD – General Manager Eric Tynan reported to the Board on the following projects:

**The Washington Bypass Sewer Project** – General Manager Eric Tynan stated that he is still working on acquiring the easements needed for this project, which must be completed before grant funding for construction will be available. Although there is no written agreement yet, the State has assured him that Castroville CSD will receive the \$3.5 million grant once the environmental review is completed. MNS Engineers is managing the environmental review and permitting for this project. At a prior meeting, per Nick Panofsky, P.E. with MNS Engineers, stated once environmental and land acquisition is completed, MNS Engineers will complete the application for the next phase and will also update the engineering report submitted with the grant application. CEQA compliance is complete. Permits are required due to jurisdictional wetlands in agricultural ditches. Two permits are required from Federal Agencies. MNS is coordinating with Rincon to obtain these permits. Mentioned at a prior meeting, MNS Engineers sent a letter along with the encroachment permit application to Caltrans regarding notification to perform construction for a new 24" sewer bypass in the community of Castroville in unincorporated Monterey County, California–Washington Sewer Trunk Line Bypass Project. Castroville CSD will construct approximately 1,350 linear feet of 24" trunk sewer bypass from the intersection of Washington St. and Merritt St., then across the undeveloped areas and beneath Route 1 to the Monterey One Water station pump located at the south end of Watsonville Road. Approximately 450 feet of the proposed sewer line will be in the Caltrans right-of-way. Castroville CSD applied for the \$3.5 million grant for this project and the State is saying Castroville CSD is good to go for this grant once the environmental review is completed. Castroville CSD approved the environmental proposal from MNS Engineers for this project, which is complete. State Water Resources Control Board, SRF set aside for small, disadvantaged communities, "The Small Community Clean Water Waste Water Funding Program." 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 Castroville CSD. The Board approved at the December 19, 2023, board meeting MNS Engineers proposals for Professional Engineering Services-Washington Sewer Trunk Line Bypass Regulatory Permitting Support (\$19,622) and Washington Sewer Trunk Line Bypass Right-of-Way Acquisition (\$81,610) total \$101,232.

**Moss Landing Wastewater System Rehabilitation Project** – General Manager Eric Tynan reminded the Board that last month LAFCO approved the annexation of Finepro, LLC Property APN: 413-012-014 to the Castroville Community Services with Resolution No. 23-10. This land acquisition is for Lift Station 1. Ortega (FINEPRO, LLC (seller) approved the sale for the easement for \$10,000 in Moss Landing, which should be completed by February 2024 now that LAFCO has approved the annexation. Upon completion of the land acquisition, the coastal development permit application will be submitted for approval. The CWSRF Project Status Report for this project number C-06-8370-110 for the 3<sup>rd</sup> quarter reporting period can be viewed on pages 45-48 of this board packet. This report provides a progress-to-date overview and a summary of work completed to date. Construction Grant Application for CWSRF is part of the grant. Grant application in process and MNS to research if current costs over the planning grant amount can be reimbursed by the CWSRF grant. Furthermore, California Coastal Commission is requiring a jurisdictional delineation and Lake and Streambed Alteration (LSA) notification for work on the Elkhorn Slough Bridge, which MNS/Rincon are preparing an amendment to add this work to the Project Scope. Also discussed prior, General Manager Eric Tynan reported to the Board that the pipeline under the bridge is still under the mitigated negative declaration and without the bike bridge being built by the County, Castroville CSD will have to do it on their own and build under the existing structure a 4" pipeline, which is right over the Elkhorn Slough, Marine Sanctuary and Harbor. For this project, MNS is to prepare a construction application following the 60% completion. The Board had approved a proposal with MNS Engineers to provide professional engineering services for the Moss Landing Wastewater

System Rehabilitation Project \$462,722 in 2021. General Manager Eric Tynan had previously approved Amendment No.1 for this project for an additional \$14,520 for the arborist and at the December 19, 2023, board meeting the Board approved Amendment No. 2 for \$59,104 as costs have increased due to plans specifications changing due to the County not building the bridge noted above.

**Emergency Deep Aquifer Supply and Storage Tank** – General Manager Eric Tynan and the Board agreed this topic was already discussed under new business. At a prior meeting, he reminded the Board that MNS is not doing the design of Well #6, Pueblo is. The Board approved grant writing services, fee proposal from MNS Engineers for Bureau of Reclamation WaterSMART: Drought Resiliency Projects, not to exceed \$29,415. Construction funding is pending to move the project forward. The hydrogeologic approach was discussed with Mike Burke the hydrologist with Pueblo who will advance the well contract documents to nearly bid ready, to be finalized and advertised upon securing project construction funding. In addition, MNS has substantial funds remaining in the budget (\$60k), which MNS will review if these remaining funds can be used for applying for construction funding for the project. The 30% design has been completed as of May 2022. The 60% design has been completed on the application for the construction. The District is still working on getting grant funds for the construction of the deep well and CEQA is complete.

**The Overhead Sign at Highway 183:** Per General Manager Eric Tynan he reported to the Board that the anticipated next steps submitted by Caltrans for completion of this project can be viewed on page 49 of this board packet. General Manager Eric Tynan stated that he added the timeline for completion dates in order to try to keep this project moving forward. Today Castroville CSD reviewed and will be returning the signed Amended Cooperative Agreement to Caltrans. The delay for this project is now the foundation. Corby with Caltrans recommended Castroville CSD contact Penhall to do the coring work to assess the depth and condition of the foundation. On December 13, 2023, he emailed Penhall with the permit and specifications for the coring work for this project and is still waiting to hear back from them. President Cosme Padilla stated that he had a meeting with Supervisor Church a month ago and asked him to assist with getting this project moving. The Board concurred that Castroville CSD needs to keep putting pressure on Caltrans to complete this project. This project was started in 2019 and it was to be completed by July 2023. The Board approved the Cooperative Agreement and Maintenance Agreement with Caltrans for the Overhead Sign in October 2022. 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. MNS will be managing the administration for this project. Resolution No.2022-14, Engaging Signs By Van for the Design, Fabrication, and Installation of the Castroville Landmark Sign was approved. MNS to continue working with Signs By Van and draft the Project Management Professional (PMP), contract, encroachment permit. Castroville CSD received a check from Caltrans in the amount of \$127,955.28 February 2, 2023, a check for \$17,580 May 24, 2023, and a check for \$9,461.25 September 12, 2023. The original placement of the post will remain in the same spot as long as Castroville CSD Engineers say it is safe. Previously, Caltrans was telling Signs By Van where to put them and the locations that they want has a lot of underground utilities.

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.

**CLOSED SESSION:** At 5.44 p.m. the Board went into Closed Session.

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR** pursuant to Government Code Section 54956.8

Property Location: APN: 030-141-022-000 and 030-141-023-000, Southwest corner of Merritt Street and Washington Street, Castroville, CA

Negotiating Parties: Castroville CSD and Salvador Alvarez and Hermilinda Alvarez  
Property Owner: Salvador Alvarez and Hermilinda Alvarez  
Under Negotiation: Property Negotiations

Property Location: APN: 133-143-016-000, Highway 1 at Washington Road, Castroville, CA

Negotiating Parties: Castroville CSD and Vegetable Ranches, LLC  
Property Owner: Vegetable Ranches, LLC  
Under Negotiation: Property Negotiations

**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. At 5:55 p.m. the Board returned to Open Session. There was no action taken as General Manager Eric Tynan continues to discuss property easement negotiation on the two above listed property locations on behalf of Castroville CSD.

**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 – Vice President Ron Stefani stated that they discussed how M1W rate payer fee charges will be put on the property tax bill in 2024/2025. However, the City of Salinas is pushing to opt out of this process. The County has also set up a payment method where these fees can be made monthly to ease the burden on some of the ratepayers. Castroville CSD agreed to have the fees put on the tax roll. In other news, there have been some board member changes, a new board member for Del Rey Oaks.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Vice President Ron Stefani reported that the models by Montgomery & Associates for the SVBGSA 2070 Groundwater Level Change in 180-Foot Aquifer Model Layer, 2070 Groundwater Level Change in 400-Foot Aquifer Model Layer, Projected Seawater Intrusion and Projected Chloride Concentrations have already been discussed and can be seen on pages 20-22 of this board packet.
3. Update on meetings or educational classes attended by the Directors – None to report at this time.

## **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

Minutes of the Castroville Community Services District  
January 16, 2024, Regular Board Meeting  
Page 7

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** – December 2023. A motion was made by Ron Stefani and seconded by James Cochran to pay all bills presented. The motion carried by the following roll call votes:

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

There being no further business, a motion was made by Ron Stefani and seconded by James Cochran to adjourn to the next scheduled Board meeting; the motion carried by the following roll call votes:

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

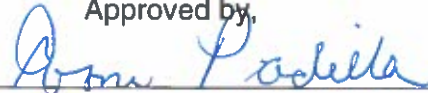
The meeting adjourned at 6:30 p.m.

Respectfully submitted by,



Lidia Santos  
Secretary to the Board

Approved by,



Cosme Padilla  
President