

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
December 15, 2015

President David Lewis called the meeting to order at 4:30 p.m.

ROLL CALL:

Directors Present: President David Lewis, Vice President Ron Stefani, Director Silvestre Montejano, Director Betty MacMillan and Director Adriana Melgoza

Absent:

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present: None

Guest: Lloyd Lowrey, Dennis Klingelhofer and Kathryn Stefani

PLEDGE OF ALLEGIANCE

President David Lewis led the Pledge of Allegiance.

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Adriana Melgoza and seconded by Ron Stefani to approve the minutes of the November 17, 2015 Scheduled Board Meeting. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Montejano, Lewis, MacMillan and Melgoza
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None

Consent Calendar accepted as presented

CORRESPONDENCE:

1. None

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *The Press Democrat* – Santa Rosa water rates likely to rise for next five years
2. *Public Policy Institute of California Blog* – Paying for California's water needs
3. *Visalia Times* – Farmers need to help set groundwater rules
4. Monterey County Water Resources Agency Ground Water Extraction Data Summary
5. President's Special Recognition Awards from ACWA JPIA to Castroville CSD for having a loss ratio of 20% or less in the Liability Program from the period of 10/01/2011-09/30/2014 and in the Property Program 04/01/2011-03/31/2014

Informational items accepted as presented

OPEN PUBLIC HEARING

1. Public Hearing – Receive Public Comment on Proposed Increases in District Rates, Fees, and Charges for Water Services for Castroville-Zone 1 Service Area. – President Lewis opened the Public Hearing at 4:33 p.m.
 - Kathryn Stefani informed the Board that she submitted her protest letter today at 4:30 p.m. and was objecting to the five year water rate increase, which would especially affect people on a fixed income. She is aware that we are in a drought and feels that everyone is already doing their part to conserve. Also, if it rained consistently for the next five years, would it still be necessary to increase water rates for the next five years in a row.

President Lewis asked if there were any further comments to be made. There was none. However, President Lewis informed Mrs. Stefani that if the water rate increases are not needed in a particular year, they will not be implemented. Still, the Board needed to establish the legal right through the Proposition 218 process to be able to increase water rates if necessary.

CLOSE PUBLIC HEARING

President Lewis closed the Public Hearing at 4:39 p.m.

PRESENTATIONS:

1. None

UNFINISHED BUSINESS:

1. Verbal report on results of Proposition 218 Protest to the Proposed Increased in District Rates, Fees, and Charges for Water Services for Castroville- Zone 1 Service Area – General Manager Eric Tynan reported to the Board that the Castroville CSD only received two protest letters from property owners. Water rates have not been increased since 2004 and many are aware of the severe drought that is currently facing California. Dennis Klingelhofer with Harris & Associates, the consultants that prepared the Water Rate Study for Castroville CSD was also present to assist with any questions or concerns the public may have had regarding the Water Rate Study and proposed rate increases.
2. Consider Adoption of Resolution No. 15-10, A Resolution of the Board of Directors of the Castroville Community Services District Declaring the Results of the Proposition 218 Protest Count for the Proposed Increases in District Rates, Fees, and Charges for Water Services for Castroville-Zone1 Service Area, Finding No Majority Protest and Setting January 19, 2016 as the Date for Second Reading and Adoption of Ordinance No. 66 to Enact the Revised Rate Schedule – Once the Board reviewed Resolution No. 15-10 and there were no questions from the public, a motion was made by Betty MacMillan and seconded by Ron Stefani to adopt Resolution No. 15-10, A Resolution of the Board of Directors of the Castroville Community Services District Declaring the Results of the Proposition 218 Protest Count for the Proposed Increases in District Rates, Fees, and Charges for Water Services for Castroville-Zone 1 Service Area, Finding No Majority Protest and Setting January 19, 2016 as the Date for Second Reading and Adoption of Ordinance No. 66 to Enact the Revised Rate Schedule. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Montejano, Lewis, MacMillan and Melgoza
NOES:	0	Directors:	None
ABSENT/NOT PARTICIPATING:	0	Directors:	None
3. Consider First Reading of Ordinance No. 66, An Ordinance Amending Section 18-1 and Section 18-2 of Amended Ordinance No. 22, to Establish a Rates Schedule for Water and Fireline Service by the Castroville Community Services District for Fiscal Years 2016/2020 – Board President David Lewis introduced and waived the First Reading of Ordinance No. 66, An Ordinance Amending Section 18-1 and Section 18-2 of Amended Ordinance No. 22, to Establish a Rates Schedule for Water and Fireline Service by the Castroville Community Services District for Fiscal Years 2016/2020. The setting of the Second Reading of Ordinance No. 66 is scheduled for January 19, 2016.
4. Update on well levels, chloride and conductivity – General Manager Eric Tynan informed the Board on the current static well levels. As of December 2015, Well #2 is currently at -7.4 feet below sea level, Well #3 is at -27.5 feet below sea level, and Well #4 is at -36.1 feet below sea level. A graph of the well trends for the months January 2015 through December 2015 can be viewed on page 29 of the board packet. The well levels continue to improve from the previous months. Well #3 Chloride levels continue to rise. Well #3 Chloride levels have spiked from 388 in August 2015 to 468 as of December 2015. This is a

sign of seawater intrusion for Well #3. He will continue to monitor the well levels and chloride levels for Well #3.

5. Update on Castroville CSD's conservation measures put in place for District customers both residential and commercial – General Manager Eric Tynan reported to the Board that conservation efforts are still going well. As the graph shows, there is a drop in water usage from 2013 versus 2015. The graph can be viewed on page 31 of the board packet. For the month of November 2013 water usage was 20.2 million gallons and November 2015 it is 19.8 million gallons. Customers continue to do their part to conserve and he will reiterate that any further significant water conservation measures would be difficult for Castroville water customers to achieve since the town does not have any big lawns or pools that would usually be maintained by customers before these conservation measures were put into place. He has also submitted the small water supplier conservation report that was due by December 15, 2015 to the State Water Resource Control Board.
6. Update on the local groundwater sustainability agency (GSA) and representation – General Manager Eric Tynan reported to the Board that Wednesday, December 16, 2015 at 2:00 p.m. at the office of the Agricultural Commissioner which is located in Salinas, a Stakeholder meeting will be held to discuss the ongoing development of a groundwater/surface water model for the Salinas River Groundwater Basin. The meeting announcement can be viewed on page 32 of the board packet. He and Vice President Ron Stefani plan to attend. In other news, the *Herald* reported that Monterey County Water Resources Agency may not be leading the charge for the GSA formation after all.
7. Update on Prop 84: Well 5 (formerly Well 2B) Arsenic Treatment project – General Manager Eric Tynan informed the Board that the State Water Resources Control Board did an initial site inspection for the Arsenic Treatment project today. The contractor, Conco West has been pumping and flushing the arsenic treatment system. He anticipates that it will be operational by January 2016 and to celebrate wants to have a ribbon cutting ceremony at this time as well.
8. Update on tax measure for North County Recreation and Park District (NCRPD) – General Manager Eric Tynan informed the board that NCRPD Board Member Grant Leonard was not present to provide an update on the tax measure. He stated he had spoken with NCRPD General Manager Judy Burditt and they continue to move forward with the tax measure.
9. Update on Castroville Boulevard Bicycle/Pedestrian and Railroad Crossing Bridge; Project No. 8622 concerning the sewer relocation – General Manager Eric Tynan reported to the Board that after coming to a resolution with the County on the conflicting sewer lines for this project, the State has pulled the funding for this project from the County. Castroville CSD had new plans drawn for \$15k that would address the conflict and relocation of the sewer lines. The original plans per an engineer's estimate would have cost the Castroville CSD for the Moro Cojo Zone 2 service area \$149K to relocate the conflicting sewer lines. Castroville CSD and various interested parties have written letters to the State to reconsider their decision to pull the funding for Project No. 8622. The new plans for \$15K completed by MNS Engineer, Inc. can be viewed on pages 33-35 of the board packet.

NEW BUSINESS:

1. By order of the Monterey County Board of Supervisors under Elections Code section 10515 approving the appointments of qualified nominees (Stefani, Lewis, and MacMillan) in lieu of the elections held on November 3, 2015 to the office of Castroville CSD. Directors for a term of 4 years; Administer Oath of Office – Office Manager/Board Secretary Lidia Santos administered the Oath of Office to Directors: Stefani, Lewis and MacMillan for a term of 4 years each. All those present congratulated them.

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 MRWPCA board meeting – Vice President Ron Stefani reported that MRWPCA approved the agreement with Marina Coast Water District to share the pipeline down General Jim Moore Boulevard for the Pure Water Project. He also attended a strategic planning session that lasted all morning.
2. Update on meetings/educational classes attended by the Directors – Vice President Ron Stefani attended the ACWA Fall Conference in Indian Wells, CA last month. He reported to the Board discussed

were water storage projects, costs, water rate increases and being transparent. In all, it was a great conference and he thanked the Board for allowing him to attend the conference.

District Legal Counsel Lloyd Lowrey excused himself from the board meeting at 5:06 p.m.

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 Issues
 - 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 – November 2015. A motion was made by Adriana Melgoza and seconded by Betty MacMillan to pay all bills presented. The motion carried by the following vote:

AYES:	5	Directors:	Stefani, Montejano, Lewis, MacMillan and Melgoza
NOES:	0	Directors:	None
ABSENT/NOT			
PARTICIPATING:	0	Directors:	None

CLOSE:

There being no further business, a motion was made by Adriana Melgoza and seconded by Ron Stefani to adjourn to the next scheduled Board meeting; the motion carried by the following vote:

AYES:	5	Directors:	Stefani, Montejano, Lewis, MacMillan and Melgoza
NOES:	0	Directors:	None
ABSENT/NOT			
PARTICIPATING:	0	Directors:	None

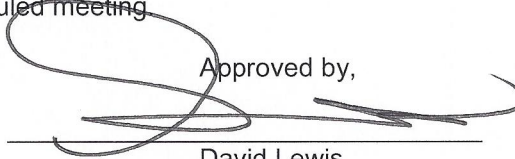
The meeting adjourned at 5:20 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



David Lewis
President