

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF  
CASTROVILLE COMMUNITY SERVICES DISTRICT  
May 16, 2023

President Cosme Padilla called the meeting to order at 4:33 p.m.

**ROLL CALL:**

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

**Absent:** Director Glenn Oania (arrived at 4:46 p.m.)

**General Manager:** Eric Tynan

**Secretary to the Board:** Lidia Santos

**Staff Present:**

**Guest:** North County Recreation & Park District General Manager Alex Lopez as President Grant Leonard

**PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Office Manager Lidia Santos at the request of President Cosme Padilla.

A typographical correction was made to page 109 of the board packet, (checklist on Excel ) for check 1771, dated 4/20/2023. The payee should reflect Greg MacMillan.

**PUBLIC COMMENTS**

1. None

**CONSENT CALENDAR**

1. A motion was made by Ron Stefani and seconded by James Cochran to approve the minutes of the April 18, 2023 Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

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

PARTICIPATING: 1 Directors: Oania

*Consent Calendar accepted as presented*

**CORRESPONDENCE:**

1. Memorandum from Monterey One Water to Castroville CSD regarding Memorandum of Understanding for Conducting Annual FOG Education Program.
2. Memorandum from General Manager Eric Tyan to Castroville CSD Board of Directors addressing the General Manager's annual performance evaluation and contract in June 2023.

*Correspondence Calendar accepted as presented*

**INFORMATIONAL ITEMS:**

1. *Washington Post* – El Niño is looming. Here's what that means for weather and the world
2. California Department of Water Resources – Current Reservoir Conditions as of May 12 2023
3. Terra Verde Energy – On April 28, the California Air Resources Board formally adopted the Advanced Clean Fleets Regulations which requires a swift shift away from conventional vehicles to Zero-Emission Vehicles for state and local fleets (including public water agencies) for medium- and heavy-duty fleet vehicles string in 2024.

*Informational items accepted as presented*

**PRESENTATIONS:**

1. None

**NEW BUSINESS:**

1. Request for extension of services outside of agency's jurisdictional boundaries at angle/corner of Struve Road in Moss Landing, APN: 413-061-042-000, APN: 413-012-014-000 and APN: 413-022-006-000 in order to relocate a sewer lift station – General Manager Eric Tynan reported to the Board that this request needs to be made for the extensions of services outside of Castroville CSD's boundaries to install a new sewer lift station and remove the existing lift station. The request to be submitted to LAFCO can be viewed on page 21 of this board packet. This project is part of the Moss Landing Wastewater Rehabilitation Project. A motion is made by Ron Stefani and seconded by Greg MacMillan to have General Manager Eric Tynan move forward with the request for extension of services outside of agency's jurisdictional boundaries at angle/corner of Struve Road in Moss Landing, APN: 413-061-042-000, APN: 413-012-014-000 and APN: 413-022 in order to install a new sewer lift station. The motion carried by the following roll call votes:

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

2. North County Recreation and Park District request for funding, "Extended Recreation Services" for fiscal year 2023/2024 – General Manager Eric Tynan informed the Board that North County Recreation & Park District (NCRPD) has submitted their request for Extended Recreational Services and Capital Improvement projects for fiscal year 2023/2024, which can be viewed on page 22 of this board packet. This request was also previously reviewed by the Budget & Personnel Committee at the May 9, 2023 Budget & Personnel Committee meeting. NCRPD General Manager Alex Lopez stated that he respectfully asks for Capital Improvement funds for their Sports Complex Improvements and Rehabilitation project in the amount of \$322,000, in addition to the Extended Recreation Services funding of \$100,000. The project went out to bid using Gordian's JOC Procurement process and unfortunately, the project came in higher than anticipated at \$550,000. NCRPD is asking CCSD to fund the difference totaling \$322,000. The artificial turf needs to be replaced and the current artificial turf is over 12 years old. It has a life expectancy of 8-10 years and requires replacement to ensure proper performance and safety. Director James Cochran asked if NCRPD has applied for any other source of funding, such as grants, corporate sponsors or have they spoken to Supervisor Church to see what other options may be available as it is a lot of money NCRPD is asking of Castroville CSD. NCRPD General Manager Alex Lopez stated he has only asked Castroville CSD for this funding and has not pursued any other funding sources at this time. NCRPD President Grant Leonard stated that the Sports Complex Improvements and Rehabilitation project came in way over budget, but they still want to have a good quality park as it does get a lot of use by the community. Vice President Ron Stefani stated that the Castroville CSD has been getting a tremendous windfall of funds for property taxes. Fiscal year 2023/2024 for Sewer Zone 1, the District is estimating to bank \$346,000 in property tax revenues and thinks the Castroville CSD can afford to fund this project, which is important to the community. He will discuss it further under the next agenda item listed below for Preliminary 20213/24 Operating Budgets for Sewer Zone 1. **Director Glenn Oania arrives at 4:45 p.m.** Per President Cosme Padilla, Castroville CSD has been very supportive of the NCRPD but should also consider reaching out to big sponsors from the community to help fund this project too. President Cosme Padilla also stated that Directors Stefani and MacMillan were on this year's Budget & Personnel Committee and the Board should rely on their recommendations.

3. Preliminary 2023/24 Operating Budgets for Water (Castroville Zone 1), Sewer and Governmental (Castroville Zone 1), Sewer and Governmental (Moro Cojo, NMCHS, & Monte Del Lago Mobile Home Park Zone 2) and Sewer (Moss Landing Zone 3) – General Manager Eric Tynan and the Board reviewed and discussed all budget items for the different funds. However, the Budget & Personnel Committee: Directors Stefani and MacMillan had met on May 9, 2023 with the General Manager and discussed and reviewed the budgets and moving up staff to the next wage step increase. For the Operations Department wage increase (varies between 3%-3.3% for each position) per the Wage Step Program approved by the Board, October 2018. The Budget & Personnel Committee also discussed a 3% staff wage increase for the Administration Department and for the District to remain with PERS Platinum in 2024 for all employees monthly health care coverage. The Budget & Personnel Committee also discussed with the Board to consider approving the funding to the NCRPD \$100,000 for Extended Recreation Services and \$322,000 for Capital Improvement funds for their Sports Complex Improvement and Rehabilitation project. General Manager Eric Tynan reminded the Board that Castroville CSD has a lot of big projects coming up, such as the deep well (Well #6). CIP for this project is being projected at \$1.4 million but may easily come in at \$1.8 million and does not include treatment if it is needed. The District is looking for grants to fund these projects: Moss Landing Rehabilitation Project \$7.5 million, Washington Street Sewer Bypass Project \$3.5 million and Well Site 4 with a new tank \$8 million. However, grants funds are not secured and Castroville CSD will need to have funds available for these projects. General Manager Eric Tynan reviewed all the budgets along with capital improvements projects (CIP) slated for 2023/2024 and projected up until 2027. Vice President Ron Stefani asked the Board to review the Zone 1 Sewer & Storm Drain CIP on page 30, specifically operating revenues acquired for property taxes, which has gone up every year. When Castroville CSD first acquired these services, property taxes received were only about \$300,000 and it has now gained about \$600,000 in revenue. The Sewer Zone 1 has used around \$300,00 to fund sewer operations in the past. This CIP report lays out the anticipated total operating expenses and Capital Improvement Projects for each year and at the end it still leaves a surplus of funds due to the increase in property values. Also, when you look at funding a government agency on property taxes, if you don't need or use those property taxes, you are supposed to give them back. The State reviews property taxes received and when they see reserved property taxes, the State may shift these property taxes away from local governments and take it up to the State as the State had done in the past when it was in the hole. This year, the State is projected to be \$32 billion in the hole and there is a possibility this can happen again. The District should earmark all this property tax revenue for the community. Furthermore, the whole focus since he has been on the Castroville CSD has been water, sewer and utilities but the District has not been that community services district yet, which it needs to be. Per General Manager Eric Tynan he is aware that the NCRPD is not funded properly. NCRPD does fantastic work that is necessary for this community. Years back when NCRPD was in danger of cutting back on programs, Castroville CSD Board of Directors committed to \$100k annually to fund Extended Recreational Services and consider capital improvement projects, but did not envision a request for half a million dollars. In addition, the Sewer Master Plan show a lot of flat spots in Castroville that need to be upsized. Also, the District has been getting a lot of voids; all of a sudden where the road is giving way and you have a little whole at the top, requiring emergency repairs. President Cosme Padilla stated if there is any way Castroville CSD can legally help out the community through the NCRPD, it should as Castroville CSD is a community services district but NCRPD should also look at sponsors. This request needs to be looked at more deeply. Currently, the District does have a lot of CIP projects, applying for grants to fund some of these projects and also has a nice reserve that can quickly go up in smoke with a big project or emergency. A decision on the funding amount allocated for NCRPD will be made at next month's board meeting. Director Glenn Oania suggested, in his opinion Castroville allocate \$200k to NCRPD for fiscal year 2023/2024. NCRPD General Manager Alex Lopez stated that he was very appreciative of the funding NCRPD has received from Castroville CSD as it is very helpful to them and thanks the Board for their consideration as he is aware they are asking for a big amount. President Grant Leonard stated that they will review their funding request again and will revise their proposal and submit it for the June 20, 2023 board meeting. Per the Board, changes will be made to the draft preliminary 2023/24 Operating Budgets to reflect the recommendations made to the affected accounts at the June 20, 2023 board meeting. Draft budgets and data can be viewed on pages 23-46

of this board packet (note some of the new recommendations discussed at this meeting are not yet reflected in these budgets ) Final adoption of the budgets will not be made until the June 20, 2023 regularly scheduled board meeting.

**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 47 of this board packet. Well levels have taken a nose dive since the farmers have started pumping. As mentioned last month, even though we have had all this rain and the well levels have gone up during winter time, they are nowhere near where they were a few years ago. He will continue working on considering alternate well sites, the desalter and the pipeline. The District continues to monitor the chloride levels of all the wells. Well #3 is not pumping and the motor is not hooked up. The static level is dropping for Well #3. A desalter is being considered for Well #3.
2. Update on Asset Management and Maintenance Projects (Castroville Water Valves Replacement Project and Maggiora Bros. Drilling Inc. for the Replacement of Well #4 Pump) - General Manager Eric Tynan reminded the Board as mentioned at last month's board meeting that Monterey Peninsula Engineering (MPE) was awarded the project, not to exceed \$121,000 for the Castroville Water Valves Replacement Project. He has met with an MPE representative for a preconstruction meeting of this project. MPE plans to start this project next month and it should be completed by no later than June 30, 2023. He believes MPE is currently busy working on the Pajaro levy.
3. Update on the State of California Department of Transportation (Caltrans) projects: (1) Caltrans Merritt Street Beautification Project, (2) Pedestrian Bridge Enhancement/Improvement Project, (3) Castroville Boulevard Roundabout Project– General Manager Eric Tynan reported that for project (1) Caltrans emailed maintenance agreements today for projects 1 and 2 that they want signed by Castroville CSD. He is reviewing these agreements and making some revisions as the maintenance of landscaping is included and should be omitted. The agreement should only say what Castroville CSD will be doing, which is provide maintenance of lighting and graffiti abatement. NCRPD will be taking care of landscaping and this should be in their agreement with Caltrans that they received and need to sign. The agreements will be presented to the Board at next month's board meeting for Board approval. They want the District to take care of the solar lighted bollards next to the Castroville sign. As mentioned at a previous board meeting, a Cooperation Agreement was signed and Caltrans will raise the valves and manholes at their cost. Caltrans will also be upgrading the lighting to a historical look. There might also be some hydrants moved at their cost, which is great for the District. Project (2) Caltrans also wants a maintenance agreement signed for the this project. Castroville CSD will take care of the solar lighting on the pedestrian bridge and graffiti abatement. For this project, Caltrans is planning to put a little parklet on either side of the pedestrian overpass. NCRPD will be taking the responsibility for the landscaping and the parklet, which is the agreement they will sign with Caltrans. General Manager (3) General Manager Eric Tynan stated as mentioned previously, Caltrans will cover the work for the Castroville Boulevard Roundabout Project 100% and CCSD 0% because of California S & HC 703. This project will start in 2028.
4. 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 – **Moss Landing Sewer (Gantt Chart can be viewed on page 48 of this board packet):** Per General Manager Eric Tynan, as mentioned last month, CEQA is complete. The Coastal Development Permit application has been submitted to California Coastal Commission and we are waiting to receive feedback on permit application (30-day response timeframe). Per the Gantt Chart, the Coastal Development Permit applications should be completed by June 20, 2023. 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, which is right over the Elkhorn Slough, Marine Sanctuary and Harbor. General Manager Eric Tynan will pursue LAFCO of approval of an out-of-agency service extension and minor sphere of influence

amendment for wastewater services (CEQA: categorical exemption). MNS is finishing up the 60% design and the environmental is underway. MNS is to prepare a construction application following the 60% completion. Ortega (FINEPRO, LLC (seller) approved the sale for the easement for \$10,000 in Moss Landing and the District is still working on finalizing the sale of the easement pending LAFCO approval, which is required before acquiring the property. In addition, the Coastal Commission is requiring an arborist to analyze the trees. MNS has submitted a proposal for Native monitoring for MMRP to be done by the Rumsen Ohlone Tribe, cost estimate \$112,400 for the Moss Landing Wastewater Rehabilitation Project. General Manager Eric Tynan is still reviewing this cost estimate and considering other options.

**The Washington Bypass (Gantt Chart can be viewed on page 49 of this board packet):** Per General Manager Eric Tynan, as mentioned last month, CEQA is complete. 60% detailed design of this project is complete. The Coastal Development Permit application is in progress and is pending the land owner authorization. Castroville CSD still needs easement agreements and/or signed authorization from overlying landowners. Project permitting for jurisdictional permitting, Caltrans encroachment permit and County encroachment permit contracts are still pending. As previously mentioned, 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. MNS to submit the funding application for the next phase, spring 2023. The District has applied for a grant for finishing the design and construction, California Housing Community Development, Infill Infrastructure Grant. In addition, 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 Construction 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.

**Emergency Deep Aquifer Supply and Storage Tank (Gantt Chart can be viewed on page 50 of this board packet):** Per General Manager Eric Tynan as mentioned last month, 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. MNS to prepare a Future Grant Application if SCDR is a "no go". MNS also submitted a grant application on behalf of Castroville CSD 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.

**Desalter at Well Three:** Per General Manager Eric Tynan, as mentioned last month he is recommending to investigate the condition of well casing and perforations to evaluate use as brackish water supply for RO treatment and consider an appropriate response. There are alternatives to consider to mitigate the seawater intrusion of Well #3 by having the well investigated using a video.

**The Overhead Sign at Highway 183:** Board President Cosme Padilla stated he overheard an MNS engineer stating that the deadline for this project was June 30, 2023 and is concerned the deadline will not be met and asked the GM to explain. Per General Manager Eric Tynan it is supposed to be done by June 30, 2023 but Caltrans could not come to an agreement as to where the poles should be located but have finally come to a consensus. Jeremy with Signs by Van has assured him he can get the sign up in one day and will make the deadline. As mentioned previously, 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 handling 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 a Project Management Professional (PMP), contract, encroachment permit. Castroville CSD received a check from Caltrans in the amount of \$127,955.28 February 2, 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: Board President Cosme Padilla announced the Board was going into closed session The Board entered closed session at 5:56 p.m.**

Conference with Real Property Negotiations (Govt. Code Sec. 54956.8)

Property: located at intersection of Castroville Blvd., Castroville bike path and Highway 156

Agency Negotiations: Negotiator Eric Tynan, General Manager CCSD

Negotiating Parties: CCSD and Property owner Mitchell, Wylie W. et al., agent Greg Findley

Under Negotiation: Price and Terms

**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 reconvened into open session at 6.06 p.m.**

**There was no action taken.** The General Manager was directed to obtain three quotes for the services of property appraiser.

**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 stated that MIW is on the third year of their 5 year rate increase. Unfortunately, it appears they will need to go up for another rate increase. They big property owners of Monterey are against this rate increases. MIW is also reviewing employees pay rates.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Director Ron Stefani stated that the SVBGSA is working on their budgets. They are also looking at increasing their rates. Rates at \$2.97 per connection and will go up to \$12 a year per connection.
3. Update on meetings or educational classes attended by the Directors – President Cosme Padilla announced that he, along with Directors Ron Stefani and Greg MacMillan as well as General Manger Eric Tynan attended the Spring ACWA Conference & Exhibition Show in Monterey earlier this month. They all found it very informative and each attended sessions that they found beneficial. They all agreed that it was a great networking opportunity as well.

## **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

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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** – April 2023. 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:	MacMillan, Stefani, Cochran, Oania and Padilla
NOES:	0	Directors:	
ABSENT/NOT			
PARTICIPATING:	0	Directors:	

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

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

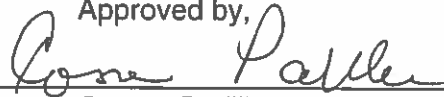
The meeting adjourned at 6:50 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos  
Secretary to the Board

Approved by,



Cosme Padilla  
President