

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
September 19, 2023

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

ROLL CALL:

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

Absent: President Cosme Padilla

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: District Legal Counsel Christine Kemp arrives at 4:50 p.m.

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Vice President Ron Stefani.

ADDITIONS OR CORRECTIONS TO THE AGENDA

MOMENT OF SILENCE FOR LOU CALCAGNO

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by James Cochran and seconded by Glenn Oania to approve the minutes of the August 15, 2023 Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter via email to the Salinas Valley Basin Groundwater Sustainability Agency from Bill Lipe regarding Item 4.a of the SVBGSA Advisory Committee Meeting, August 17, 2023

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

2. RPEA Newsletter for July/August 2023 – Federal Trade Commission, Identity Theft Awareness
3. Monterey Bay Water Works Association Annual Vendor Show/BBQ, Thursday, September 21, 2023
4. Salinas Valley Basin Groundwater Sustainability Agency News Letter – Help detect trends in groundwater levels by reporting dry wells, etc.

Informational items accepted as presented

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PRESENTATIONS:

1. None

NEW BUSINESS:

1. Approve Resolution No. 23-5 to Initiate LAFCO Annexation of Finepro, LLC Property APN: 413-012-014 to the Castroville Community Services District and execution of final Ortega easement documents (Easement Deed/Right of Way Contract) – General Manager Eric Tynan informed the Board that Resolution No. 23-5 and supporting documents can be viewed on pages 18-43 of this board packet. Documents on pages 23-43 were reviewed and approved by District Legal Counsel Christine Kemp. A motion is made by Greg MacMillan and seconded by James Cochran to approve Resolution No. 23-5 to Initiate LAFCO Annexation of Finepro, LLC Property APN: 413-012-014 to the Castroville Community Services District and execution of final Ortega easement documents (Easement Deed/Right of Way Contract). The motion carried by the following roll call votes:

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

2. Consider request for qualifications for Financial Investment Advisor- General Manager Eric Tynan recommended the Board consider a request for qualifications for Financial Investment Advisor. Vice President Ron Stefani felt it was not necessary to obtain a Financial Investment Advisor as the current yield in CAMP and somewhat in LAIF are doing fairly well. Furthermore, it would be an expense to the District to hire a Financial Investment Advisor. The CalTRUST investment is the only account in a Medium Term Fund. After some discussion a motion is made by Glenn Oania and seconded by Greg MacMillan that a Financial Investment Advisor is not needed at this time. The motion carried by the following roll call votes:

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

3. Castroville CSD is rolling back from Level II Water Conservation Emergency Regulations to Level I until December 31, 2023 – General Manager Eric Tynan recommend the Board approve Castroville CSD roll back to a Level I Water Conservation Emergency Regulations until December 31, 2023 and wait to see what California State Water Resources Control Board or the State Governor will be recommending or implementing after this date for water conservations measures. Regulation for Level II and Level I in English and Spanish can be viewed on pages 44-49 of this board packet. Most water agencies have eased up on stringent water conservation measures since California had a historic rainfall season. If approved to a Level I, customers would be notified on their water bill and regulations posted on the District website www.castrovillecsd.org A motion is made by James Cochran and seconded by Glenn Oania for the Castroville CSD to approve rolling back from Level II Water Conservation Emergency Regulations to Level I until December 31, 2023. The motion carried by the following roll call votes:

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

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4. Castroville CSD consider funding Well #6 in order to bring the well on-line one year earlier – General Manager Eric Tyan asked the Board to table this item until the next regularly scheduled board meeting as he would like to include further information – A motion is made by James Cochran and seconded by Glenn Oania to table this item (Castroville CSD consider funding Well #6 in order to bring the well on-line one year earlier) until the next regularly scheduled board meeting. The motion carried by the following roll call votes:

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

5. Consider approving grant writing services, fee proposal from MNS Engineers for Bureau of Reclamation WaterSMART: Drought Resiliency Projects – General Manager Eric Tyan recommended the Board consider approving MNS Engineers proposal to assist the Castroville CSD with preparation of a grant application to secured funding for the final design and construction of emergency Deep Well No. 6 and appurtenances. This grant is for \$3.5 million. The proposal to provide these services for a total fee of \$29,415 can be viewed on pages 50-52 of this board packet. General Manager Eric Tyan stated that MNS Engineers has been doing a better job as the projects are all handled now by Nick Panofsky, Principal Engineer/Business Unit Lead with MNS Engineers. Mr. Panofsky was going to attend this board meeting but was not feeling well. After some discussion, a motion is made by Glenn Oania and seconded by James Cochran to approve the grant writing services, fee proposal from MNS Engineers for Bureau of Reclamation WaterSMART: Drought Resiliency Projects, not to exceed \$29,415. The motion carried by the following roll call votes:

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

UNFINISHED BUSINESS:

District Legal Counsel Christine Kemp arrives at 4:50 p.m.

1. Update on Well levels – General Manager Eric Tyan reported to the Board that the well levels report from Jan 2020-present can be viewed on page 53 of this board packet. Per the graph, well levels have dropped but still looking pretty good right now. 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 - General Manager Eric Tyan informed the Board once more that the Castroville Valves Replacement Project has been completed and did not exceed the budget and will remove this item from next month's agenda. As a reminder, Monterey Peninsula Engineering (MPE) was awarded the project, not to exceed \$121,000 for the Castroville Water Valves Replacement Project.
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 Tyan reported to the Board on the following projects:

(1) Caltrans Merritt Street Beautification Project - Per General Manger Eric Tynan, this project is on hold right now, the work is supposed to be done in 2024. Castroville CSD has located the laterals that we want to replace, which would be ideal to do during the Caltrans Merritt Street Beautification Project. A line item has been put together to put these laterals out to bid. However depending on the length of the lateral, will determine the cost of the project. Once the estimate is ready, he will bring it before the Board to put it out to bid. Castroville CSD will only provide maintenance of lighting and graffiti abatement for this project. At a previous board meeting, a Cooperative Agreement was signed and Caltrans will raise the valves and manholes at their cost for this project. 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. NCRPD has agreed to provide the landscaping for this project. Caltrans should complete this project in 2024 if they are not held up by PG&E.

(2) Pedestrian Bridge Enhancement/Improvement Project – There are no current updates on this project. Per General Manger Eric Tynan, as mentioned before, the Board approved the Pedestrian Overpass Maintenance “Landscape” Agreement for this project at a previous board meeting. CSD will take care of the solar lighting on the pedestrian bridge, mural maintenance 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.

(3) Castroville Boulevard Roundabout Project – Currently, this project is being held up by Pacific Gas and Electric (PG&E). Per General Manager Eric Tynan, as mentioned at a prior board meeting, the deadline for this project has been extended for one year. Caltrans needs to work with PG&E to move this project forward. Caltrans will cover the work for the Castroville Boulevard Roundabout Project 100% and CCSD 0% because of California S & HC 703. He had previously informed Caltrans that they are in Castroville CSD easement and the District will not be moving its pipe. Caltrans will have to incase it place and protect it and they seem to be okay with that. 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 – General Manager Eric Tynan reported to the Board on the following projects:

The Washington Bypass Sewer Project (Action Plan as of September 11, 2023 and additional information can be viewed on pages 54-56 of this board packet) – Per General Manager Eric Tynan, easement acquisition work is advancing and property owners affected are Sal Alvarez and Ocean Mist. He is scheduled to meet with Sal Alvarez tomorrow to discuss the easement as will be contacting Chris Drew with Ocean Mist to schedule a meeting. President Cosme Padilla also mentioned to him that he wants to attend this meeting with Ocean Mist to discuss the easement. Mentioned at last month’s board 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 Merrit 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. As mentioned prior, the coastal development permitting is on hold pending land acquisition and Caltrans encroachment permitting. A draft application package has been submitted to MNS and the District for review. Right-of-way acquisition consultant has been contracted to initiate land acquisition for the agricultural field and trailer park. Caltrans encroachment permitting is being initiated. MNS is currently preparing legal descriptions and plat maps for temporary and permanent easements. Also, jurisdictional permitting associated with crossing the agricultural ditch is being initiated. 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. 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. The Board approved at the September 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 (Action Plan as of September 11, 2023 and additional information can be viewed on pages 57-63 of this board packet) – Following completion of a site visit by the Project arborist and subsequent coordination with the County of Monterey, it was determined that the trees to be removed are not of special status and do not require a permit to be obtained. CWSRF Grant application package is wrapping up and MNS plans to submit it this month. The land acquisition of Lift Station 1 is pending LAFCO annexation. LAFCO application is in progress by Castroville CSD. MNS/Rincon prepared a CEQA exemption in support of the annexation. Furthermore, California Coastal Commission is requiring a jurisdictional delineation and Kake 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. As mentioned prior, 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. However, the seller is aware it is helpful to the LAFCO process to get a signed easement deed and Right of Way Agreement which is held in escrow and not recorded until the LAFCO process is completed, and the sewer project is authorized and the seller authorized for sewer hook-up. An escrow agreement would be needed for this process. 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. 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 September 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 (Action Plan as of September 11, 2023 and additional information can be viewed on pages 64-66 of this board packet) – The Board just approved grant writing services, fee proposal from MNS Engineers for Bureau of Reclamation WaterSMART: Drought Resiliency Projects, not to exceed \$29,415. As mentioned prior, 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.

Desalter at Well Three (Update can be viewed on page 67 of this board packet) - Per General Manager Eric Tynan, Maggiora Brothers Drilling was still not able investigate and video the well as the pump is still on it. Castroville CSD needs a good valuation of Well No. 3. General Manager Eric Tynan 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. In addition

the Well No. 3 Desalination Facility would provide the SVBGSA with critical information on water quality, treatment efficiency and performance, and sea water intrusion extraction barrier and brackish treatment project as a potential regional solution. As mentioned prior, MNS acknowledges the initial grant was not completed satisfactorily, and is in the process of preparing an additional grant application at no charge to the District. Greg Jaquez with MNS Engineers to provide documentation of cost offset for no-cost grant application to compensate for failed prior grant application.

The Overhead Sign at Highway 183: Per General Manager Eric Tynan he sent a strong email to Caltrans for Caltrans' structural engineers to approve the plans/permits. Signs by Van is waiting to order the steel, (which will take 12 weeks to arrive) until the plans are approved by Caltrans. This project will probably not be completed until March 2024. As mentioned prior, the traffic study and encroachment permit have been submitted to Monterey County Public Works. The project was 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. The funds have been sequestered for this project by Caltrans and reimbursement can still be expected. 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 and \$17,580 May 24, 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.

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 M1W is still working hard to get the M1W rate payers to support putting the charges on the property tax bill. M1W is still getting a lot of opposition on wanting to do this. M1W will be doing community outreach and one is scheduled to be done in Castroville. As mentioned last month, M1W sent out a package to all the M1W rate payers to explain the switch they want to make from bi-monthly bills to putting the charges on the property tax bill instead. In his opinion, M1W has done a great job, getting the word out to the rate payers.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting –Vice President Ron Stefani turned it over to General Manager Eric Tynan since he attended the 180'-400' Aquifer Advisory Committee meeting. Per General Manager Eric Tynan at this meeting, there were at least thirty participants and the big conversation was "Demand Management". Several of those who attended the meeting seemed to have a different understanding of what they felt "Demand Management" meant. In his opinion, "Demand Management" is when the farmers need to schedule delivery of water to their property and not to over subscribe the system. Per Vice President Ron Stefani he thought it referred to water allocation.

3. Update on meetings or educational classes attended by the Directors – None to report at this time, other than General Manager informed the Board that he had attend the CSDA conference in Monterey, which he enjoyed and had a great speaker. He listed a summary of the classes he attended. Vice President Ron Stefan was not able to attend to due to a personal emergency, however, CSDA did provide the District with a refund less the processing fee for his conference fees , which was appreciated.

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

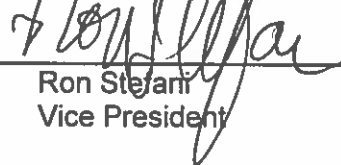
The meeting adjourned at 5:22 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Ron Stefan
Vice President