

THE OFFICIAL MINUTES OF THE REGULAR BOARD MEETING OF
CASTROVILLE COMMUNITY SERVICES DISTRICT
March 19, 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 (arrives at 4:32 p.m.)

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest: Sarah Hardgrave, Deputy General Manager SVBGSA; Jenny Balmagia, Lower Salians Valley SGMA Watershed Coordinator; Abbey Ostovar, Ph.D. Water Policy Specialist, Montgomery and Associates; Christine Kemp, and Heidi Quinn, District Legal Counsel

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Director James Cochran at the request of President Cosme Padilla.

ADDITIONS OR CORRECTIONS TO THE AGENDA

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. A motion was made by Ron Stefani and seconded by Greg MacMillan to approve the minutes of the January 16, 2024, Regularly Scheduled Board Meeting. There was no February 20, 2024 board meeting due to lack of a quorum. The motion carried by the following roll call votes:

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

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Letter of support from Castroville CSD to NOAA Office for Coastal Management for the Regional Adaptation for Climate Resilience of Monterey Bay Coastal Communities project, NOAA Climate Resilience Regional Challenge Full Application to be submitted by the California Marine Sanctuary.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *Cal Matters* – Household use is a tiny fraction of California’s overall water supply, but the state wants to spend billions of dollars to make a tiny reduction in that already infinitesimal bit of water consumption.
2. *SJV Water* – State staff revealed it will be well into 2025 before all of the “inadequate” groundwater subbasins will start probationary hearings.
3. *Santa Cruz Sentinel* – Strawberry Case Study: What if Farmers Had to Pay for Water?
4. *Inside Climate News* – Rapid declines are most common in aquifers under croplands in drier regions, including California, the most extensive analysis of groundwater trends so far shows.

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5. **CAL MATTERS** – California's legislative advisors lambasted the state's ambitious proposal to regulate urban water conservation, calling the measures costly and difficult to achieve.
6. **Monterey County Rail Extension Phase 3: Castroville**

Informational items accepted as presented

PRESENTATIONS:

1. **Overview of Salinas Valley Basin GSA Seawater Intrusion Model and Feasibility Studies** – Sarah Hardgrave, Deputy General Manager Salinas Valley Basin GSA informs the board that the SVBGSA covers valley wide, six subbasins. The 180/400-foot aquifer subbasin that Castroville is situated within is the subbasin that is in critical overdraft by the State of California under the Sustainable Groundwater Management Act, which is primarily due to the seawater intrusion that has occurred in the 180/400-foot aquifer. The Salinas Valley Basin GSA has been working with Montgomery and Associates water resource consultants. The ground water sustainability plans identified a range of potential projects and management actions to address seawater intrusion. Three feasibility studies are being done on these projects. She wanted to share information related to the seawater intrusion model that Ms. Ostovar's firm, Montgomery and Associates, has developed. The Board was handed data, and the front page had a Model of Projected Seawater Intrusion for the 180-Foot Aquifer and 400-Foot Aquifer Baseline Predictive Model, 2070 Climate Change developed by Montgomery and Associates and the back page developed by Monterey County Water Resources Agency (MCWRA, Historical Seawater Intrusion Maps of Observed Historical Seawater Intrusion. A copy is available as an attachment to the board packet agenda. She is here today because General Manager Eric Tynan asked them to speak on the differences between MCWRA's maps and their model. MCWRA's observes and measures the seawater intrusion that is occurring, which is done annually by monitoring a number of different wells and then by creating these maps to show where seawater intrusion has progressed on an annual basis. The Model of Projected Seawater Intrusion developed by Montgomery and Associates is a tool that is looking at how seawater intrusion will progress into the future. The observed seawater intrusion that has been mapped by the MCWRA is different than their model, Model of Projected Seawater Intrusion. Their model is a planning tool that builds off the historical data provided by MCWRA. Their model is a best fit model to get a regional picture of what is happening with seawater intrusion. It is not meant to capture and focus on one specific area as it would throw off what is happening overall in the model. It is the best fit between all of the data points. Vice President Ron Stefani thought today's presentation was going to be of the Extraction Barrier Model. This Board is the first urban user to be fully affected by seawater intrusion and this Board needs to be fully informed. He wants a full presentation of the latest 2070 Extraction Barrier Model and what happens when the model is run and pulls the salt water back. The factors that were used to make this modeling work were to shut all the wells off in the seawater intruded zones and use the extracted water. The Feasibility Study is leaning in that direction. Therefore, the District's existing wells and even a newly District drilled well, will all be asked to be shut off. In his opinion, this Board really needs to understand this. Ms. Hardgrave answered further questions and concerns from the Board. She invited the Board to attend the Salinas Valley Basin GSA workshop that they will be hosting in Castroville to provide residents and businesses of the Salinas Valley with an opportunity to gain experience about water use and management in the region. The workshop will be held on Friday the 12th of April at the North County Recreation and Park District from 9:00-1:00 p.m.
2. **Collaboration on community outreach** – Sarah Hardgrave, Deputy General Manager Salinas Valley Basin GSA informed the Board that she wanted to share a couple of things that she has done since last attending a Castroville CSD board meeting and discussed working together on community outreach. The Salinas Valley Basin GSA has a grant with funding available for community outreach and they want to work with Castroville CSD to do outreach here in Castroville. As mentioned at a prior Castroville CSD board meeting, the Salinas Valley Basin GSA has a 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. She has also attended a couple of the North Monterey County Alliance meetings, which is encouraging to see a broader effort at community involvement in all the different organizations that might have services to offer to North County residents. Like Castroville CSD, they are also members of the Water Awareness Committee, a nonprofit on behalf of all the various water agencies that put-on workshops and information about water conservations and other water topics. They also have a school program, and she has coordinated with the school district and Water Awareness Committee to bring the school aged program to the North County Elementary Schools in the fall, which is once set of activities that will be covered by this grant. The Salinas Valley Basin GSA is also planning a workshop on Demand Management. Also, what she is hearing as a request from this Board, is to plan a workshop around the Feasibility Studies and seawater intrusion issues here in Castroville, which will take a little more time to plan for and organize before coming to the April 2024 board meeting, more likely in the summertime. She would like to involve other organizations with the planning so a large audience can be reached. It would also be important for her and Jenny to understand what the important water issues are that this Board wants the Castroville residents to be aware of. Jenny Balmagia, Lower Salinas Valley SGMA Watershed Coordinator provided the Board with a list of questions, one of them being regarding CCSD's main water problem and/or concerns and so on. The list of questions can be found as an attachment on the website with the full board packet. District Legal Counsel Christine Kemp confirmed with Ms. Hardgrave that the community outreach grant is for \$25k, and the Castroville CSD needs to think about what is the key messaging the Board wants to see. President Padilla wants to see how best the District can convey to the community issues that are important such as seawater intrusion, having a strategic plan and educating all customers of the district (Sewer Zone 2 and 3 customers), not just the water ratepayers. In addition, President Cosme Padilla stated he looks forward to collaborating on community outreach with the Salinas Valley Basin GSA.

NEW BUSINESS:

1. Consider amending annual 2023/2024 Operating Budgets for Castroville Zone 1-Water, Sewer and Governmental, Moro Cojo Zone 2-Sewer and Governmental and Moss Landing Zone 3-Sewer – General Manager Eric Tynan reviewed the items that are being amended with the Board. For the Water Operating Budget, page 38 of the board packet, Capital Expenditures for Lateral Replacement he would like to leave at \$187,200 as originally budgeted and not reduce it to \$60k since it appears the County is ready to start working on some of the streets of Castroville next month and this is the time the District would want do the lateral replacement project as well. After some discussion, a motion is made by Ron Stefani and seconded by Greg MacMillan to approve the amended annual 2023/2024 Operating Budgets for Castroville Zone 1-Water, Sewer and Governmental, Moro Cojo Zone 2-Sewer and Governmental and Moss Landing Zone 3-Sewer. The motion carried by the following roll call votes:

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

2. Opportunity for comped registration provided by CSDA on January 18, 2024, for any of the Castroville CSD Directors (Padilla and Stefani) and General Manager Eric Tynan to attend the CSDA Special District Leadership Academy Conference, San Luis Obispo, February 4-7; registration usually \$720 per CSDA member; approve attendance and travel accommodations – General Manager Eric Tynan reminded the Board this opportunity for Directors and the General Manager to attend this conference; at no cost for the registration fees arose after the January 16, 2024 board meeting. The District only incurred travel expenses of which the District has a budget. A motion is made by Greg MacMillan and seconded by James Cochran to approve the attendance and travel expenses of Castroville CSD Directors (Padilla and Stefani) and General Manager Eric Tynan who

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all attended the CSDA Special District Leadership Academy Conference, San Luis Obispo, February 4-7. The motion carried by the following roll call votes:

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

- Discussion on how the Castroville Community Services District may spend ad valorem tax proceeds – Heidi A. Quinn and Christien Kemp, District Legal Counsel, Noland, Hamerly, Etienne & Hoss are present to provide the Board an overview of how the District may spend ad valorem tax proceeds. Ms. Quinn provides the Board with a Memorandum addressing the issue, providing a short answer, analysis of the background-formation and powers of the CCSD. Short Answer: CCSD may spend the ad valorem tax proceeds in furtherance of its exercise of powers, including recreation facilities and community recreation. However, during CCSD's formation process, it was understood and promised that the North County Recreation and Park District ("NCRPD") would be the primary provider of parks and community recreation, and CCSD would exercise its powers by augmenting programs for the NCRPD. If there is a duplication of series with NCRPD, NCRPD has the right of first refusal. In addition, while CCSD can partner with other public agencies to provide such services, it may not provide funding directly to private organizations. This memorandum can be viewed as an attachment to the board packet on the website. President Cosme Padilla stated that the Board is already aware of this information and this is not the information he was looking for. He would like the District to investigate the possibility of hiring a new employee to do public outreach. District Legal Counsel Christine Kemp reminded President Cosme Padilla that he did ask this question at the January 16, 2024 board meeting. General Manager Eric Tyan stated that was the question that was asked and that is why he had District Legal Counsel provide this information today. He asked that the Board give him a clear direction of what they are asking so there is no misunderstanding in the future.
- Select Ad Hoc Committee to investigate opportunities for outreach in the community – President Cosme Padilla stated he would like the Board to make a motion to form an Ad Hoc Committee for the reason noted above. A motion is made by Glen Oania and seconded by Ron Stefani for Castroville CSD Board of Directors to select an Ad Hoc Committee to investigate opportunities for outreach in the community. The motion carried by the following roll call votes:

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

President Cosme Padilla announced he will be selecting himself and Vice President Ron Stefani to be on the Ad Hoc Committee to investigate opportunities for outreach in the community. The Board skipped down to closed session.

- Approve attendance of Castroville CSD Board Members and General Manager to the Association of California Water Agencies (ACWA) 2024 Spring Conference & Expo, May 7-9, 2024, Sacramento, CA – There was no action taken on this item since the Castroville CSD Board Members and General Manager were not able to attend the ACWA 2024 Spring Conference after all.
- Approve Castroville CSD Actuarial Study of Retiree Health Liabilities Under GASB 74/75 Valuation Date: June 30, 2023, Measurement Date: June 30, 2023, For Fiscal Year-End: June 30, 2024, prepared by: Total Compensation Systems, Inc. – Office Manager/Secretary to the Board Lidia Santos provided each board member with a copy of the report, which can be viewed as an attachment to this board packet online. Page 2 of this report provides a summary of GASB 75 accounting results; changes in Net OPEB Liability and page 12 has a more detailed version of the

table. Via email Mr. Kane, Consulting Actuary with Total Compensation Systems provided a summary of the report: This year, the Total OPEB Liability decreased by about \$117,000. This was primarily due to the updated retirement rate assumptions for 2%@60 employees that CalPERS determined as part of its most recent Experience Study (and which we incorporated into this year's OPEB valuation). Assets produced an investment return of about \$21,000, which is as expected. Combined with the employer contribution of \$44,000, the overall asset balance increased by about \$65,000. This led to an overall decrease in the NET OPEB Liability of about \$182,000. This report is needed for the annual independent audit that is conducted by Fetcher & Company. The District contributes \$44,157 annually to the CERBT fund as of the measurement date June 30, 2023. Total Compensation Systems has prepared the report. A motion is made by James Cochran and seconded by Ron Stefani to approve the Castroville CSD Actuarial Study of Retiree Health Liabilities Under GASB 74/75, Valuation Date: June 30, 2023, Measurement Date: June 30, 2023, For Fiscal Year-End: June 30, 2024, prepared by: Total Compensation Systems, Inc The motion carried by the following roll call votes:

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

7. Consider proposal from Akel Engineering Group to prepare a System-Wide Fiscal Sustainability Plan for the Castroville CSD's Wastewater Collection System, including the neighboring community of Moss Landing, not to exceed \$37,704 – General Manager Eric Tynan requested the Board approve the proposal from Akel Engineering Group as this plan is needed to apply for the grant. The proposal can be viewed on pages 60-63 of the full board packet. The Moss Landing Wastewater Construction Application 8370-210 requires a submittal of a System-Wide Fiscal Sustainability Plan for the Castroville CSD's Wastewater Collection System, including the neighboring community of Moss Landing. In addition, it is also beneficial for the District to have this report. Akel Engineering Group has prepared other reports for the District in the past and has always done a great job. A copy of the draft plan should be completed in 8 weeks once informed to proceed. Vice President Ron Stefani stated for General Manager Eric Tyan to hold Akel Engineering Group to the completion of the draft plan in 8 weeks. A motion is made by Glenn Oania and seconded by Greg MacMillan to approve the proposal from Akel Engineering System-Wide Fiscal Sustainability Plan for the Castroville CSD's Wastewater Collection System, including the neighboring community of Moss Landing. The motion carried by the following roll call votes:

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

UNFINISHED BUSINESS:

1. Consider putting the Emergency Well #6 project out to bid – General Manager Eric Tynan requested the Board consider moving forward with the Emergency Well #6 project with or without the grant funding. He is asking for approval to initiate preparing the documents to permit and drill Well #6 on Commercial property. His concerns are waiting for the grant funding to drill the well will be unwise as the projected cost to drill a well continues to go up. The memo he provided the Board with why the Board should move forward with this project can be viewed on pages 64-65 of this board packet. Vice President Ron Stefani stated the Board will need to review the bids before making any final decision. A motion is made by Greg MacMillan and seconded by Glenn Oania to approve putting the Emergency Wel #6 project out to bid and coming back to the Board for final approval. The motion carried by the following roll call votes:

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

2. 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 66 of this board packet. Per the graph, good news the well levels continue to rise. 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.
3. Update on status of the **Castroville-Sewer Zone 1 (Washington Sewer Trunk Line Bypass Project)** – General Manager Eric Tynan stated the current project status is the 60% Design is completed, the CDP permit is pending Caltrans encroachment, County concurrence, and Easement Acquisition. The jurisdiction permitting is in progress. The State Water Resource Control Board CWSRF is the construction funding source for this project. The funding is obtained but the final information submittal is required to secure the construction funding. The target milestone is to complete the CDP application by 4/30/2024. The Capital Project Tracking Sheet can be viewed on pages 67 and 68 of this board packet. 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, CWSRF set aside for small, disadvantaged communities, "The Small Community Clean Water Wastewater 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 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.
4. Update on the status of the **Moss Landing Wastewater System Rehabilitation Project** – General Manager Eric Tynan stated the current project status is 60% Design is complete, CDP permit is pending County concurrence and Easement Acquisition. The State Water Resource Control Board CWSRF is the construction funding source for this project. The funding application has been submitted and additional information has been requested. The next target milestone is to complete the funding applications and CDP application. The Capital Project Tracking Sheet can be viewed on pages 67 and 68 of this board packet. 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 was completed February 2024. Upon completion of the land acquisition, the coastal development

permit application will be submitted for approval. 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.

5. Update on the status of the **Emergency Deep Aquifer Supply and Storage Tank Project** – General Manager Eric Tynan stated that the current project status is 30% Design and bridging documents are complete. The construction funding source is the Bureau of Reclamation WaterSMART grant. The WaterSMART application has been submitted and a decision is pending. Another alternative construction funding source would be CWSRF and M1W offered to assist with the CWSRF grant application. The next target milestone is to reallocate the remaining planning grant to prepare BOD report, as basis for CWSRF grant application. The Capital Project Tracking Sheet can be viewed on pages 67 and 68 of this board packet. 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. 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.
6. Update on the status of the **Overhead Sign at Highway 183 Project**: Per General Manager Eric Tynan he stated that the current project status is that the design is complete. Construction funding source is Caltrans. The concrete/foundation testing to confirm structural design has been completed by the Penhall Company, a nationwide leader in concrete solutions and the engineers have signed off on it. The Capital Project Tracking Sheet can be viewed on pages 67 and 68 of this board packet. At the January 16, 2024, board meeting, the Castroville CSD Board of Directors reviewed and submitted the signed Amended Cooperative Agreement to Caltrans. The delay for this project now has been the foundation. 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 YJ 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.

The Board Skipped ahead after New Business, Item 4 to closed session.

CLOSED SESSION: At 6.22 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 6:29 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. **Upon open session, the Board returned to the order of Business, New Business, Item 5.**

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 there are new board members. The biggest news continues to be how M1W rate payer fee charges will be put on the property tax bill in 2024/2025. Effective July 1, 2024, customers will no longer receive a direct bill for wastewater service from M1W and instead the bill will be replaced by an annual fee included on the parcel's property tax bill. The County of Monterey mails property tax bills in mid-October and payments may be made in two installments. The County of Monterey and the Treasurer-Tax Collector have also authorized Easy Smart Pay, a third-party vendor, to provide a monthly payment option for the payment of property taxes. Interested property owners can work directly with Easy Smart Pay to set up payments via ACH or credit card. There are also programs that can assist the ratepayers with their bills that M1W refers them to.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – Vice President Ron Stefani reported that the lasted model is out, Extraction Barrier Model. Farmers have listened to this presentation twice and have not asked any questions. As mentioned earlier, the factors that were used to make this modeling work was to shut all the wells off in the seawater intruded zones and use the extracted water.

3. Update on meetings or educational classes attended by the Directors – President Cosme Padilla informed the Board that he, Vice President Ron Stefani, and General Manager Eric Tynan had attended the CSDA Special District Leadership Academy Conference in San Luis Obispo on February 4-7. The conference was informative but also dry at times. However, the topic he found the most interesting was community outreach, which he feels Castroville CSD should be doing. He does recommend all the Castroville CSD Directors attend this conference if given the opportunity. Vice President Ron Stefani felt the same and found strategic planning, goal setting and the boards role as informative topics. General Manager Eric Tynan stated he also found the conference rewarding. There are always areas the Castroville CSD can improve but feels the District does a good job overall. Another meeting attend by President Cosme Padilla and General Manager Eric Tynan was the North Montrey County Alliance meeting. They also met briefly with the new CHISPA Director, who mention their Castroville housing project has been pushed back to 2027.

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 – January 2024 and February 2024. A motion was made by Ron Stefani and seconded by Glenn Oania to pay all bills presented. The motion carried by the following roll call votes:

| | | | |
|----------------|---|------------|--|
| AYES: | 5 | Directors: | Stefani, MacMillan, 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 James Cochran to adjourn to the next scheduled Board meeting; the motion carried by the following roll call votes:

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

The meeting was adjourned at 7:28 p.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by



Cosme Padilla
President