

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

February 17, 2026

President Ron Stefani called the meeting to order at 4:31 p.m.

ROLL CALL:

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

Absent: Director Cosme Padilla

General Manager: James Derbin

Secretary to the Board: Lidia Santos

Staff Present:

Guest: J. Eric Tynan, Mary Ann Leffel (Monterey Peninsula Airport District), John Gaglioti (Monterey Peninsula Airport District), and via phone Jonathan Ahmadi (Monterey Peninsula Airport District)

PLEDGE OF ALLEGIANCE

President Ron Stefani led the pledge of allegiance.

ADDITIONS OR CORRECTIONS TO THE AGENDA

PUBLIC COMMENTS

1. None

CONSENT CALENDAR

1. The motion was made by Glenn Oania and seconded by James Cochran to approve the draft minutes of January 20, 2026, Regularly Scheduled Board Meeting. The motion carried by the following roll call votes:

AYES: 4 Directors: MacMillan, Oania, Cochran, and Stefani

NOES: 0 Directors:

ABSENT/NOT

PARTICIPATING: 1 Directors: Padilla

Consent Calendar accepted as presented

CORRESPONDENCE:

1. Electronic mail from Jonathan Ahmadi (Monterey Peninsula Airport District) requesting the Boards support to be elected as the Special District Representative to the Local Agency Formation Commission of Monterey County (LAFCO).
2. Electronic mail from Bill Lipe (resource Conservation District of Monterey County) requesting the Boards support to be elected as the Special District Representative to the Local Agency Formation Commission of Monterey County (LAFCO).
3. Letter from ACWA JPIA regarding Liability and Property Risk Assessment for Castroville CSD.
4. Notice of Proposed Immaterial Permit Amendment to All Interested Parties from California Coastal Commission regarding Coastal Development Permit Nos. 9-13-1735 / A-3 MRA-0050 previously granted to California American Water Company ("Cal-Am") for: Constructing, operating, and decommissioning a test slant well, along Monterey Bay shoreline, within the City of Marina, Monterey County.

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. State of California Department of Transportation (Caltrans) News Release: Update #18, Daytime Work Continues on State Route 183/Merritt Street in Castroville

Informational items accepted as presented

PRESENTATIONS:

1. Monterey One Water (M1W): Informational Update: Capital Projects, Rate Study, and Strategic Priorities – Paul A. Sciuto, Executive Officer of M1W discussed briefly the following topics: the role of M1W, services & facilities, public works in action, what's in the works, customer groups, supporting their priorities with a wastewater rate study, and public rate setting. The presentation can be viewed in the agenda board packet. He addressed all questions the Board, staff and public had.

NEW BUSINESS:

1. Consider voting for the election of one regular Special District Representative to Local Agency Formation Commission of Monterey County (LAFCO): Jonathan Ahmadi (Monterey Peninsula Airport District); David Kong (Greenfield Public Recreation District and Greenfield Cemetery District); Mary Ann Leffel (Monterey Peninsula Airport District); and Bill Lipe (Resource Conservation District of Monterey County) – Jonathan Ahmadi addressed the Board via phone asking for their support as did Mary Ann Leffel who was present at the board meeting. Former Castroville General Manager J. Eric Tynan and Monterey Peninsula Airport District Board Member John Gaglioti spoke as well to encourage the Board to support Ms. Leffel. After some discussion, a motion is made by Glenn Oania and seconded by Greg MacMillan to vote for election of Mary Ann Leffel; Independent Special District Regular Member to serve a four-year term on the Local Agency Formation Commission of Monterey County. The motion carried by the following roll call votes:

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

2. Consider and approve Castroville CSD Draft Actuarial Study of Retiree Health Liabilities Under GASB 74/75, Valuation Date: June 30, 2025, prepared by Foster & Foster Actuaries and Consultants (Formerly Total Compensation Systems, Inc.) – Office Manager Lidia Santos reported to the Board as stated via email by Will Kane, FSA, EA Senior Consulting Actuary the measured liability increased by \$438,000 for the following reasons: \$38,000 due to the passage of time, \$193,000 due to Experience Losses, caused by the dramatic increases in CalPERS medical premiums from 2023 to 2025 (35% for Platinum Medicare) and by the new retiree, \$122,000 due to the addition of the Implicit Rate Subsidy and \$85,000 due to changes in the CalPERS assumed rates of retirement for the 2% @ 60 pension formula. A motion was made by Glenn Oania and seconded by Greg MacMillan to approve the Castroville CSD Draft Actuarial Study of Retiree Health Liabilities Under GASB 74/75, Valuation Date: June 30, 2025, prepared by Foster & Foster Actuaries and Consultants (Formerly Total Compensation Systems, Inc.) The motion carried by the following roll call votes:

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

UNFINISHED BUSINESS:

1. Update on water and sewer rate study – General Manager James Derbin informed the Board that he is still working on getting the request for proposals (RFPs) out.
2. Update on Street Lighting for Castroville Zone1 and Moro Cojo Zone 2 – General Manager James Derbin stated that the lack of lighting for the Japanese Schoolhouse and surrounding ballfield buildings is currently being worked on, which will address lighting concerns the community has had for this area. Furthermore, he continues to work with PG & E representatives on correcting billing/ownership issues.

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3. Update on Well #6 Project – General Manager James Derbin stated that the construction of Well #6 is complete and further development and water quality sampling is recommended. RFPs for pump rental have been sent out. He is also reviewing a proposal from Pueblo Water Resources to manage the additional pumping.

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 meeting (M1W) – President Ron Stefani stated Paul A. Sciuto, Executive Officer with MIW has provided an information update on the agency. M1W is actively working on a wastewater rate study. At the upcoming February 23, 2026, board meeting, the Board will provide direction to staff on the proposed wastewater rate structures between fiscal years 2026/27 and 2030/31.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) meeting – President Ron Stefani announced that the farmers from North and South County are arguing and blaming each other. A decision will need to be made by this year by the GSA. As mentioned at last month's board meeting the GSA received a letter from DWR stating they want more information so they can evaluate the 5-year interim inspection of what the GSA is doing.
3. Update on meetings or educational classes attended by the Directors – There were no meetings.

GENERAL OPERATIONS

1. General Manager's Report – Compliance update, current projects update, meetings/seminars update, staff update, suggestive projects discussions
2. Operations 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 2026. A motion was made by Glenn Oania and seconded by James Cochran to pay all bills presented. The motion carried by the following roll call votes:

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

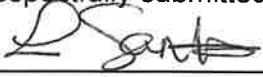
There being no further business, a motion was made by Glenn Oania and seconded by Greg MacMillan to adjourn to the next scheduled Board meeting; the motion carried by the following roll call votes:

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

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The meeting was adjourned at 5:39 p.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Ron Stefani
President