

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

March 17, 2020

President Adriana Melgoza called the meeting to order at 4:31 p.m.

ROLL CALL:

Directors Present: Vice President James Cochran, and Director Ron Stefani, Director Cosme Padilla and President Adriana Melgoza

Absent: Director Glenn Oania

General Manager: Eric Tynan

Secretary to the Board: Lidia Santos

Staff Present:

Guest:

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by General Manager Eric Tynan at the request of President Adriana Melgoza.

President Adriana Melgoza announces that social distancing regulations are being implemented at this meeting and all present are at least six feet apart (less than ten are gathered) and there is no public present.

ADD UNDER NEW BUSINESS:

Emergency Agenda Item: Authorize General Manager Eric Tynan to proceed as necessary for the safety of the public and employees during this coronavirus 2019 pandemic and consider approving the Castroville CSD's coronavirus response plan, along with a telecommuting policy for employees. A motion is made by Ron Stefani and seconded by Cosme Padilla to add these items to the agenda during these emergency order, under new business. The motion carried by the following vote:

Background – Basis for Adding Item to Agenda:

Emergency Agenda Item. Pursuant to Government Code section 54954.2(b)(2) - Need to take immediate action, and need for action came to the District's attention after the Agenda was posted:

Board Vote to add item to agenda. A motion was made by Ron Stefani and seconded by Cosme Padilla to add the items listed above to the agenda under, New Business. The motion carried by the following vote:

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

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 February 18, 2020 Scheduled Board Meeting. The motion carried by the following vote:

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

Consent Calendar accepted as presented

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CORRESPONDENCE:

1. Letter from Monterey One Water regarding Memorandum of Understanding for Conducting Annual Fog Program.
2. Memorandum from LAFCO regarding Call for Nominations of Candidates to Fill One Special District Seat on LAFCO (Due March 30, 2020)

Correspondence Calendar accepted as presented

INFORMATIONAL ITEMS:

1. *CSDA News* by Kyle Packham – Governor Newsom issues New Executive Order providing Brown Act flexibility for local agencies
2. *Herald* by Jim Johnson – Final Peninsula water supply, demand report to be finished next week
3. ACWA Spring Conference & Exhibition Preliminary Agenda and pricing sheet for May 5-8, 2020, Monterey, CA
4. *The Future of What's Next* by Carl Smith – California's 'Salad Bowl' Recharges Depleted Aquifer
5. Board Roles and Responsibilities workshop, April 8, 2020, 6:00 p.m.-8:00 p.m., Castroville (Cancelled as of March 17, 2020 and only available online)

Informational items accepted as presented

PRESENTATIONS:

1. None

NEW BUSINESS:

1. Authorize General Manager Eric Tynan to proceed as necessary for the safety of the public and employees during this coronavirus 2019 pandemic and consider approving the Castroville CSD's coronavirus response plan, along with a telecommuting policy for employees. – General Manager Eric Tynan presented to the Board the Castroville CSD coronavirus response plan that outlines what steps are to be taken at the different risk levels from Risk Level 1-4. This response plan will make it clear what action needs to be followed in order to ensure the safety of district staff and the public. In addition, he would like the Board to approve a telecommuting policy for those employees that are able to work from home to comply with social distancing. Office Manager Santos and on occasion Lead Operator Galvez can work from home if needed. He also purchased two laptops today for these employees to utilize from home. President Adriana Melgoza asked if Ms. Santos and Mr. Galvez were both receiving a telephone stipend, and if not, they should, especially if they will be working from home as per employment laws. General Manager Eric Tynan stated that all the operators do receive a telephone stipend and he will see about providing Office Manager Santos with a telephone stipend as well. Per President Adriana Melgoza if the office will be closed during this pandemic, which as of today it is at Risk Level 3, the Castroville CSD should consider waiving customer credit cards fees since they will be required to shelter in place as of today. She is aware it is not a huge fee that is assessed for customers using their credit cards but feels customers should not have to pay these fees during the shelter in place order and should apply more so to residential customers. General Manager Tynan informed her that the District does not charge and does not collect the revenue from these fees. These fees are assessed by the credit card company. If these fees were waived, the District would be paying for this and it would be very time consuming for billing to have to credit each individual customer account. The convenience fees assessed by the credit card company ranges from \$1.95 for charges under \$65 dollars and 3% of charges over \$65. In addition, the customers have the option of paying by check, money-order or bill pay with their bank and mailing or depositing payment in the front office drop box, which is available 24/7.

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Director Padilla stated that it is not unknown for government agencies to charge a credit card convenience fee and the District's public funds would be applied to cover these fees and for this reason he cannot support waiving these fees. Director Stefani agreed with Director Padilla that customers are already aware of these small fees when using their credit cards and choose to use this method anyways. President Melgoza made a motion to waive the credit cards fees for customers who pay with credit cards and for Castroville CSD to send out a statement assuring customers of their continued water service and there would be no shut-offs during this emergency order. She called for a Director to second the motion and there was no second. This motion did not pass as the rest of Board did not agree with waiving credit card fees but agreed with her other recommendations as is reflected in the minutes. Director Padilla mentioned that the general public seems to have this concept that tap water is not safe to drink and instead invests in bottled water and the District needs to assure our customers that it is safe to drink and that their water service will not be interrupted. General Manager Tynan informed the Board he can have a notice go out to the water customers addressing the following: tap water is safe to drink as the coronavirus cannot be transmitted in water, the District is considered an essential service and will continue to provide water service to its customers and during this emergency order they will not be shut off. The Board all concurred General Manager Eric Tynan should mail out a notice in English and Spanish addressing these concerns. After much discussion, a motion was made by Cosme Padilla and Seconded by James Cochran to authorize General Manager Eric Tynan to proceed as necessary for the safety of the public and employees during this coronavirus 2019 pandemic (mail notice to customers and no shut-offs during this emergency order) and approve the Castroville CSD's coronavirus response plan, along with a telecommuting policy for employees and provide Ms. Santos with a \$40 monthly phone stipend. The motion carried by the following vote:

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

2. Consider approving proposal from Scudder Roofing Company for Roof Overlay of District office not to exceed \$21,650 – General Manager Eric Tynan reported to the Board that it has been a least over 20 years since the roof has been replaced. Scudder Roofing Company submitted the most detailed proposal and is recommending the Board approve it. This proposal includes prevailing wage. After some discussion, a motion is made by Ron Stefani and seconded by James Cochran to approve the proposal from Scudder Roofing Company for Roof Overlay of District office not to exceed \$21,650. The motion item carried by the following vote:

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

3. Consider amending annual 2019/2020 Operating Budgets for Castroville Zone1-Water, Zone1-Sewer, and Zone 1-Governmental, Zone 2-Moro Cojo, Zone 2-Governmental and Zone 3-Moss Landing – General Manager Eric Tynan reviewed the 2019/2020 Operating Budgets with the Board and pointed out that the highlighted budget line items are the ones that he is requesting be amended. Some of the highlighted budget line items are being increased or reduced to be more aligned with actual income or expense to be allocated. Once reviewed and discussed, a motion is made by Ron Stefani and seconded by Cosme Padilla to approve the amended annual 2019/2020 Operating Budgets for Castroville Zone1-Water, Zone1-Sewer, and Zone 1-Governmental, Zone 2-Moro Cojo, Zone 2 Governmental and Zone 3-Moss Landing. The motion carried by the following vote:

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

4. Discuss formation of a Sea Water Intrusion Committee – General Manager Eric Tynan let the Board know that Gary Peterson will be stepping down as the Executive Director of Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA). However, he will still be working with the SVBGSA for a year and wants to form a committee specifically to help Castroville as Castroville would be the first to be affected by seawater intrusion the hardest. In this committee he wants to include the General Manager from Marina Coast Water District and other individuals. The committee is not finalized yet and wanted the Board to know he was asked to be on this committee too. Since Director Ron Stefani is a representative on the SVBGSA, he was already aware of this information.

UNFINISHED BUSINESS:

1. Status of Well #2, Well #5 and well levels – General Manager Eric Tynan reported to the Board that Well #2, #3, and #5 are all back online. In addition, for Well #3 the chloride levels have dropped from 517 to the 400s. The District has managed to keep this well going since 2007 when it first got intruded and this is the location where the District wants to tie into the desal line. When Well #3 is running it provides water for the whole town as does the other wells, except for Well #5. Well #5 is too hot and requires to be blended with another well.
2. 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 advised the Board that the Moss Landing grant was submitted in December 2019 and California Department of Water Resources administration is still reviewing it. As for the Integrated Regional Water Management Plan (IRWMP) there is \$395,000 that would be coming to Castroville if this grant gets awarded. He is also still waiting to hear on the status of the IRWMP grant that was submitted and will update the Board when he acquires any news. He also met with CalTrans to discuss their improvement project for Merritt Street and the sewer line that the District wants to run from Tembledera and Washington Street. He is working on an encroachment permit for this project (Washington Sewer Bypass project). Current funding efforts: Moss Landing sewer system improvements, Castroville emergency well replacement, Castroville water supply improvements and Castroville wastewater improvements.
3. Update on Cal Am's Monterey Peninsula Water Supply Project (MPWSP) – General Manager Eric Tynan reported to the Board that the Coastal Commission was originally going to make a decision at this meeting regarding the MPWSP in Scotts Valley. He was planning to attend this meeting but was still not feeling well. Instead he watched the meeting online. Cal Am pulled their permit so it does not expire and chose to take a 90-day delay, so the Coastal Commission did not hear this matter in March. It will probably be heard in September in San Luis Obispo. He was also planning to have a lunch meeting with a Coastal Commission staffer who cancelled as she was feeling ill. Director Ron Stefani stated that unfortunately, the chairman of the Coastal Commission Meeting was diagnosed with coronavirus the day after this meeting was held.
4. Progress report on Design for Reservoir No. 4 Fill Modification Project – General Manager Eric Tynan informed the Board that the plans for the Design for Reservoir No. 4 Fill Modification Project is 90% complete. He just received the progress report on Friday, about 91 pages and he will make it available for the board to review next time as the board packet had already went out. The engineer did a great job. This project is going to be used for the grant and that is why the District needs to spend these funds to help facilitate the grant and is money well spent.

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5. Update on Castroville Oaks project – General Manager Eric Tynan let the Board know that he had a meeting scheduled with Mr. Tran with CHISPA, but both had to cancel. For this project, he estimates \$168,000 in impact fees and \$600,000 in connection fees. District Legal Counsel Kemp is working on drafting a written contract/agreement between Castroville CSD and CHISPA on what services and fees would be assessed for the Castroville Oaks project. However, if he can obtain the contract in Word format, he can save the District additional legal fees and he can also manipulate it

to fit the District's needs and then resubmit to the attorney for final review and then to the Board for final approval.

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 board meeting – Director Ron Stefani reported to the Board that Pure Water Monterey is flowing water now. They have water going into the ground to the Seaside basin. They need to pump 100,000 acre-feet first to put a reserve in. Once this is done, then there will be water in place for Cal Am to use. Cal Am will probably pull this water in six to eight months and will have to start paying after the first 100,000 acre-feet. There is bad news on the sewer side as they need a big rate increase and Monterey One Water General Manager Sciuto was planning on doing presentations to garner support for the rate increase. Not sure how it will be handled now with the current coronavirus situation and recession looming, it may need to be delayed.
2. Update on Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) – Director Ron Stefani reported to the Board that there are three lawsuits pending at this time. The City of Marina initially sued over the CEMEX property, the County and Cal Am both counter sued Marina, and Marina is now suing for something else. Lydia Villarreal is the judge for Monterey County handling these cases and a decision should be made in a month. A 3 million dollar grant was received for the plan that pertains to the three basins and a valley plan that are outside of the 180/400 foot aquifer. All these basins outside of the 180/400 foot aquifer must be completed by 2022 and it should be easy to put them together. More so, they are already fighting in Greenfield and it is anticipated there will be more lawsuits.
3. Update on meetings or educational classes attended by the Directors – Director Cosme Padilla reported to the Board he had attended the Castroville Neighborhood Meeting. At this meeting they discussed the coronavirus and how to prepare for it. The focus of this meeting is how to prepare for disasters.

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

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CHECK LIST – February 2020. A motion was made by Cosme Padilla and seconded by James Cochran to pay all bills presented. The motion carried by the following vote:

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

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

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

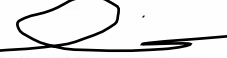
The meeting adjourned at 5:55 p.m. until the next scheduled meeting

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Adriana Melgoza
President