PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA. 95076
TEL: 831) 722-9292 FAX: 831) 722-3139
email: info@pvwater.org • https://www.pvwater.org

AD HOC RATE SETTING COMMITTEE MEETING
Water Resources Center Conference Room
500 Clearwater Lane, Watsonville
March 19, 2026, 1:00 p.m. – 4:00 p.m.

MEETING AGENDA

1. **Call to Order, Roll Call, Introductions:**
   Committee members: See table below.

2. **Committee Member Comments**

3. **Public Comments**
   This time is set aside for members of the general public to address the Committee on any item not on the agenda, and that is within the subject matter jurisdiction of the Committee. Each speaker is allotted up to 3 minutes.

4. **Consider Corrections to January 28, 2026, Meeting Summary**
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   v. Committee action

5. **Consider Appointment of Ad Hoc Rate Setting Committee Applicant**
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   v. Committee action

6. **Receive Presentation and Discuss Cost Allocations, Preliminary Rates, and Capital Project Unit Costs**
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   v. Committee action

This agenda is subject to revision and maybe amended prior to the scheduled meeting. If amended, a Final Agenda to be posted at PV Water, 36 Brennan Street, Watsonville and at the location where meeting will be held, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the meeting. This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1900 (42 U.S.C. Sec. 12132) and the Ralph M. Brown Act (Cal. Govt. Code Sec. 54954.2). Persons requesting a disability-related modification or accommodation should contact PV Water Board Secretary at (831) 722-9292 during regular business hours at least 24 hours prior to the time of the meeting.

7. **Review Schedule & Discuss Next Steps**
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   vi. Committee action

8. **Adjournment**

COMMITTEE MEMBER	AFFILIATION
Kirk Schmidt, Chair	Santa Cruz County Farm Bureau
Stephen Rider, Vice Chair	PV Water Board
Tom Broz	PV Water Board
CJ Miller	PV Water Board
Robert Rodoni	Monterey County Farm Bureau
Beau Kayser	City of Watsonville
Don Olsen	Water District Representative
Paul Lego	Water Mutual Representative
Alan Thorne	Coastal Landowner
John Larse	Coastal Water User
Doug Daykin	Rural Residential
Aaron Dillon	Inland Landowner
Richard Opie	Inland Water User
Vacant	Industrial User
Vacant	At-Large
Vacant	Small / Beginning Grower

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Ad Hoc Rate Setting Committee Meeting No. 2
January 27, 2026, 1:00 p.m.

City of Watsonville
Water Resources Center
500 Clearwater Lane
Watsonville, CA

DRAFT

AD HOC RATE SETTING COMMITTEE MEETING SUMMARY

AD HOC RATE SETTING COMMITTEE MEMBERS	
Present	**Not Present**
Kirk Schmidt, Santa Cruz County, Committee Chair	John Larse, Coastal Water User
CJ Miller, PV Water, Director of the Board, Committee Vice Chair	
Tom Broz, PV Water, Director of the Board	
Beau Kayser, City of Watsonville	
Stephen Rider, PV Water, Director of the Board	
Robert Rodoni, Monterey County Farm Bureau	
Doug Daykin, Rual Residential	
Don Olsen, Water District Representative	
Alan Thorne, Coastal Landowner	
Paul Lego, Water Mutual Representative	
Richard Opie, Inland Water User (Newly Appointed)	
Aaron Dillon, Inland Landowner (Newly Appointed)	
Staff and Other Attendees	
Brian Lockwood, General Manager (GM)	Ellen Cross, Consultant - Strategy Driver, Inc.
Nancy Trevino, Finance & Admin Services Manager (FASM)	Kim Lightner, Consultant - Carollo Engineers
Shinehah Bigham, Operations & Maintenance Manager (OMM)	Ricky Gutierrez, Consultant - Carollo Engineers
Corin Hammond, Executive Assistant/Board Secretary (EA/BS)	Jennifer Ivey, Consultant - Carollo Engineers, via Teleconference
Priscilla Sanchez, Financial Analysist (FA), via Teleconference	

1. **Call to Order, Roll Call, Introductions**
   Chair Kirk Schmidt called the Ad Hoc Rate Setting Committee Meeting of Pajaro Valley Water Management Agency to order at 1:07 p.m. Chair Schmidt introduced GM Lockwood, who welcomed the Committee Members and called the roll; Committee Members introduced themselves.

2. **Committee Member Comments**
   None

3. **Public Comments**
   None

4. **Consider Corrections to November 13, 2025, Meeting Summary**
   No corrections presented.

5. **Consider Appointment of Ad Hoc Rate Setting Committee Applicant(s)**
   GM Lockwood introduced the AHRS Committee Applicants: Richard Opie, applicant for Inland Water User, and Aaron Dillon, applicant for Inland Landowner. The applicants provided a few remarks to the Committee. Gm Lockwood noted the remaining vacant seats and encouraged members to invite suitable candidates to apply.

   Action: Committee Chair Schmidt moved to approve the appointment of new Ad Hoc Rate Setting Committee applicants; Committee Member Olsen seconded the motion. Motion passed by the following voice vote:

AYES:	All Present Committee Members
NOES:	None
ABSENT:	Larse
ABSTAIN:	None

6. **Receive Presentation and Discuss Anticipate Revenues and Expenditures including Capital Improvement Projects; Introduce Cost Allocation Process**
   GM Lockwood introduced the consultant team and staff attending both in person and via teleconference. Ricky Gutierrez, Carollo Engineers, opened the presentation by outlining meeting objectives and reviewing key topics from the Committee's November meeting. The floor was then opened for discussion. The Committee inquired about current interest rates and their similarity to those at the time of the last rate-setting effort. Staff and consultants then reviewed PV Water's past success in securing grants and discussed the uncertainty of future grant funding. Discussion ensued regarding the water conservation program and other groundwater sustainability plan program requirements. Additional discussion concerned the roles of committees, in particular the Projects & Facilities Operations Committee and Ad Hoc Rate Setting Committees. The Committee inquired about a cost-benefit analysis of capital projects (College Lake Integrated Resources Management Project and Watsonville Slough System Managed Aquifer Recharge & Recovery Project (WSS-MARR)), and whether the currently approved projects remain worth the cost. The consultants introduced two scenarios to consider: Scenario 1 assumed the projects would be completed in the most aggressive schedule possible and held the conservation program constant less necessary cost increase. Scenario 2 assumed capital projects would be delayed by a year and the conservation program would be augmented. Roundtable discussion ensued.
   Proposition 218 and Proposition 26 procedures were reviewed.

   Action: The Committee directed staff and consultants to prepare an updated cost-benefit analysis of the College Lake and WSS-MARR projects (cost per acre foot), and to proceed with preparing cost allocations for Scenario 1.

7. **Review Schedule & Next Steps**
   Staff and consultants reviewed the schedule and next steps.

8. **Discuss Future Agenda Items and Next Meeting Date: March 17, 2026, or March 19, 2026**
   Action: The Committee set the meeting date: March 19, 2026, at 1:00 p.m.

Meeting Adjourned at 3:58 p.m.

MEMORANDUM

DATE: March 13, 2026
MEETING OF: March 19, 2026
TO: Ad Hoc Rate Setting Committee
FROM: General Manager
RE: **ITEM 5:** Consider Appointment of Ad Hoc Rate Setting Committee Applicant

BACKGROUND

The Pajaro Valley Water Management Agency (Agency) Board of Directors (Board) established the Ad Hoc Rate Setting Committee (Committee) to enhance community involvement and provide input throughout the rate setting effort, and to advise the Board in its evaluation of rates to support the implementation of the projects and programs described in the Agency's Basin Management Plan - Groundwater Sustainability Update 2022.

DISCUSSION

At the direction of the Board, staff has been working to advertise and recruit participants to serve on the Committee. The table below identifies seated Committee members. On March 5, 2026, staff received an application from Robert Wall (attached) to serve in either the "At Large" or "Small Beginning Grower" capacity; both seats are currently vacant. The "Industrial User" seat is also vacant.

Applicant	Name
Water District Representative	Don Olsen
Water Mutual Representative	Paul Lego
Coastal Landowner	Alan Thorne
Inland Landowner	Aaron Dillon
Coastal Water User	John Larse
Inland Water User	Richard Opie
Rural Residential	Doug Daykin
Industrial User	Vacant
At-Large	Vacant
Small / Beginning Grower	Vacant

FISCAL IMPACT

None.

STAFF RECOMMENDATION

The Committee members appoint to the applicant to serve on the Committee.

ATTACHMENTS

- Application

APPLICATION FOR APPOINTMENT TO AD HOC RATE SETTING COMMITTEE

Date: 3/4/2026

Name: Robert Wall

Address: 411 Walker St., watsonville CA 95076

Employment: Aptos Berry Farms, Reiter Affiliated Co., Land and Water Resource Manager

Daytime Phone: 831 206 7831

E-mail Address: robert.wall@berry.net

Applying For:

- ☐ Water District Representative
- ☐ Water Mutual Representative
- ☐ Coastal Water User
- ☐ Inland Water User
- ☐ Inland Landowner
- ☐ Coastal Landowner
- ☐ Rural Residential
- ☐ Industrial User
- ☒ At-Large
- ☒ Small/Beginning Grower

PV Water paying customer: ☒ Yes ☐ No

Previous service on public agency committees, boards, or elected offices (names/dates).

Santa Cruz Technical Advisors, 2024

Corralitos Padres, Board Member, 2025 to present

Monterey Bay Salmon & Trout Project, Volunteer/board Member 2017 to Present

Please explain why you would like to serve (attach a separate sheet if necessary).

My experience managing land and water for growers in San Benito, Santa Cruz, Monterey, San Luis Obispo, and Santa Barbara counties has given me exposure to many different basins and and sizes of farming operations. Aptos Berry Farms is our oldest company in Pajaro Valley, which consists of 42 small farmers starting at 10 acres. I feel I can serve to speak on behalf of these growers

Please indicate any potential conflicts of interest. Examples include pending litigation or involvement in other conflicting organizations.

N/A

Years resided/worked in Pajaro Valley: 16

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OFFICE USE ONLY Date Received: _____ Application Complete: ☐ Yes ☐ No

No. of Letters of Recommendation:_____ Date called/interviewed _____

Recommended for appointment? ☐ Yes ☐ No

Additional Comments: _____