



**PAJARO VALLEY WATER MANAGEMENT AGENCY**

36 BRENNAN STREET • WATSONVILLE, CA 95076  
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**AD HOC FUNDING COMMITTEE MEETING**

**Friday, June 7, 2013, 12:00 p.m.**  
**Pajaro Valley Water Management Agency**  
**36 Brennan Street, Watsonville**

**MEETING No. 1**

**AGENDA**

- 1. Call to Order, Roll Call, and Introductions**
- 2. Committee comments (limited to 3 minutes per person)**
- 3. Public comments (limited to 3 minutes per person)**
- 4. Formation of the Ad Hoc Funding Committee**

Board Appointees - Completed

Dave Cavanaugh (Chair)

Amy Newell

Paul Faurot

Confirm Committee Composition

Water Mutual

Coastal Landowner

Inland Landowner

Coastal Water User

Inland Water User

Rural Residential

City of Watsonville

Santa Cruz County Farm Bureau

Monterey County Farm Bureau

Landowner Group

Determine Appointment vs Application Positions (BMP Committee example attached)

PVWMA is a state-chartered local Agency formed "to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and insure sufficient water supplies for present and anticipated needs within the boundaries of the Agency. It is anticipated that long-term overdraft problems may not be solved unless supplemental water supplies are provided. The water management Agency should, in an efficient and economically feasible manner, utilize supplemental water and available underground storage and should manage the groundwater supplies to meet the future needs of the basin." This agenda is subject to revision and may be amended prior to the scheduled meeting. If amended, a Final Agenda will be posted at the PVWMA offices at 36 Brennan Street, Watsonville, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the Board 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 1990 (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 PVWMA at (831) 722-9292 during regular business hours, at least 24 hours prior to the time of the meeting.

Verify Appointment Process

Verify Application Process (BMP Committee application example attached)

Next Steps and Timeline

Committee Appointment Letters	June 14, 2013
Committee Application Announcement	June 21, 2013
Committee Appointments and Applications Due	June 28, 2013
Committee Meeting to Select Members	Week of July 8, 2013
Board of Directors Approval of Committee	July 17, 2013

## 5. Ad Hoc Funding Committee Mission and Goals (PRELIMINARY for discussion)

*Mission: A community led effort to establish a new PVWMA rate structure for funding the implementation of the recommended BMP.*

*Goal: Guide the development of a Service Charge Report that meets Proposition 218 and other legal requirements for establishing augmentation and delivered water charges.*

*Goal: Educate and inform the community regarding the proposed rate structure.*

*Goal: Inform and support the PVWMA Board of Directors on decisions regarding the proposed rate structure.*

## 6. Rate Setting Process

Brief introduction to process

Overall timeline

## 7. Meetings and Next Steps

Ad Hoc Funding Committee Meeting

PVWMA Board of Directors Meeting

## 8. Adjourn



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***Draft – for review at Ad Hoc BMP Committee December 9, 2010***

**PAJARO VALLEY WATER MANAGEMENT AGENCY  
APPLICATION FOR APPOINTMENT  
TO AD HOC BASIN MANAGEMENT PLAN COMMITTEE**

The Pajaro Valley Water Management Agency (PVWMA) is initiating the Basin Management Plan Update (BMP Update). PVWMA is forming an Ad Hoc BMP Committee (Committee) to allow the Pajaro Valley community to help guide the development of the BMP Update and serve as advisors to the PVWMA Board of Directors. The mission of the Committee is to integrate ideas, concepts and identify potential projects to mitigate long term groundwater overdraft, stop seawater intrusion, and protect water quality through a community wide effort involving all interested stakeholders. The objectives are to:

1. Define the list of projects and programs, their integral timing and costs, and their acceptance by the community.
2. Create consensus between the community and the PVWMA by identifying solutions that are acceptable to those that will benefit and will ultimately be funding the plan.

In order to allow stakeholders to participate equally and to ensure a balanced and representative cross-section of the Pajaro Valley community, PVWMA is undergoing a Committee appointment and application process. The Committee agreed that the participants should include a group of Pajaro Valley stakeholders that represent a balanced and fair cross-section of the community. The selection of the Committee participants would be either through appointment or application, as noted in the list below.

**By Appointment**

1. Board Member Cavanaugh (appointed by PVWMA Board)
2. Board Member Imazio (appointed by PVWMA Board)
3. Board Member Osmer (appointed by PVWMA Board)

4. Santa Cruz County (appointment by District Supervisor)
5. Monterey County (appointment by District Supervisor)
6. Landowner Group convened by Ed Kelly (appointment by Group)
7. Stakeholder Group convened by Driscoll's (appointment by Group)
8. Santa Cruz County Farm Bureau (appointment by Farm Bureau)
9. Monterey County Farm Bureau (appointment by Farm Bureau)
10. City of Watsonville (appointment by Mayor)
11. Pajaro Sunny Mesa CSD (appointment by PSMCSD Board)

**By Application**

12. Mutual Water Districts
13. Rural Resident
14. Environmental Group
15. At Large

Interested Committee applicants are invited to submit the application for consideration and participation as a Committee member. All Committee meetings are open to the public, so interested stakeholders may choose to participate in the process without requiring application as a Committee member. Committee members are being asked to commit to an 18 to 24 month BMP Update Process.

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Employment \_\_\_\_\_

Daytime Phone: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Applying For:

Mutual Water District	Rural Resident
Environmental Group	At Large

Years resided or worked in Pajaro Valley: \_\_\_\_\_

List any school courses, volunteer activities, special skills, training, certificates, licenses, or work/volunteer experience that you feel relate to your qualifications. If you like, you may attach a separate sheet for this purpose or to state your qualifications.

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

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

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

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OFFICE USE ONLY

Application Complete?  YES  NO

Number of Letters of Recommendation Received: \_\_\_\_\_

Date called/interviewed \_\_\_\_\_ Recommended for appointment?  YES  NO

Appointee prefers not to have address or phone number published?  YES  NO

Additional Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

November 17, 2010

Dear \_\_\_\_\_;

On October 6, 2010, Pajaro Valley Board of Directors (Board) voted in favor of forming an Ad Hoc Basin Management Plan (BMP) Committee to allow the Pajaro Valley community to help guide the development of the BMP Update. The objective of the BMP Update process is to investigate all practical projects and programs that contribute to the efficient and economical management of existing and supplemental water supplies in the Pajaro Valley. This Committee will serve in an advisory role to the Board on matters related to the BMP Update. The Board is requesting your help in selecting a participant that will represent your agency or organization during the development of a BMP that best addresses the needs of the Pajaro Valley.

On October 20, 2010, the Board appointed directors Rosemarie Imazio, Dave Cavanaugh, and Dennis Osmer to the committee. The first Committee meeting was held on November 2, 2010. It was agreed that Director Cavanaugh would chair the Committee and that a Co-Chair would be named after the full Committee is seated. The Committee and stakeholders in attendance decided that appointed participants should include a group of Pajaro Valley stakeholders that represent a balanced and fair cross-section of the community. The selection of participants in addition to the three directors on the committee would be either through appointment or application, as noted in the list below.

By Appointment

1. Santa Cruz County (appointment by District Supervisors)
2. Monterey County (appointment by District Supervisor)
3. Organized Water Resources Landowner Group – convened by Ed Kelly (appointment by Group)
4. Organized Water Resources Group – convened by Driscoll's (appointment by Group)
5. Santa Cruz County Farm Bureau (appointment by Farm Bureau)
6. Monterey County Farm Bureau (appointment by Farm Bureau)
7. City of Watsonville (appointment by Mayor)
8. Pajaro Sunny Mesa CSD (appointment by PSMCSD Board)

By Application

9. Mutual Water Districts
10. Rural Resident
11. Environmental Group
12. At Large

It was agreed that the appointed positions should be made prior to initiating the application process. This approach will allow the appointed members to participate in the selection of the applicant members. The application process will begin after all appointments have been made.

The AHBMP Committee will likely meet monthly for a period of 18 months to two years. Most meetings will be 2 hours in length. Additionally, there will be periodic community informational forums. It is important that all committee members commit to actively participating in the effort so that the best possible solution to the groundwater overdraft in the Pajaro Valley can be identified and embraced by the community.

Please provide your recommended appointment as soon as possible. Our next Committee meeting is scheduled for December 9, 2010 at 2:00 at the new City of Watsonville Recycled Water Facility at 500 Clearwater Lane in Watsonville. If you have any questions or comments, please contact me at 722-9292 or 254-2015. We appreciate your assistance with this very important work and look forward to cooperatively developing a water management solution that benefits the entire Pajaro Valley community.

Sincerely,

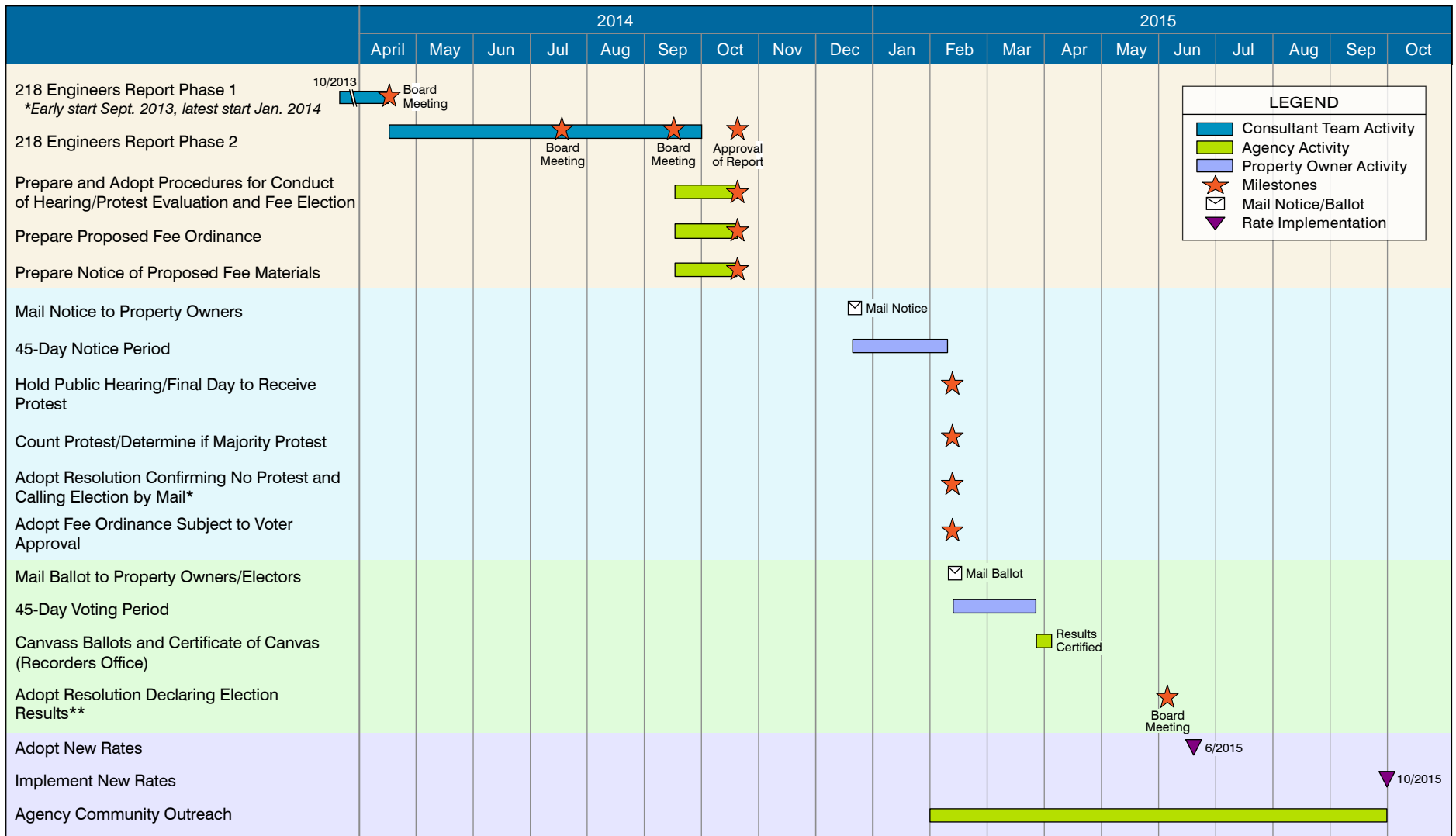
Mary Bannister  
General Manager









## PVWMA PROPOSITION 218 PROCESS OUTLINE FOR GROUNDWATER AND AUGMENTATION CHARGE

<b>Task</b>	<b>Notes</b>
Phase 1 Preliminary Analysis	Included a concept level analysis of the various rate setting alternatives; Phase 1 ends with the Board approval of a recommended strategy
<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>	Board will receive presentation, no action taken; action will be deferred to subsequent meeting to allow Board and public adequate time to review recommendation
<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>	Board will take action on recommendation
Phase 2 Engineering Analysis	Detailed engineering analysis of the Board approved strategy; Phase 2 ends with the delivery of the Proposition 218 Engineering Report/service charge study
<ul style="list-style-type: none"> <li>Develop and Allocate Costs</li> </ul>	Verify and categorize project and agency costs; allocate costs to each property owner category based on cost causation/service provided
<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>	Present update on the status of the engineering work
<ul style="list-style-type: none"> <li>Zone of Service Delineation</li> </ul>	Identify zones of service for the project; determine additional costs associated with the service to the zones
<ul style="list-style-type: none"> <li>Property Owner Fee Development</li> </ul>	Develop proportionately based cost of service fees; determine total unit cost per property owner category; determine appropriate weighting factors of property owner votes
<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>	Present update on the status of the engineering work
<ul style="list-style-type: none"> <li>Draft Report</li> </ul>	Prepare draft report including all of the engineering work; submit to PVWMA staff and general counsel for review
<ul style="list-style-type: none"> <li>Review Report</li> </ul>	PVWMA staff and general counsel review and comment on draft report
<ul style="list-style-type: none"> <li>Revise and Finalize Report</li> </ul>	Incorporate edits and revise/finalize engineering report for submittal to Board of Directors
<ul style="list-style-type: none"> <li>Other Documents</li> </ul>	Staff to research and prepare proposed procedures for conduct of hearing/protest evaluation and fee election, draft proposed fee ordinance and public hearing notice
<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>	Board will receive report, no action will be taken; action will be deferred to subsequent meeting to allow Board and public adequate time to review report
<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>	Board will take action on report and Proposition 218 hearing and election
Phase 3 Implementation	After Board approval of rate alternative, staff will work with engineering and legal team to implement the Proposition 218 procedural voting requirements
<ul style="list-style-type: none"> <li>Mailout / 45-day Period</li> </ul>	Mail public hearing notice and receive protests

<ul style="list-style-type: none"> <li>• Hearing / Board Meeting</li> </ul>	<p>Conduct public hearing on proposed charge and receive and consider protests and other comments; evaluate and determine majority protest; and, assuming no majority protest - adopt resolution confirming no protest and calling election by mail and adopt ordinance subject to voter approval</p>
<ul style="list-style-type: none"> <li>• Mail Ballot/ 45-day Period</li> </ul>	<p>Mail ballots in accordance with approved elections procedures; receive ballots</p>
<ul style="list-style-type: none"> <li>• Canvassing</li> </ul>	<p>Canvass ballots by county elections official and prepare certificate of election results</p>
<ul style="list-style-type: none"> <li>• Board Meeting</li> </ul>	<p>Receive results of election; no action taken at this Board meeting; if successful election; adopt new rates at May 19 board meeting</p>
<ul style="list-style-type: none"> <li>• Board Meeting</li> </ul>	<p>Adopt resolution declaring election results; If successful election, implement new rates</p>



**LEGEND**

-  Consultant Team Activity
-  Agency Activity
-  Property Owner Activity
-  Milestones
-  Mail Notice/Ballot
-  Rate Implementation

\*Assuming no majority protest  
 \*\*Assuming voter approval