PAJARO VALLEY WATER MANAGEMENT AGENCY

AD HOC RATE SETTING COMMITTEE BYLAWS

ARTICLE I: PURPOSE

The purpose of the Ad Hoc Rate Setting Committee ("Committee") is to advise the Board of Directors ("Board") and staff of the Pajaro Valley Water Management Agency ("Agency") on the development of a new rate structure adequate to support the implementation of the PV Water Groundwater Sustainability Plan's projects and programs.

ARTICLE II: STRUCTURE

The Committee shall constitute an ad hoc committee of the Agency and is anticipated to meet up to four times through July 2026. The Committee's subject matter jurisdiction is limited to matters expressed herein, together with all matters necessarily incidental thereto. Except as otherwise expressly provided in these bylaws or by resolution of the Board, the Committee does not make binding decisions on those matters; rather, the Committee makes recommendations to the Board.

ARTICLE III: OFFICERS

1. Officers of the Committee shall consist of a Chair and Vice Chair, which shall be selected from the members of the Committee and elected by a majority vote of the members present. Either the Chair or the Vice Chair shall be selected from among the Directors serving on the Committee.
2. Election of the officers shall take place at the first meeting of the Committee.
3. The Vice Chair shall assume the role of Chair in the event the Chair is absent.
4. In the case of a vacancy in the office of Chair, the Vice Chair shall succeed to the office. In the case of a vacancy in any other elected office, that position shall be filled by an election by the Committee (consistent with the requirements of (III)(1) above).

ARTICLE IV: MEMBERS

1. The Committee shall be comprised of up to sixteen members: six by appointment and ten by application.
    a. Appointed members shall include representatives from the following list of entities: the City of Watsonville, Farm Bureau of Monterey County, Farm Bureau of Santa Cruz County, and directors of the Pajaro Valley Water Management Agency.
    b. Applicant members shall include representatives from the following list: At-Large, Coastal Agricultural Water User, Coastal Landowner, Inland Agricultural Water User, Inland Landowner, Industrial Water User, Water District Representative, Water Mutual Representative, and Rural Residential Water User.
    c. Alternate members are allowed.
2. Membership shall be for the term of the Committee.
3. Three successive absences of a member without notifying the Committee shall be cause for the member to be removed from the Committee. In such instance, the vacancy shall be filled and a new member shall be elected or appointed as provided in Section 4, below.

4. A vacancy in the membership shall be deemed to exist in case of the death, resignation, removal, or disqualification of any member or an increase in the authorized number of members of the Committee. If a vacancy occurs that must be filled by a Director, the Board shall appoint a new member selected from among the Directors of the Board. If any other vacancy occurs, the new member shall either be selected by their respective legislative body, in the case of a public agency member, or selected by the Committee if an Applicant Member (consistent with the composition requirements set forth in Section 1). The newly-elected or appointed Committee member shall serve out the unexpired term of the member that he or she replaces.

ARTICLE V: MEETINGS

1. The Committee shall comply with all applicable laws, including the Ralph M. Brown Act.
2. Committee meetings will be held on dates approved by the Chair or Vice Chair after polling the members' availability and at a location to be determined and noticed on meeting agendas. The Chair or Vice Chair may call a special meeting of the Committee after proper notification.
3. A majority of the members of the Committee, including at least one Director, constitutes a quorum of the Committee.
4. Any decision of the Committee and/or recommendation to the Board shall require both a quorum and a majority vote by the members present for passage.
5. Every member shall have one vote.
6. Meetings shall be open to the public and members of other governmental agencies. Visitors may express their opinions or make requests during public comment in accordance with the requirements of the Brown Act.
7. All meetings shall be conducted pursuant to PV Water's *Rules of Order*.

ARTICLE VI: ADMINISTRATION

1. Agency staff shall prepare the agenda for each meeting of the Committee.
2. These Bylaws shall be reviewed if requested by the Committee and/or the Board.
3. In order to amend these Bylaws, notice of the proposed amendment(s) shall be delivered personally, electronically, or by mail to the Committee members and the Board at least two (2) weeks prior to the time of the vote on the proposed amendment(s). Any amendment to these Bylaws shall be adopted by a simple majority vote of the Board.