



**ADMINISTRATION & FINANCE COMMITTEE**  
**MEETING MINUTES of**  
**Tuesday, September 12, 2023, 3:00 p.m.**  
**PV Water, 36 Brennan Street, Watsonville**

The meeting was called to order at 3:00 p.m.

1. **Roll Call of Committee Members:**

Committee Members Present: Bob Culbertson (Chair), Amy Newell, Stephen Rider

Staff Present: Brian Lockwood, General Manager (GM), Nancy Trevino (FASM), Priscilla Sanchez (FA), Rocio Guerrero (CSR)

Others Present: Shalice Tilton, National Demographics Corporation (NDC)

2. **Director Comments:** Director Rider shared that the Santa Cruz County Fair is happening this week, “please show your support by attending.” GM Lockwood mentioned PV Water is sponsoring its own outreach booth at the Fair; Water Conservation and Outreach Specialist, Marcus Mendiola, took the lead in setting up the booth (for the last decade or so, PV Water shared a booth with the Santa Cruz County Water Conservation Coalition, however, the Coalition has dissolved).

3. **Public Comments:** None

4. **Consider Approving Minutes of July 11, 2023, Committee Meeting:**

**Action:** Director Newell moved to approve the July 11, 2023, with the recommended changes; seconded by Director Rider.

The motion carried following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

5. **Receive Report on Redistricting PVWMA’s Division Boundaries:**

Following a brief introduction of the item by GM Lockwood, Shalice Tilton, Senior Consultant with NDC, provided a redistricting overview and a presentation that included two maps prepared by NDC proposed to balance the population within the Agency’s electoral divisions. The Pajaro Valley experienced growth of over 13% between the 2010 and 2020 Census, and that prompted the need to review division boundaries. Following the presentation, Director Culbertson asked if demographic statistics matter or impact the redistricting decisions. Ms. Tilton explained demographics are not an issue for the Agency because each division has already reached a highest division class of Hispanic/Latino populations such that there is no impact to voting strength.

In presenting the maps NDC prepared for the consideration of the Board, Ms. Tilton explained that the “Green Map” is the minimal change map to accomplish a net change of approximately 1,200 people moving from Division C to Division D. The “Orange Map” is more aligned with the City of

Watsonville's boundary line, and it affects approximately 2,400 people from Division C to Division D. Director Culbertson noted potential impacts to the Bay Village senior community. Director Newell suggested that most of the population might not be aware of the division in which they reside because often directors run unopposed. Following further discussion, Ms. Tilton advised that it would be beneficial for the Agency to complete the redistricting process by December 31, 2023, as changes to the law which take effect January 1, 2024 will make the redistricting process more cumbersome.

**Action:** The Committee agreed that no action needed to be taken aside from presenting this item to the Board of Directors and then bringing it back to the Administration and Finance Committee in October for the purpose of considering a formal recommendation.

**6. Consider Past Due Letters:**

Following a review of the Procedures for the Collection of Augmentation Charges in July 2023, the Committee directed staff to present the template past due letters. GM Lockwood and CSR Guerrero presented the template letters. CSR Guerrero explained that Letter #1 is mailed to the customer, along with the past due billing invoice, when an account is 30 days past due. Letter #2 is mailed to the property owners, along with the past due billing invoice, when the account is 60 days past due. Letter #3, which is printed on the letterhead of PV Water's General Counsel, is mailed when the account reaches 90 days past due.

Roundtable discussion ensued. It was noted that while Letter #1 mentions the process of appealing to the General Manager, the letters do not describe a customer's ability to appeal to the Board of Directors as allowed in the Procedures for the Collection of Augmentation Charges.

**Action:** The Committee directed to staff to improve the letters and then bring back at the next meeting.

**7. Consider Accepting Financial Reports:**

GM Lockwood highlighted that the Committee was being asked to consider both the June and July financial reports. Director Newell asked why the \$40 million in Certificates of Participation (COPs) weren't listed on the investment activity report. FASM Trevino explained there were no issuances of funds in June, which is why COPs weren't on the June report; however, staff will revise the July report to include a report of COP activity.

**Action:** Director Rider moved to recommend that the Board approve the financial reports and place them on the consent agenda; seconded by Director Newell.

The motion carried following vote:

Ayes: **Culbertson, Newell, Rider**  
Noes: **None**  
Abstain: **None**  
Absent: **None**

**8. Consider Accepting Cash Flow Reports:**

GM Lockwood highlighted that the Committee was being asked to consider both June & July financial reports. Director Newell commented on Recharge Net Metering Program (ReNeM rebates) and inquired about the volume of water infiltrated into the basin as a result of the program. GM Lockwood stated that Dr. Fisher of UC Santa Cruz reported that the Bokariza Basin infiltrated 106 acre-feet (AF), the Kelly-Thompson Basin infiltrated 152 AF, and the Storrs Basin infiltrated 4 AF, for a total of 262 AF infiltrated.

**Action:** Director Rider moved to recommend that the Board approve the cash flow reports and place them on the consent agenda; seconded by Director Newell.

The motion carried following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

9. **Discuss Future Agenda Items and Next Meeting Date:** Future agenda items include reviewing the delinquency letter template, notice of determination letter, and redistricting maps. The next regular meeting date is set for Tuesday, October 10, 2023, 3:00 p.m.

Adjournment: 4:17 p.m.