PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA. 95076
TEL: 831) 722-9292 FAX: 831) 722-3139
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ADMINISTRATION & FINANCE COMMITTEE MEETING
PV Water, 36 Brennan Street, Watsonville
Tuesday, June 13, 2023, 3:00 p.m.
MEETING AGENDA

1. Call to Order and Roll Call:
   Committee members: Bob Culbertson (Chair), Amy Newell, Stephen Rider
2. Director Comments
3. Public Comments
4. Consider Approval of May 9, 2023, Administration & Finance Committee Meeting Minutes
5. Consider Proposed Budget Amendments for Fiscal Year Ending June 30, 2023
6. Consider Proposed Final Budget for Fiscal Year Ending June 30, 2024
7. Consider Investment Policy
8. Consider Cash Reserve Policy for Fiscal Year Ending June 30, 2024
9. Consider Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees)
10. Consider the Managed Security Assurance Agreement with ZAG Technical Services in an amount not to exceed $150,000 through June 30, 2025
11. Consider Accepting Financial Reports
    a. Activity Report
    b. Investment Report
12. Consider Accepting Cash Flow Reports
    a. A/R Aging Update
    b. A/P Report
13. Discuss future agenda items and next meeting date – Tuesday, July 11, 2023, 3:00 p.m.

PV Water 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 PV Water 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 PV Water at (831) 722-9292 during regular business hours, at least 24 hours prior to the time of the meeting.

Adjournment

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Access Code: 392-853-285

PV Water 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 PV Water 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 PV Water at (831) 722-9292 during regular business hours, at least 24 hours prior to the time of the meeting.

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ADMINISTRATION & FINANCE COMMITTEE
DRAFT MEETING MINUTES of
Tuesday, May 9, 2023, 3:00 p.m.
PV Water, 36 Brennan Street, Watsonville

The meeting was called to order at 3:15 p.m.

1. **Roll Call of Committee Members**:
   GM Lockwood announced the resignation of Director Sanchez from this committee.

   Committee Members Present: Bob Culbertson (Chair), Amy Newell
   Staff Present: Brian Lockwood, General Manager (GM), Nancy Trevino, Finance & Administration Services Manager (FASM)
   Others Present: None

2. **Director Comments: None**

3. **Public Comments:** None

4. **Consider Approving Minutes of April 11, 2023 Committee Meeting:**
   Director Newell suggested a number of changes to the draft minutes.
   Action: Director Culbertson moved to approve the April 11, 2023 with the recommended changes; seconded by Director Newell.

   The motion carried following roll call vote:

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

5. **Consider Proposed Budget Amendments for Fiscal Year Ending June 30, 2023:**
   GM Lockwood and FASM Trevino presented the most significant changes incorporated in the Budget amendments.
   Action: Director Newell moved to recommend that the Board approve Proposed Budget Amendments for Fiscal Year Ending June 30, 2023; seconded by Director Culbertson**.**

   The motion carried following roll call vote:

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

6. **Consider Preliminary Budget for Fiscal Year Ending June 30, 2024:**
   Action: No action taken as it was approved at the April 11, 2023 meeting.

7. **Consider the Draft Scope of Services and Cost Estimate from cbec eco engineering, inc. to develop the College Lake Integrated Resources Management Project, No. 30-39, Operations Plan:**
   GM Lockwood introduced the Scope of Services and the importance of this operation plan.
   Action: Director Newell moved to recommend the Board approve the Draft Scope of Services and Cost Estimate from cbec eco engineering, inc.; seconded by Director Culberson.

   The motion carried following roll call vote:

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

8. **Consider Accepting Financial Reports:**
   Action: Director Newell moved to accept the Financial Reports and recommend the Board approve, and place on the consent agenda; seconded by Director Culbertson.

   The motion carried following roll call vote:

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

9. **Consider Accepting Cash Flow Reports:**
   Action: Director Newell moved to accept the Cash Flow Reports and recommend the Board approve, and place on the consent agenda; seconded by Director Culbertson.

   The motion carried following roll call vote:

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

10. **Discuss Future Agenda Items and Next Meeting Date:** Future agenda items will include annual review of the Cash Reserve Policy, Investment Policy, and Letter of Engagement from C.J. Brown & Company. The next regular meeting date is set for Tuesday, June 13, 2023, 3:00 p.m.

    Adjournment: 4:05 p.m.

MEMORANDUM

DATE:	June 9, 2023
MEETING OF:	June 13, 2023
TO:	Administration & Finance Committee
FROM:	General Manager
RE:	**ITEM 5:** Consider Proposed Budget Amendments for Fiscal Year Ending June 30, 2023

INTRODUCTION

The proposed Budget Amendments for Fiscal Year Ending June 30, 2023 ("FY22-23") provide a revised forecast of the budget adopted by the Board of Directors on June 15, 2022. Included in the discussion that follows is a summary of proposed amendments including revisions to important assumptions taken into account when developing the FY22-23 budget.

DISCUSSION

The adopted budget for FY22-23 included an anticipated excess of revenue over expenditures of $29,262,181. The net change to the proposed, amended budget is a deficit of revenues over expenditures of $12,271,343. The adopted budget assumed revenue of $67,160,000. The amended budget projects revenue closer to $56,040,000, a reduction of $11,120,000. The adopted budget assumed expenditures in the amount of $37,897,819. The amended budget projects expenditures closer to $33,665,162, a reduction of $4,232,657. A summary of significant, proposed amendments is below.

Revenue

- Debt Obligations revenue are assumed to be $40,000,000, although this is still subject to change.
- Augmentation Charge revenue is decreased by $2,000,000, and Delivered Water Revenue is decreased by $500,000 due to the exceptionally wet winter and the catastrophic flooding that occurred between January and March of this year.

Expenditures

- Salaries and Wages are reduced by $301,457.
- Professional Service expenditures are reduced by $1,357,000 due to timing of projects.
- Land Acquisition expenditures are reduced by $3,875,000 due to timing of acquisition.
- Licensed Contractors expenditures are expected to increase by $2,495,000 due to the timing of projects.
- Operational expenditures are reduced by approximately $509,200 in the areas of City of Watsonville RWF O&M, utilities, well leases and City Connection Water due to high rainfall and less overall demand.

The table below summarizes the proposed budget amendments. Detailed tables are attached.

Pajaro Valley Water Management Agency
Proposed Budget Amendments
Executive Summary
Fiscal Year Ending June 30, 2023

Revenues and Sources of Funds	As Adopted	As Proposed	Net Change
Management Fees	$ 375,000	$ 370,000	$ (5,000)
Delivered Water	2,200,000	1,700,000	(500,000)
Augmentation Charges	13,000,000	11,000,000	(2,000,000)
Grant Revenue	5,000,000	2,525,000	(2,475,000)
Bond Proceeds	46,500,000	40,000,000	(6,500,000)
Interest Income	50,000	310,000	260,000
Other Revenue	35,000	135,000	100,000
Total Proposed Revenue	**$ 67,160,000**	**$ 56,040,000**	**$ (11,120,000)**
EXPENDITURES			
Total Proposed Expenditures	**$ 37,897,819**	**$ 33,665,162**	**$ (4,232,657)**
Expenditures by Fund			
Fund 10 - General Fund			
General Administration	404,104	403,899	(205)
Fund 20 - Special Revenue Funds			
General Administration	1,899,263	1,610,914	(288,349)
Facility Operations	5,713,574	5,011,075	(702,499)
Basin Management	906,281	742,176	(164,105)
Fund 30 - Capital Projects Fund			
Capital Projects	25,550,154	22,472,655	(3,077,499)
Total Budget	**$ 29,262,181**	**$ 22,374,838**	**$ (6,887,343)**

FISCAL IMPACT

The proposed budget amendments result in a budget of $22,374,838, compared to the adopted budget of $29,262,181.

RECOMMENDATION

That the Committee review the proposed Budget Amendments for FY22-23 and consider providing a recommendation of approval to the Board of Directors.

ATTACHMENTS

- Proposed Budget Amendments for FY22-23
- The Fiscal Year 2022-2023 adopted budget is available here: https://www.pvwater.org/images/about-pvwma/assets/bugdet_assets/Budget_FY2022-23_Adopted_06-15-2022.pdf

Summary by Service
July 1, 2022 to June 30, 2023

	General Fund Fund 10	Special Revenue Fund Fund 20			Capital Projects Fund 30	Debt Service Fund 40
Revenues and Sources of Funds						
Management Fees	370,000					
Delivered Water		1,700,000				
Augmentation Charges		11,000,000				
Grant Revenue		2,525,000				
SRF Financial Agreement		-				
Bond Proceeds		-			40,000,000	
Interest Income	60,000	250,000				
Other Revenue	100,000	35,000				
Total Revenue	**$ 530,000**	**$ 15,510,000**	**$ -**	**$ -**	**$ 40,000,000**	**$ -**

	Agency Administration	General Administration	Facility Operations	Basin Management	Capital Projects	Debt Service
Expenditures						
Wages & Benefits	30,849	844,414	777,325	246,426	311,655	-
Conferences/Training	9,000	3,000	4,500	1,500	-	-
Travel - Mileage - Meals - Lodging	13,000	5,000	1,000	4,000	-	-
Bank Charges/Bond Fees	50	25,000	20,000	-	-	-
Insurance	9,000	1,000	48,000	-	-	-
Taxes/Fees	250	23,000	29,000	100,000	75,000	-
Legal Notices & Ads	750	2,500	-	1,250	64,000	-
Dues & Subscription	32,000	5,500	2,500	500	-	-
Office Expense/Supplies	5,000	12,000	2,500	-	-	-
Postage	1,000	5,000	7,000	500	8,000	-
Printing	4,000	24,000	1,750	1,000	13,000	-
Utilities	3,000	9,000	282,000	-	-	-
Telephone/Communications	4,000	16,000	12,000	-	-	-
Office Equipment Leases	1,000	7,500	7,000	-	-	-
Well Leases	-	-	90,000	-	-	-
Field Supplies/Equipment	-	7,000	47,000	22,000	1,000	-
Elections	5,000	-	-	-	-	-
Legal Services	45,000	52,000	10,000	10,000	420,000	-
Professional Services	75,000	400,000	313,000	262,000	3,330,000	-
Meter Contractor	-	-	24,000	-	-	-
LAFCO District Fees	18,000	-	-	-	-	-
Collection Fee/Bad Debt	6,000	9,500	-	-	-	-
Special Projects Outreach	30,000	-	-	-	-	-
Facilities Maintenance	100,000	10,000	8,000	-	-	-
Land Acquisition	-	-	-	-	2,800,000	-
Information Technology	12,000	33,000	77,000	34,000	-	-
Licensed Contractors	-	-	235,000	-	15,450,000	-
Vehicle Maintenance	-	3,500	30,500	4,000	-	-
Vehicle Purchase	-	-	10,000	5,000	-	-
Meters	-	-	150,000	-	-	-
COW Reimb O&M	-	-	2,300,000	-	-	-
Rebates	-	100,000	40,000	-	-	-
Crop Loss	-	-	-	-	-	-
City Connection Water Charges	-	-	450,000	-	-	-
Uniforms	-	5,000	-	-	-	-
Water Sampling	-	-	32,000	50,000	-	-
Bond Administration Fee	-	8,000	-	-	-	-
DWR Note Payable	-	-	-	-	-	251,416
SWRCB Loan	-	-	-	-	-	74,964
2015 Bond	-	-	-	-	-	2,294,850
2016 Bond	-	-	-	-	-	803,213
Total Expenditures	**$ 403,899**	**$ 1,610,914**	**$ 5,011,075**	**$ 742,176**	**$ 22,472,655**	**$ 3,424,443**
Total Revenue						
Excess of Revenues or (Deficit)						

Summary by Service July 1, 2022 to June 30, 2023				
	FY22-23 Proposed Amended Budget	FY22-23 Adopted Budget	$ Diff	% Diff
Revenues and Sources of Funds				
Management Fees	370,000	375,000	(5,000)	-1.3%
Delivered Water	1,700,000	2,200,000	(500,000)	-22.7%
Augmentation Charges	11,000,000	13,000,000	(2,000,000)	-15.4%
Grant Revenue	2,525,000	5,000,000	(2,475,000)	-49.5%
SRF Financial Agreement	-	-	-	#DIV/0!
Bond Proceeds	40,000,000	46,500,000	(6,500,000)	N/A
Interest Income	310,000	50,000	260,000	520.0%
Other Revenue	135,000	35,000	100,000	285.7%
Total Revenue	**$ 56,040,000**	**$ 67,160,000**	**$ (11,120,000)**	**-16.6%**

	FY22-23 Proposed Amended Budget	FY22-23 Adopted Budget	$ Diff	% Diff
Expenditures				
Wages & Benefits	2,210,669	2,512,126	(301,457)	-12.0%
Conferences/Training	18,000	20,000	(2,000)	-10.0%
Travel - Mileage - Meals - Lodging	23,000	35,500	(12,500)	-35.2%
Bank Charges/Bond Fees	45,050	90,050	(45,000)	-50.0%
Insurance	58,000	43,500	14,500	33.3%
Taxes/Fees	227,250	86,250	141,000	163.5%
Legal Notices & Ads	68,500	11,500	57,000	495.7%
Dues & Subscription	40,500	40,000	500	1.3%
Office Expense/Supplies	19,500	19,500	-	0.0%
Postage	21,500	11,000	10,500	95.5%
Printing	43,750	36,750	7,000	19.0%
Utilities	294,000	343,200	(49,200)	-14.3%
Telephone/Communications	32,000	28,000	4,000	14.3%
Office Equipment Leases	15,500	15,500	-	0.0%
Well Leases	90,000	200,000	(110,000)	-55.0%
Field Supplies/Equipment	77,000	110,000	(33,000)	-30.0%
Elections	5,000	60,000	(55,000)	-91.7%
Legal Services	537,000	812,000	(275,000)	N/A
Professional Services	4,380,000	6,137,000	(1,757,000)	-28.6%
Meter Contractor	24,000	24,000	-	0.0%
LAFCO District Fees	18,000	18,000	-	0.0%
Collection Fee/Bad Debt	15,500	17,000	(1,500)	0.0%
Special Projects Outreach	30,000	25,000	5,000	20.0%
Facilities Maintenance	118,000	68,000	50,000	73.5%
Land Acquisition	2,800,000	6,675,000	(3,875,000)	-58.1%
Information Technology	156,000	179,000	(23,000)	-12.8%
Licensed Contractors	15,685,000	13,190,000	2,495,000	18.9%
Vehicle Maintenance	38,000	38,000	-	0.0%
Vehicle Purchase	15,000	100,000	(85,000)	-85.0%
Meters	150,000	170,000	(20,000)	-11.8%
COW Reimb O&M	2,300,000	2,500,000	(200,000)	-8.0%
Rebates	140,000	150,000	(10,000)	-6.7%
Crop Loss	-	-	-	N/A
City Connection Water Charges	450,000	600,000	(150,000)	N/A
Uniforms	5,000	12,500	(7,500)	N/A
Water Sampling	82,000	87,000	(5,000)	N/A
Bond Administration Fee	8,000	8,000	-	N/A
DWR Note Payable	251,416	251,416	-	0.0%
SWRCB Loan	74,964	74,964	-	0.0%
2015 Bond	2,294,850	2,294,850	-	0.0%
2016 Bond	803,213	803,213	-	0.0%
Total Expenditures	**$ 33,665,162**	**$ 37,897,819**	**$ (4,232,657)**	**-12.6%**
Total Revenue	**56,040,000**	**67,160,000**	**$ (11,120,000)**	
Excess of Revenues or (Deficit)	**22,374,838**	**29,262,181**	**$ (6,887,343)**	

MEMORANDUM

DATE: June 9, 2023
MEETING OF: June 13, 2023
TO: Administration & Finance Committee
FROM: General Manager
RE: **ITEM 6:** Consider Proposed Final Budget for Fiscal Year Ending June 30, 2024

BACKGROUND

The Fiscal Year 2023-2024 (FY23-24, ending on June 30, 2024), budget funds the mission of the Agency and provides a projection of finances for the upcoming fiscal year. The budget narrative describes key activities and important assumptions taken into account to develop the budget, including activities related to the Sustainable Groundwater Management Act (SGMA), the implementation of the Basin Management Plan (BMP) Update, Agency operations, and anticipated revenue. The figures contained within the budget are based on actual data, projections, and estimations. The budget is created on the accrual basis to be consistent with the year-end financial statements. On the accrual basis, revenues are recorded as earned and expenditures are recorded when incurred.

DISCUSSION

The budget is a planning and communication tool that contains significant assumptions including but not limited to projecting groundwater extractions and delivered water sales, grant income, and progress on capital project implementation. The most significant capital projects listed in the budget include the College Lake Integrated Resources Management Project, which is presently in the construction phase, and the Watsonville Slough Managed Aquifer Recharge and Recovery Projects, which is the final design phase. The total budgeted revenues presented are $64,400,000. The total budgeted expenditures are $95,216.604.

Notable revenue related assumptions are illustrated in Figure 1 and include:

- Management fees of $370,000
- Augmentation charge revenues of $11.71 million
- Delivered water revenues of $1.8 million
- Grant revenues of $5 million
- WIFIA proceeds of $45 million

Notable expenditure related assumptions are illustrated in Figure 2 and include:

- Capital Projects expenditures of approximately $81.09 million as listed below.
    - College Lake Integrated Resources Management Project – $73.66 million
    - Harkins Slough Recharge Facility Upgrades – $3.7 million
    - Struve Slough with Recharge Basins – $1.52 million
    - Basin Monitoring Improvements - $2.21 million

Figure 1. Projected Revenues: $64,400,000

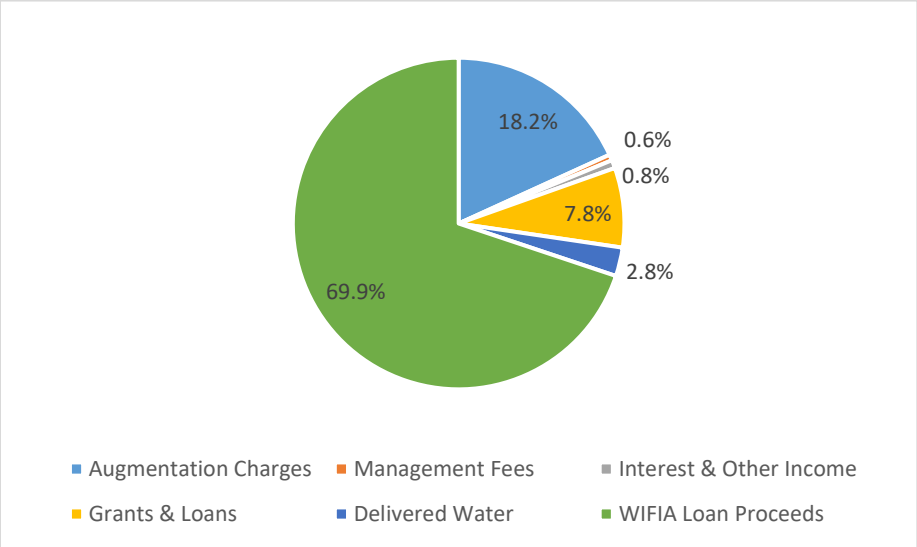
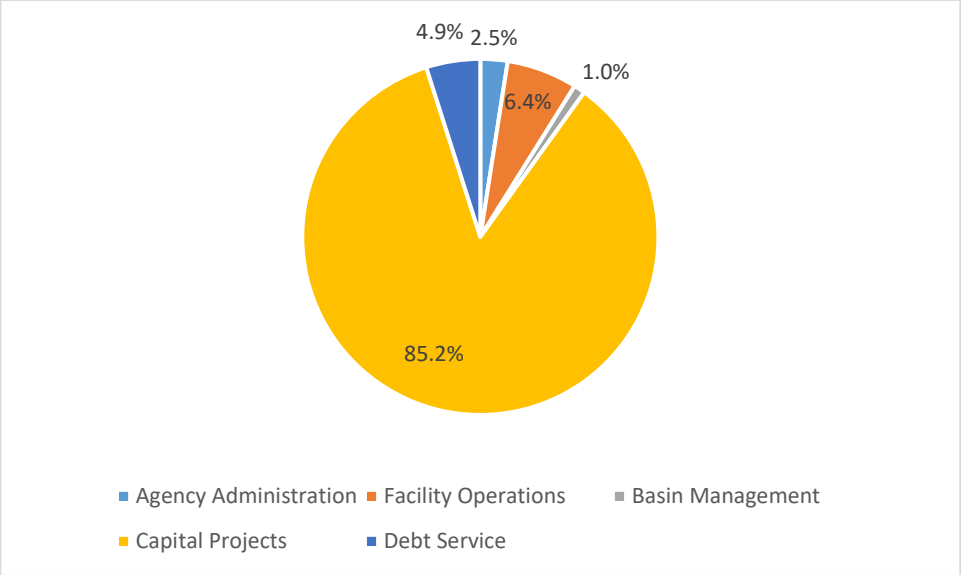


Figure 2. Projected Expenditures: $95,216,604



The Agency Act requires that the Board of Directors adopt a preliminary budget by May 15 of each year. PV Water must then publish a notice that the Board has adopted a preliminary budget, that it is available for public inspection, and hold a public hearing following the minimum two-week notice period. The Board must adopt a final budget by June 30 of each year.

The recommended timeline for budget adoption this year is as follows:

April 11, 2023	Administration & Finance Committee reviewed preliminary budget.
April 19, 2023	Board adopted the preliminary budget.
April 28, 2023	Staff publishes required notice of availability of the preliminary budget.
May 9, 2023	Administration & Finance Committee reviews budget again.
May 17, 2023	Board holds public hearing.
June 13, 2023	Administration & Finance Committee reviews final budget.
June 21, 2023	Board considers adoption of final budget.

FISCAL IMPACT

There is no direct impact; the budget is a planning and communication tool.

STAFF RECOMMENDATION

The Administration & Finance Committee consider the Proposed Final Budget for Fiscal Year Ending June 30, 2024.

ATTACHMENT

- Proposed Final Budget for FY23-24 provided as a stand-alone document that is available on the Administration & Finance Committee webpage: https://www.pvwater.org/administration-finance.

MEMORANDUM

DATE: June 9, 2023
MEETING OF: June 13, 2023
TO: Administration and Finance Committee
FROM: General Manager
RE: **ITEM 7:** Consider Investment Policy

BACKGROUND

The Investment Policy (Policy) is an important tool which establishes guidelines for PV Water's investments. The Policy defines general investment goals and objectives. The primary objectives of the Policy are safety of principal, liquidity, and return on investment. The Policy was last updated by the Board of Directors on July 17, 2013, and has been reviewed periodically thereafter. Staff recently reviewed the Policy with PV Water's Financial Advisors and have some minor recommended revisions.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

That the Committee review the Policy.

ATTACHMENT

- Investment Policy

PAJARO VALLEY WATER MANAGEMENT AGENCY

Statement of Investment Policy

Presented to Administrative & Finance Committee June 13, 2023

The Board of Directors of the Agency has the authority to invest any portion of funds in an investment fund, or excess cash flow in its treasury, not required for the immediate necessities of the Agency, which is deemed wise or expedient according to Government Code Sections 53601 and 53635. The authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to the Treasurer. Investments by the Treasurer are limited to those instruments specified by the Board.

1. Scope

This investment policy applies to all financial assets of the Pajaro Valley Water Management Agency. These funds are accounted for in the annual Agency audit and include: All funds.

Funds not included in the policy ~~include~~: none.

2. Basic Policy and Statement of Objectives

As specified in California Government Code §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

a) Safety of Principal - Safety of principal is the foremost objective of the investment program. Investments of the Pajaro Valley Water Management Agency shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

b) Liquidity - Investments shall be made whose maturity date is compatible with cash flow requirements and which will permit easy and rapid conversion into cash without substantial loss of value, and which will enable the Agency to meet all operating requirements which might be reasonably anticipated.

c) Return on Investment - Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

3. Prudent Person

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code §53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. Maturity Limitations

a) The Treasurer is authorized to invest Agency funds for terms set forth below except bond proceeds may be invested for a term no longer then the final maturity of the bond~~for five years~~.

b) For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein.

5. Time Deposits

The Treasurer may invest in certificates of deposit issued by bank or savings association or federal association chartered by the United States or the State of California.

The following criteria will be used in evaluating financial institutions and form of collateral to determine eligibility for deposits:

a) The terms of investment shall not exceed five years.

b) The financial institution must have been in existence for at least five years.

c) Eligibility for deposits shall be limited to those financial institutions, which maintain a rating equivalent to the highest letter and number rating as provided by a nationally recognized statistical rating organization (NRSRO)

d) The deposit shall not exceed the shareholders' equity of any depository bank. For the purposes of this constraint, shareholders' equity shall be deemed to include capital notes and debentures. (Government Code Section 53638(a))

e) The deposit shall not exceed the total net worth of any depository savings association or federal association. Deposits not exceeding a total of $500,000 may be made to a savings association or federal association without regard to the net worth of that depository, if such deposits are insured or secured as required by law (Government Code Section 53638 (b)).

f) The deposit to the share accounts of any regularly chartered credit union shall not exceed the total unimpaired capital and surplus of the credit union, as defined by rule of the Commissioner of Financial Institutions, except that the deposit to any credit union share account in an amount not exceeding $500,000 may be made if the share accounts of that credit union are insured or guaranteed pursuant to Section 14858 of the Financial Code or are secured as required by law. The deposit in investment certificates of a federally insured industrial loan company shall not exceed the total of the unimpaired capital and surplus of the insured industrial loan company. (Government Code Section 53638 (d).

g) To secure such deposits, the financial institution shall maintain in the collateral pool, marketable securities having a market value of at least 10 percent in excess of the total amount deposited. (Government Code Section 53652(a))

h) First trust deed real estate mortgages may be accepted as collateral providing they have a market value of at least ~~50~~ 100 percent in excess of total amount deposited and comply with California Government Code Section 53651.2.

i) When other factors are equal, appropriate consideration will be given to a financial institution that contributes service or offers significant assistance to the Agency.

6. Local Agency Investment Fund Deposits

Deposits for the purpose of investment in the Local Agency Investment Fund of the State Treasury may be made up to the maximum amount permitted by State Treasury policy.

7. Negotiable Certificates of Deposit

The Treasurer may invest in negotiable certificates of deposit as follows:

a) Investment in negotiable certificates of deposit shall not exceed 30 percent of the total portfolio in effect immediately after any such investment is made.

b) To be eligible, a certificate of deposit must be issued by a nationally or state chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial code), a state or federal credit union, or by a federally licensed branch of a foreign bank as well as any state licensed foreign bank. (Government Code Section 53601(i).)

c) Eligibility for deposits shall be limited to those financial institutions, which maintain a rating equivalent to the highest ranking or the highest letter and

number rating as provided by a nationally recognized statistical rating organization (NRSRO).

d) The investment shall not exceed the shareholders' equity of any depository bank. For the purposes of this constraint, shareholders' equity shall be deemed to include capital notes and debentures. (Government Code Section 53638(a))

e) The investment shall not exceed 25 percent of the total net worth of any depository savings association or federal association.

f) The total investment in an eligible financial institution shall not exceed 25 percent of the total portfolio available for investment in this investment category.

g) The maximum maturity shall be limited to 5 years.

j) All certificates of deposits must be collateralized by U.S. Treasury Obligations. Collateral must be held by a third--party trustee and valued on a monthly basis. The percentage of collateralization on repurchases and reverse repurchase agreements will adhere to the amount required under California Government Code §53601(j)(2).

8. Bankers' Acceptances

The Treasurer may invest in bankers' acceptances as follows:

a) Investment in prime bankers' acceptance shall not exceed 40 percent of the portfolio in effect immediately after any such investment is made.

b) Eligibility shall be limited to those financial institutions which maintain a rating equivalent to the highest letter and number rating as provided by a nationally recognized statistical rating organization (NRSRO) and "III/III" for foreign banks if a rating service is utilized.

c) No more than 30 percent of this category of investments may be invested in any one commercial bank's acceptances.

d) The maximum maturity shall be limited to 180 days. (Government Code Section 53601 (g))

9. Commercial Paper

The Treasurer may invest in commercial paper as follows:

a) Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided by the highest letter and number rating as provided by a nationally recognized statistical rating organization (NRSRO) may be purchased. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2) (Government Code Section 53601 (h)):

   (1) The entity meets the following criteria:

      (A) Is organized and operating within the United States as a general corporation;

      (B) Has total assets in excess of $500,000,000;

      (C) Has debt other than commercial paper, if any, that is rated "A" or higher by an NRSRO.

   (2) The entity meets the following criteria:

      (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company;

      (B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond;

      (C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO.

b) Investments in commercial paper shall not exceed 20 percent of the portfolio.

c) No more than 10 percent of the outstanding commercial paper of an issuing corporation may be purchased. (Government Code Sections 53601 (h) and 53635 (a)(1))

d) The total investment in an eligible financial institution shall not exceed 10 percent of the total portfolio available for investment in this investment category.

e) The term shall not exceed 270 days. (Government Code Section 53601 (h))

10. U.S. Government and Agencies

The Treasurer may invest in debts issued by governmental agencies as follows:

a) The concentration of investments in federal agency obligations shall not exceed 50 percent of all investments in effect immediately after any such investment is made.

b) Investments in U.S. Treasury obligations shall not be subject to any limitations.

c) Investments in direct obligations of the U.S. Government shall not be subject to any limitations.

11. Bond Funds

a) Notwithstanding anything to the contrary contained in these Guidelines, moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of the Agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolutions, indenture, or agreement of the Agency providing for the issuance, all in accordance with Section 53601 of the Government Code.

b) Investments may be made of bond proceeds and surplus funds in collateralized guaranteed investment agreements or contracts, fully secured by government securities or by obligations guaranteed by the U.S. Government provided, however, that (a) the Agency or its agent shall have received a perfected first security interest in the obligation securing such investment agreement or contract, (b) the Agency or its agent shall hold the obligations securing such investment agreements or contracts, (c) the Agency or its agent shall hold such obligations free and clear of the claims of third parties, and, (d) the investment agreements or contracts are collateralized at 104 percent by the government securities or obligations guaranteed by the U.S. Government and market valued at least monthly.

12. Exchange of Securities

An exchange of securities is a shift of assets from one instrument to another and may be done for a variety of reasons, such as to increase yield, lengthen or shorten maturities, to take a profit, or to increase investment quality. In no instance shall an exchange be used for speculative purposes. Any such exchange shall be simultaneous (same day execution of sale and purchase), and shall require the approval of the Treasurer.

13. Safekeeping

a) All security transactions entered into by the Pajaro Valley Water Management Agency shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the Pajaro Valley Water Management Agency by book entry, physical delivery or by third party custodial agreement as required by California Government Code §53601.

b) All financial institutions shall be instructed to mail confirmation and safekeeping receipts directly to the Finance Officer for audit.

14. Portfolio Adjustments

Any reference to portfolio shall mean the total of the Agency's cash and securities under management by the Treasurer.

a) Should any investment percentage-of-portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses.

b) When no loss is indicated, the Treasurer shall consider restructuring the portfolio basing his decision in part on the expected length of time the portfolio will be imbalanced.

15. Purchase and Sales of Securities

a) Information concerning investment opportunities and market developments may be gained by maintaining contact with the financial community together with information provided by the Agency's Board approved financial consultant.

b) The purchase of any investment other than those purchased directly from the issuer shall be, to the extent possible, from a firm designated as a Primary Dealer by the Federal Reserve Bank of New York.

c) When practicable, the Treasurer shall solicit more than one quotation on each trade.

16. Reporting Requirements

In accordance with California Government Code §53646(b)(1), the Finance Officer shall submit to each member of the Board of Directors a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for Pajaro Valley Water Management Agency by third party contracted managers. The report will also include the source of the portfolio valuation. As specified in California Government Code §53646(e), if all funds are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the Pajaro Valley Water Management Agency will meet its expenditure obligations for the next six months as required by California Government Code §53646 (b)(2) and (3) respectively. The Finance Officer shall maintain a complete and timely record of all investment transactions.

17. Prohibited Investments

Under the provisions of California Government Code §53601.6, the Pajaro Valley Water Management Agency shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity.

18. Investment Policy Administration

The Treasurer may, at any time, further restrict the securities approved for investment as deemed appropriate. This policy shall be reviewed at least annually.

19. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

***

MEMORANDUM

DATE: June 9, 2023
MEETING OF: June 13, 2023
TO: Administration & Finance Committee
FROM: General Manager
RE: **ITEM 8:** Consider Cash Reserve Policy for Fiscal Year Ending June 30, 2024

BACKGROUND

In July 2013, the Board adopted *Resolution 2013-05, Adopting a Cash Reserve Policy.* It was recommended at the time that reserves be built gradually as funds become available, while maintaining an appropriate level of services for PV Water functions such as operations, basin management and monitoring, and administration.

Establishment of formal policies to ensure appropriate financial margins for operations, maintenance, and debt service needs is identified by analysts as a management practice that constitutes a positive credit factor. The Cash Reserve Policy states that it will be reviewed annually at budget time to evaluate if funding levels are sufficient and prudent. This year, staff are proposing some minor modifications as indicated in the attached redline draft of the Cash Reserve Policy.

FISCAL IMPACT

This action will categorize funds as reserved for the purposes identified.

STAFF RECOMMENDATION

The Committee consider the Cash Reserve Policy for Fiscal Year Ending June 30, 2024.

ATTACHMENTS

- Cash Reserve Policy

Pajaro Valley Water Management Agency
Cash Reserve Policy

Introduction

The Pajaro Valley Water Management Agency (PV Water or the Agency) Cash Reserve Policy establishes general guidelines on cash reserves that will help to ensure the Agency's long-term financial and operational stability. In this capacity, the Cash Reserve Policy articulates a comprehensive set of reserves that seek to mitigate operational, capital, and debt service risks PV Water may encounter.

The Cash Reserve Policy is established in the context of PV Water's current and expected capital improvement program and borrowings associated with the Basin Management Plan ~~(BMP)~~: Groundwater Water Sustainability Update 2022 (GSU22). Since reserve targets are based on certain assumptions and estimated costs and risks for PV Water, the Cash Reserve Policy and established reserve levels will be reviewed annually or more often if there is a material change in the risk exposures to PV Water. It is noted that the Cash Reserve Policy is established to provide general guidelines for fiscally responsible cash management. The Cash Reserve Policy is not intended to set strict limits that must be adhered to in a vacuum, nor is it intended to be all-inclusive in the sense that there remain a variety of factors outside the purview of the policy that could materially impact PV Water's financial condition. Certain risks and risk probabilities have been considered to be sufficiently remote or to require a scale of reserves that would be prohibitive as compared to the probability of such an outcome, and this policy does not purport to address such risks. Instead, these guidelines are intended to serve as a management decision-making tool in planning for and evaluating activities or transactions that could have a significant impact on the level of cash on hand.

Categories of Cash Reserves

The Cash Reserve Policy recommends the creation of four separate reserve funds:

- Operation & Maintenance Reserve
- Repair & Replacement Reserve
- Debt Service Reserve
- Rate Stabilization Reserve

Summary of Recommended Reserve Levels

Reserve Category	Recommended Reserve
Operation & Maintenance Reserve	**Start at 30 days of expenditures and build to 180 days**
Repair & Replacement Reserve	**Start at 10% Annual Depreciation and build to 25%**
Debt Service Reserve	**20% for Debt Service obligation that do not have their own reserve**
Rate Stabilization Reserve	**As determined by the Board and management**

Each reserve is summarized below with an explanation as to the methodology that was used to size each reserve.

Operation & Maintenance Reserve

Purpose

The purpose of the Operation & Maintenance Reserve is to provide greater stability in PV Water's annual operations even under unforeseen and changing circumstances as relates to both revenues and expenses. Utilities such as PV Water are subject to a broad array of risks, including but not limited to natural events such as earthquakes and climate change, and malicious events such as cybersecurity attacks, which may vary from small, temporary disruptions of business to substantial disruptions. The intent of the Cash Reserve Policy is to set an overall reserve level that is reasonable, defensible and consistent with the aggregate risk profile that PV Water faces in effectively managing water supplies in the Pajaro Valley. Considering climate change resiliency is an important aspect of this effort.

Methodology

Many water utilities, which generally operate on a monthly billing cycle, maintain operating reserves at a level of 60 to 180 days of operating expenses. Typically, it is utilities in the most stable operating environments that are able to manage with reserves on the smaller end of this range, while many agencies with significant annual volatility in revenues or expenditures or those undergoing significant expansion have substantially larger operating reserves.

Operation & Maintenance Reserve Policy

PV Water will maintain an Operation & Maintenance Reserve equal to 180 days of operating expenses. See Exhibit A.

Repair & Replacement Reserve

Purpose

PV Water's ~~BMP~~ GSU22 is made up of projects that will increase water supply to the Pajaro Valley and significantly expand PV Water's existing infrastructure. The purpose of the Repair & Replacement Reserve is to fund the unplanned repair or replacement of capital assets, and to allow PV Water to absorb fluctuations in the capital plan without an immediate rate impact to customers.

Methodology

Given the significant capital improvements in which the Agency has invested over the past couple of decades and the sizeable capital plans associated with implementation of the ~~BMP~~GSU22, the Repair & Replacement Reserve ensures the availability of funds to respond to unexpected needs.

Repair and Replacement Reserve Policy

PV Water will maintain a 25% Annual Depreciation reserve. See Exhibit A.

Debt Service Reserve

Purpose

The purpose of the Debt Service Reserve is to provide PV Water with funds dedicated to paying the Agency's debt service obligations in the event of a significant, unexpected decrease in operating revenue during which operating funds may be insufficient to meet such obligations.

Methodology

Typical municipal bond covenants require the establishment of a debt service reserve fund in an amount equal to maximum or average annual debt service on the bonds. Such a requirement exists in connection with the Agency's Department of Water Resources promissory note and State Water Resources Control Board Clean Water State Revolving Fund (SRF) Financial Agreement. It would be prudent for PV Water to also set aside reserves in connection with its other debt as these loans are significant.

Debt Service Reserve Policy

PV Water maintains a debt service reserve funded at a level equal to 20% for Debt Service obligations that do not have their own reserve (see Exhibit A).

Rate Stabilization Fund

Purpose

The Rate Stabilization Fund is established to provide short-term rate stability in case of an unexpected drop in revenue or increase in expenses. Among other things, the rate stabilization reserve affords PV Water with added flexibility in meeting its financial covenants to bondholders in the event of a financial shock to the Agency resulting from disaster or unforeseen financial circumstances.

Methodology

Unlike other reserves, the rate stabilization reserve is typically not a percentage or ratio, but rather a fixed amount. The funding of such a reserve is highly dependent upon the expected variability in PV Water's revenue stream, budgeted expenditures, political matters, legal matters and the level of total annual debt service, among other factors.

Rate Stabilization Fund Policy

PV Water maintains a rate stabilization fund reserve as determined by management and the board. (see Exhibit A).

Annual Review Process

PV Water reviews and evaluates reserve funding levels annually. Since reserve targets are based on certain estimates, assumptions, and risk probabilities, the Cash Reserve Policy will be revisited more frequently if there is a change in PV Water's operations, capital program, or debt service obligations that warrant review of these policies.

Pajaro Valley Water Management Agency
Cash Reserve Policy
Exhibit "A"
June 2023 Update

Operation & Maintenance Reserve	**FY 19/20**	**FY 20/21**	**FY 21/22**	**FY 22/23**	**FY 23/24**
Projected Operating Expenditures ($MM)	7.29	7.43	8.04	8.92	9.45
Projected Reserve Amount ($KK)	3,644.46	3,713.93	4,017.71	4,461.61	4,722.83

Repair & Replacement Reserve	**FY 19/20**	**FY 20/21**	**FY 21/22**	**FY 22/23**	**FY 23/24**
Projected Annual Depreciation ($MM)	2.60	2.65	2.59	2.98	3.42
Projected Reserve Amount ($KK)	649.67	661.58	647.88	744.46	855.58

Debt Service Reserve	**FY 19/20**	**FY 20/21**	**FY 21/22**	**FY 22/23**	**FY 23/24**
Projected Debt Service Payments ($MM)	3.36	3.36	3.36	3.42	3.98
Restricted Funds for Debt Covenants ($KK)	253.75	253.85	253.94	329.30	333.90
Projected Reserve Amount ($KK)	620.95	621.53	620.29	619.03	729.21

Rate Stabilization	**FY 19/20**	**FY 20/21**	**FY 21/22**	**FY 22/23**	**FY 23/24**
Projected Reserve Amount ($KK)	500.00	500.00	500.00	500.00	500.00

Total Cash Reserve ($MM)	**5.42**	**5.50**	**5.79**	**6.33**	**6.81**

MEMORANDUM

DATE: June 9, 2023
MEETING OF: June 13, 2023
TO: Administration & Finance Committee
FROM: General Manager
RE: **ITEM 9:** Consider Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees)

BACKGROUND

When the Pajaro Valley Water Management Agency (PV Water) was established in 1984, the primary source of income was an assessment on parcels within its jurisdiction called the "Management Fee." The Management Fee is assessed annually at a rate of $18 per residential parcel and $20 per commercial parcel, and it is collected via the counties tax rolls.

The counties collect the Management Fee on behalf of the PV Water through a special levy. To enable this collection, the PV Water must prepare listings of the parcel charges and submit them by August 1, along with a request to place these billings on the tax rolls. Resolution 2023-XX constitutes this request.

FISCAL IMPACT

Santa Cruz County charges 1.00% for administrative costs, approximately $3,000.00, Monterey County charges 0.25%, approximately $160.00. San Benito County charges $0.30 per parcel, or approximately $90.00. These charges are anticipated in the Fiscal Year 2023-2024 budget.

STAFF RECOMMENDATION

The Committee consider the Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees).

ATTACHMENT

- Resolution

Resolution 2023-XX

A Resolution of the Board of Directors of the
Pajaro Valley Water Management Agency

Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees)

WHEREAS, the initial major source of income for the Pajaro Valley Water Management Agency (PV Water) as established in 1984 has been a Management Fee assessed to each parcel within PV Water's jurisdiction, which for 2023-2024 will be at the rate of $18 per residential and $20 per commercial parcel; and

WHEREAS, such charges as assessed by the PV Water are authorized in Article 9 of the PV Water enabling legislation and have been processed by the Counties of Santa Cruz, Monterey and San Benito since inception; and

WHEREAS, the Pajaro Valley Water Management Agency ("Public Agency") requests that the Public Agency's management fee be placed on the Monterey County, San Benito County and Santa Cruz County 2023-2024 tax rolls for collection and distribution.

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The Public Agency hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general and special taxes, assessments, or property-related fees or charges identified in Exhibit "A", regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.

2. The Public Agency further certifies that, except for the sole negligence or misconduct of the Counties of Monterey, San Benito, and Santa Cruz, their officers, employees, and agents with regards to the handling of the CD or electronic file identified as Exhibit 'A', the Public Agency shall be solely liable and responsible for defending, at its sole expense, cost and risk, each and every action, suit or other proceeding brought against the Counties of Monterey, San Benito, and Santa Cruz, their officers, employees, and agents for every claim, demand, or challenge to the levying or imposition of the general and special taxes, assessments, or property-related fees or charges identified in Exhibit "A", and that it shall pay or satisfy any judgment rendered against the Counties of Monterey, San Benito, and Santa Cruz, their officers, employees and agents on every such action, suit or other proceeding, including all claims for refunds and interest thereon, legal fees and court costs, and administrative expenses of the Counties of Monterey, San Benito, and Santa Cruz to correct the tax rolls.

PASSED AND ADOPTED by the Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the **21st** day of **June**, **2023**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Amy Newell, Chair

Attest:

DRAFT

_____

Laura R. Taay, Board Secretary

Exhibit "A" to
Resolution 2023-XX
A Resolution of the Board of Directors of the
Pajaro Valley Water Management Agency

Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments and Property-Related Fees and Charges

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Fiscal Year 2023-2024

General Taxes:	None
Special Taxes:	None
Assessments:	None
Property Related Fees or Charges:	Management Fee: $18 per residential parcel and $20 per commercial parcel

DRAFT

MEMORANDUM

DATE: June 9, 2023
MEETING OF: June 13, 2023
TO: Administration & Finance Committee
FROM: General Manager
RE: **ITEM 10:** Consider Managed Security Assurance Agreement with ZAG Technical Services in an amount not to exceed $150,000 through June 30, 2025

DISCUSSION

Information Technology (IT) is the backbone of PV Water. IT is responsible for creating, editing, storing, backing up, and protecting data. Maintaining a secure, efficient, and reliable IT program is of the utmost importance to PV Water's operations. ZAG Technical Services (ZAG) has been providing support to keep the PV Water's IT systems (firewalls, servers, computers, remote connections, etc.) running securely and efficiently since 2004.

ZAG's staff monitor and patch computers and servers, maintain Microsoft 365 accounts, manage backup solutions, monitor PV Water's Firewall, conduct regular security tests, and more. In additional to standard IT maintenance items, staff have recently worked with ZAG to prepare and test a Disaster Response and Recovery Plan, initiate malicious email / phishing scam testing and training, and migrate to Microsoft 365. The 24/7 service provided by ZAG has been exceptional.

FISCAL IMPACT

Staff anticipated that support services will not exceed $150,000 between July 1, 2023 and June 30, 2025.

STAFF RECOMMENDATION

That the Committee review and consider the draft Agreement with ZAG Technical Services.

ATTACHMENT

- Draft Agreement with ZAG Technical Services

PAJARO VALLEY WATER MANAGEMENT AGENCY
36 Brennan Street
Watsonville, CA 95076
Tel (831) 722-9292 Fax (831) 722-3139

CONSULTANT AGREEMENT

To:	**ZAG Technical Services, Inc.**	**Date**:	**June 22, 2023**
	645 River Oaks Parkway		
	San Jose, CA 95134		
Tel:	**408-383-2000**		
Fax:			

Contract Amount:	**$150,000**	**Start Date:**	**July 1, 2023**	**End Date:**	**June 30, 2025**

Accepted:	**Pajaro Valley Water Management Agency**	**Consultant:**	**ZAG Technical Services, Inc.**
		FEIN:	**77-0492384**
By:		**By:**	
	Brian Lockwood		**Greg Gatzke**
Title	**General Manager**	**Title**	**Chief Executive Officer**
	Other authorized representative(s):		**Other authorized representative(s):**

CONSULTANT AGREEMENT

This Agreement is entered into and effective this **1st** day of **July 2023**, by and between the Pajaro Valley Water Management Agency ("PV Water"), and ZAG Technical Services, Inc. ("Consultant") referred to herein individually as a "Party" and collectively as "the Parties."

WHEREAS, PV Water desires to retain Consultant to provide various computer and server managed services and support including, but not limited to, network monitoring, anti-virus management, systems administrations and onsite project work, as further described in Addendum "A" and attached hereto and made a part hereof ("Project"); and,

WHEREAS, Consultant represents that it has the expertise, means, and ability to perform said duties as outlined within its proposal received by PV Water on May 03, 2023 (Addendum A);

NOW, THEREFORE, in consideration of each other's mutual promises, the Parties hereto agree as follows:

1. Term of Agreement. This Agreement shall terminate on June 30, 2025 unless terminated sooner pursuant to the terms of this Agreement. The Parties' authorized representatives (defined below) shall have the authority to extend this term by written amendment to this Agreement.

2. Work. Consultant will furnish services as defined and described in the proposal attached hereto as Addendum A, and incorporated herein. All work performed by Consultant, or under Consultant's direction, shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession. Consultant represents and warrants that Consultant: (i) is fully experienced and properly qualified to perform the class of work and service provided for herein, (ii) has the financial capability required for the performance of the work and services, and (iii) is properly equipped and organized to perform the work and services in a competent, timely, and proper manner, in accordance with the requirements of this Agreement.

   2.1 Change in Work. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion be approved in advance, in writing by a supplemental agreement by the Parties. PV Water may order changes in the scope or character of services in writing, including decreasing the amount of Consultant's services described herein. In the event that the work is decreased, Consultant is entitled to full compensation for services performed and expenses incurred prior to the receipt of notice of change pursuant to Section 4 of this Agreement.

3. Authorized Representatives. The authorized representatives shall be individuals with the necessary authority to direct technical and professional work within the scope of this

Agreement and shall serve as the principal point of contact for the Project for each respective party.

3.1 PV Water. PV Water designates the following individual(s) as PV Water's authorized representative(s): Brian Lockwood. Only PV Water's authorized representative(s) is authorized to approve changes to this Agreement on behalf of PV Water.

3.2 Consultant. Consultant designates the following individual(s) as Consultant's authorized representative(s): _____. Only Consultant's authorized representative(s) is authorized to approve changes to this Agreement on behalf of Consultant.

4. Compensation. PV Water will pay Consultant, as full compensation for full performance of the services described in this Agreement, a fee not to exceed **One Hundred Fifty Thousand Dollars ($150,000).** The fee for services will be based on the Fee Schedule included in Addendum A of this Agreement.

4.1 Method of Payment. Consultant shall prepare and submit to PV Water detailed weekly invoices for fees and costs incurred in the performance of the services hereunder during the previous billing period. The invoice shall describe the services rendered and shall be based on all labor and direct expense charges made for work performed hereunder. Labor charges shall be in accordance with the Fee Schedule found in Addendum A of this Agreement. PV Water shall pay the amount of each itemized invoice within thirty (30) days after the receipt of the invoice, subject to a finding by PV Water that work performed has been satisfactory and that payment is for the work specified in Addendum A and does not exceed the maximum amount specified above.

4.2 Direct Expenses. Direct expenses are those outside costs and rates identified in Addendum A incurred directly for the work performed and substantiated with invoices for the charges. Consultant will not be reimbursed for any costs or expenses at any rates that exceed the rates set forth in the Fee Schedule found in Addendum A. If Consultant must incur other costs which are not specifically covered by the terms of this Agreement, but which are necessary for the performance of Consultant's duties, PV Water may approve payment for said costs if authorized in writing by PV Water in advance.

5. Independent Contractor. Consultant represents that it has or will secure at its own expense all personnel, materials, and related services required to perform the services under this Agreement. Consultant (and its employees, agents, representatives, and subconsultant(s)), in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of PV Water. Consultant, not PV Water, shall have exclusive and complete control over its employees and subcontractors, and shall determine the method of performing the services hereunder. PV Water, however, retains the right to require that work performed by Consultant meet specific standards consistent with the requirements of this Agreement without regard to the manner and means of accomplishment thereof.

6. Conflict of Interest. Consultant owes PV Water a duty of undivided loyalty in performing the work and services under this Agreement. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant acknowledges that it is aware of and agrees to comply with the provisions of the Political Reform Act, Section 1090 of the Government Code, and the PV Water conflict of interest code. Consultant will immediately advise Agency counsel if Consultant learns of a conflicting financial interest of Consultant's during the term of this Agreement.

7. Indemnification.

For General Services: To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless PV Water, its directors, officers and employees from and against any and all claims, demands, actions, damages, or expenses, (including attorney's fees and costs) arising from the acts or omissions of Consultant's employees or agents in any way related to the obligations or in the performance of services under this Agreement, except for design professional services as set forth in Civil Code § 2782.8, and except where caused by the sole or active negligence, or willful misconduct of PV Water.

For Design Professional Services under Civil Code §2782.8:
To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless PV Water, its directors, officers and employees from and against any and all claims, demands, actions, damages, or expenses, (including attorney's fees and costs) arising from the negligence, recklessness, or willful misconduct of the Consultant, Consultant's employees or agents in any way related to the obligations or in the performance of design professional services under this Agreement as set forth in Civil Code, except where caused by the sole or active negligence, or willful misconduct of PV Water. The costs to defend charged to the Consultant relating to design professional services shall not exceed the Consultant's proportionate percentage of fault per Civil Code §2782.8.

8. Insurance. Consultant agrees to procure and maintain the insurance coverages and limits as required by PV Water prior to the commencement of work, as specified in Exhibit "B".

9. Sub-consultants. Except as provided in Addendum A of this Agreement, and otherwise with prior written approval of PV Water, Consultant shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement. In the event that Consultant employs sub-consultants, sub-contractors, sub-tier contractors, or any person or entity involved by, for, with, or on behalf of Consultant in the performance or subject matter of this Agreement ("sub-consultant"), it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above. Consultant shall require all sub-consultants to provide a valid certificate of insurance and the required endorsements included in the Agreement prior to commencing any work, and will provide proof of compliance to PV Water. Sub-consultants

are to be bound to Consultant and to PV Water in the same manner and to the same extent as the Consultant is bound to PV Water under this Agreement. Consultant shall be responsible to PV Water for the performance of any and all sub-consultants who perform work under this Agreement and any acts of negligence on their part. Consultant is solely responsible for all payments due to sub-consultants.

10. Compliance with Laws. All activities of Consultant will be carried out in compliance with all applicable federal, state and local laws.

11. Permits. Permits required by governmental authorities will be obtained at Consultant's expense, and Consultant will comply with local, state and federal regulations and statutes including Cal/OSHA requirements.

12. Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its work, Consultant shall at all times, exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all federal, state and local statutory and regulatory requirements including State of California, Division of Industrial Safety (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable). Safety precautions as applicable shall include instructions in accident prevention for all employees such as safe walkways, scaffolds, fall protection, ladders, bridges, gang planks, confined space procedures, trenching & shoring, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries.

13. Equal Employment Opportunity. Consultant agrees to refrain from discriminatory employment practices on the basis of race, religious creed, color, sex, national origin, handicap, sexual orientation, disability, ancestry, or other protected characteristics of any employee of, or applicant for employment with, such Consultant.

14. Ownership of Documents and Materials. All original documents, explanations of methods, maps, drawings, tables, reports, models, and other materials and work product (whether in printed or electronic format) prepared or gathered by or on behalf of Consultant under this Agreement that are in Consultant's possession, custody or control and equipment purchased specifically for the Project shall become the exclusive property of PV Water and may be used on this Project without the consent of the Consultant or its sub-consultants. Any software program purchased by Consultant to be used in the performance of this Agreement shall be transferred to PV Water to the extent allowed by the software license under which the program was purchased. All such materials, whether finished or unfinished shall, at PV Water's request, be delivered to PV Water upon completion of contract services or termination of this Agreement for any reason. Consultant agrees that all copyrights which arise from creation of Project-related documents and materials pursuant to this Agreement shall be vested in PV Water and waives and relinquishes all claims to copyright or other intellectual property rights in favor of PV Water.

15. Inspection. Authorized representatives of PV Water shall have access to Consultant offices

or other work location during normal business hours for the purpose of review and inspection of work activities undertaken pursuant to this Agreement. Consultant shall maintain books and accounts of the recoverable costs in accordance with generally accepted accounting principles and practices. PV Water shall have access to these books and accounts during Consultant normal business hours for the duration of this Agreement, and for a period of three (3) years after the completion of the particular services to which the costs relate to the extent required to verify the direct costs (excluding established or standard allowances and rates) incurred pursuant to this Agreement.

16. Termination. PV Water may terminate this Agreement at any time, with or without cause, in its sole discretion, by giving written notice to Consultant at least thirty days (30) prior to such termination. Upon receipt of written notice from PV Water that this Agreement is terminated, Consultant will submit an invoice for an amount that represents the value of services actually performed to the date of said notice for which Consultant has not previously been compensated. In the event of termination without cause, PV Water will pay to Consultant all recoverable costs incurred in the performance of such services in accordance with Section 4 of this Agreement, plus all reasonable costs incurred as a result of such termination, but in no event will PV Water pay termination costs exceeding Five Thousand Dollars ($5,000.00) and PV Water will have no further obligation to Consultant, monetarily or otherwise. In the event termination is for cause, Consultant need be compensated only to the extent required by law.

17. Dispute Resolution. The Parties desire to avoid the cost and delay of litigation. To that end, the parties will attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to this Agreement. Either party may initiate negotiations by providing written notice in letter form to the other party, setting forth the subject of the dispute and the relief requested. Promptly upon such notification, the Parties shall meet at a mutually agreeable time and place in order to exchange relevant information and perspective, and to attempt to resolve the dispute. In the event that no resolution is achieved, and if, but only if, the parties mutually agree, then prior to pursuing formal legal action, the parties shall make a good faith effort to resolve the dispute by non-binding mediation or negotiations between representatives with decision-making power, who, to the extent possible, shall not have had substantive involvement in the matters of the dispute. If the dispute is not resolved by these negotiations, the matter will be handled as the parties may agree or, otherwise as allowed by applicable law. Notwithstanding the foregoing provisions, nothing contained in this Agreement shall impair the parties' right to immediately pursue any and all legal remedies which may be available should there be a default in the terms of this Agreement, and a failure to cure said default after notice as required under this Agreement. If required by statute (e.g. applicable statute of limitation) to perfect or preserve a claim, either party may file the required notice of claim and/or commence litigation. To the extent that the Project involves or qualifies as a public works project, the Parties agree to comply with Public Contract Code section 9204(e).

18. Legal Remedies. Either Party shall be entitled to all remedies afforded by law or in equity to enforce their respective rights under this Agreement. No right or remedy in this Agreement are intended to be exclusive of any other right or remedy, but every such right or

remedy shall be cumulative and shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law, in equity or in the Agreement.

19. Right to Acquire Work from Others. Nothing in this Agreement shall prohibit PV Water from acquiring the same type or equivalent type of work or services under this Agreement from other sources.

20. Assignment and Successors. Consultant shall not assign any portion of the work required by this Agreement nor otherwise assign or transfer any interests in it without prior written approval of PV Water, which may be withheld or delayed in PV Water's sole and absolute discretion. This Agreement will be binding on the heirs, legal representatives, successors and assigns of the parties named above.

21. Severability. If any court of competent jurisdiction should rule that any provision of this Agreement is void, invalid or unenforceable, the remaining provisions will remain in full force and effect and will not be affected by said ruling.

22. Amendment. Except as otherwise provided in this Agreement, neither this Agreement nor any provision hereof may be waived, modified, amended, or discharged, or terminated except by an instrument in writing signed by the Parties, and then only to the extent set forth in such writing.

23. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation, except the payment of money, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of the affected party, or by a strike, lockout or other labor difficulty, the settlement of which shall be within the sole discretion of the party involved. Each party hereto shall give notice promptly to the other of the nature and extent of any Force Majeure claimed to delay, hinder or prevent performance of the services under this Agreement. In the event either party is prevented or delayed in the performance of its respective obligation by reason of such Force Majeure, there may be an equitable adjustment of the schedule and Consultant compensation.

24. Governing Law and Venue. This Agreement shall be governed and construed in accordance with the laws of the State of California. The Parties hereby agree that: (a) if any action is brought for the purpose of enforcing any provision of this Agreement, including without limitation instituting any action or proceeding to enforce any provision of this Agreement, for damages by reason of any alleged breach of any provision of this Agreement, or a declaration of rights or obligations under this Agreement, or for any other judicial remedy, then such action shall be brought only in the appropriate state or federal court located in Santa Cruz County, California; and (b) a final judgment in any such action or proceeding shall be conclusive and may be enforced in any other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this section shall affect or impair any Party's right to serve legal process in any manner permitted by law.

25. Notices. Any notice, approval, consent, waiver or other communication required or permitted to be given or to be served upon either Party in connection with this Agreement shall be in writing. Such notice shall be personally served or sent prepaid by registered or certified mail with return receipt requested, or sent by reputable overnight delivery service, such as Federal Express, and shall be deemed given: (a) if personally served, when delivered to the Party to whom such notice is addressed; (b) if given by prepaid or certified mail with return receipt requested, on the date of execution of the return receipt; or (c) if sent by reputable overnight delivery service, such as Federal Express, when received. Such notices shall be addressed to the Party to whom such notice is to be given at the Party's address set forth below or as such party shall otherwise direct in writing to the other Party delivered or sent in accordance with this Section.

If to PV Water:

Pajaro Valley Water Management Agency
Attention: Brian Lockwood, General Manager
36 Brennan Street
Watsonville, CA 95076
Telephone: (831) 722-9292

If to Consultant:

ZAG Technical Services, Inc.
Attention: Greg Gatzke, Chief Executive Officer
645 River Oaks Parkway
San Jose, CA 95134

_____

26. Cumulative Rights; Waiver. The rights created under this Agreement or by law or equity, shall be cumulative and may be exercised at any time and from time to time. No failure by either Party to exercise, and no delay in exercising any rights, shall be construed or deemed to be a waiver thereof, nor shall any single or partial exercise by either Party preclude any other or future exercise thereof or the exercise of any other right. Any waiver of any provision or of any breach of any provision of this Agreement must be in writing, and any waiver by either Party of any breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of that provision or of any breach of any other provision of this Agreement. The failure of either Party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered or construed or deemed a waiver of any provision or any breach of any provision of this Agreement or deprive that Party of the right thereafter to insist upon strict adherence to that term or provision or any other term or provision of this Agreement. No delay or omission on the part of either Party in exercising any right under this Agreement shall operate as a waiver of any such right or any other right under this Agreement.

27. Interpretation. This Agreement constitutes a fully negotiated agreement between commercially sophisticated Parties, each assisted by legal counsel, and the terms of this

Agreement shall not be construed or interpreted for or against either party hereto because that Party or its legal representative drafted or prepared such provision.

28. Severability. If any provision of this Agreement is invalid, illegal or unenforceable, such provision shall be deemed to be served or deleted from this Agreement and the balance of this Agreement shall remain in full force and effect notwithstanding such invalidity, illegality or unenforceability.

29. Counterparts. This Agreement may be executed in counterparts, which, together, shall constitute one and the same instrument. Electronic, facsimile and scanned pdf signatures and copies of this Agreement shall be accepted as originals.

30. Time. Time is of the essence for each provision of this Agreement.

31. Further Assurances. The Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required to carry out the provisions of this Agreement and the intentions of the Parties.

32. Good Faith and Fair Dealing. The Parties hereto acknowledge and agree that the performances required by the provisions of this Agreement shall be undertaken in good faith, and with both parties dealing fairly with each other.

33. No Third Party Beneficiaries. This Agreement does not create, and shall not be construed to create, any rights enforceable by any person, partnership, corporation, joint venture, Limited Liability Company or other form of organization or association of any kind that is not a party to this Agreement.

34. Entire Agreement. This Agreement, together with Addendums, Exhibits and/or attachments and any agreements provided for herein, constitute the entire understanding between the Parties with respect to the matters set forth herein, and they supersede all prior or contemporaneous understandings or agreements between the Parties with respect to the subject matter hereof, whether oral or written.

35. Representations of Authority. The execution, delivery and performance of this Agreement by the Consultant and PV Water have been duly and validly authorized.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above referenced.

PAJARO VALLEY WATER MANAGEMENT AGENCY

By: _____

Brian Lockwood
General Manager

ZAG Technical Services

By: _____

Greg Gatzke
Chief Executive Officer

Addendum A

Managed Security Assurance

A Partnership to Enable Your Success….

5/3/2023

Developed for CLIENT Revision: 2.0

PURPOSE

The purpose of this addendum is to serve as a supplement to ZAG's Master Services Agreement (MSA). In any cases of conflicting terms, this addendum will supersede the MSA unless otherwise noted.

EXECUTIVE SUMMARY

The Managed Security Assurance Agreement is a partnership with ZAG's team to ensure the monitoring and management of your systems and infrastructure and that security, as defined below, is implemented. ZAG's Client Operations team ensures that your core platforms are proactively monitored and updated regularly, protecting against preventable incidents, security threats, and business risk. This preventative maintenance of your systems helps ensure optimal performance, stability and security in your environment. This agreement also puts into place specific security measures that help assure the security of your environment.

MANAGED SECURITY ASSURANCE

The Managed Security Assurance Agreement provides your organization with centralized monitoring and patching/updates of firewalls, switches, servers, and computers. Our team will notify you if problems/issues are discovered in your environment, so you can act quickly. This service goes beyond a traditional Remote Monitoring and Management (RMM) offering.

Patching of your systems and infrastructure is included to keep everything current including patching of standard third-party software vendors detailed below. Antivirus and other system and network level protections will also be installed and monitored to provide multiple layers of security. Finally, server backups that meet the standards of this agreement are monitored to ensure their success. Systems outside of the approved list are managed on a best effort process or by managing a third-party vendor.

ADDITIONAL SECURITY MEASURES

The Managed Security Assurance Agreement also puts into place several security offerings that will dramatically improve an organization's security posture. Included in this among other items are:

- DMARC Configuration
- Cloud-based Internet Security
- Dark Web Monitoring
- Quarterly Security Scanning
- Quarterly Internet-based Vulnerability Scanning
- Disk Encryption configured for all workstations

DISCOVERY AND SETUP

Once the agreement has been signed, ZAG can begin the Onboarding process. This work includes:

- Set up the management and antivirus systems
- Perform initial external security testing
- Conduct initial network scan of all devices
- Review server backups
- Configure DMARC
- Deploy Cloud-based Internet Security
- Configure Dark Web monitoring
- Configure Disk Encryption on workstations

SERVICE DESCRIPTIONS

The following table provides a listing of some routine maintenance and administration tasks that are included within the agreement definitions. Tasks may be modified over time as required.

- **Monitor Servers and Workstations**
  - ZAG monitors servers and workstations for issues that arise such as failed drives, etc. Alerts are created so that the local personnel can correct known issues.
- **Monitor Server Backups**
  - Backups are a last line of defense for an organization. It is where the organization goes to if everything else fails. ZAG monitors the backups and alerts the organization should backups fail.
- **Monitor Network Equipment (Switches, Routers, Firewalls)**
  - ZAG continuously monitors the network equipment to ensure it is up and functioning.
- **Monitor UPS Systems**
  - UPS's ensure that systems are up and protected from power-based issues. ZAG monitors these systems as possible to ensure that servers and critical infrastructure stays up and available.
- **Manage Server and Workstation Antivirus**
  - Antivirus is a key line of defense for any organization. ZAG has found that vigilance is needed to ensure organizations are properly protected. ZAG monitors antivirus continuously to ensure that systems are protected.
- **Manage Server and Workstation MS Office/OS Updates**
  - Microsoft updates are the hallmark of security. ZAG manages the updates going to servers and workstations to ensure they are protected.
- **Manage Workstation Third-Party Software Updates**
  - Many vulnerabilities today come through Third-Party software offerings. ZAG works to keep software listed below current to help protect the organization from attack.
- **Configure DMARC**
  - DMARC is a configuration that ZAG implements to protect the organization against email spoofing attacks. After it has been setup ZAG continues to monitor it so that we are alerted should a new valid sending email service be setup. If that happens, ZAG will need to update DMARC to ensure valid emails are delivered.
- **Monitor Cloud-based Internet Security**
  - ZAG implements a Cloud-based Internet security system that protects employees wherever they are. This system is in addition to traditional antivirus. It helps protect employees from going to bad sites on the Internet.
- **Monitor Dark Web Instances**
  - ZAG subscribes to a service that monitors Dark Web instances. Notifications are sent out as new instances of the client's domain are located on the Dark Web. ZAG can also monitor up to two instances of personal email addresses. Executive emails of the

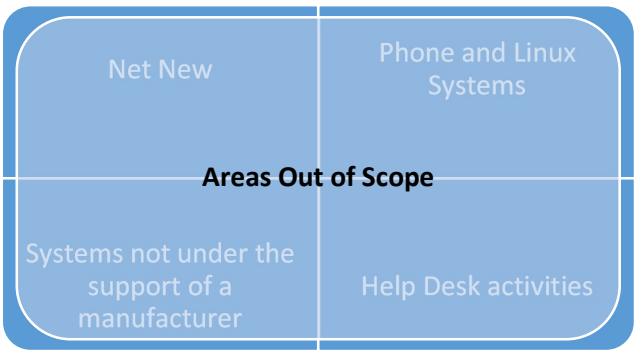
company are normally monitored as personally identity theft of a key executive can be substantially damaging to an organization.

- **Perform Quarterly Security Scanning**
  - ZAG will perform quarterly internal security scanning as a QA process to ensure the security of the organization is current.
- **Perform Quarterly Internet-based Vulnerability Scanning**
  - ZAG will perform quarterly internal security scanning as a QA process to ensure the security of the organization is current.

MANAGED SECURITY ASSURANCE EXCLUSIONS

All patching covered by this agreement shall be automated. Any systems requiring manual patching will be billed separately. Anything considered **net new** is also considered outside the scope of this agreement.

Onsite visits are not covered and will be billed outside of the scope of the agreement. Normal onsite maintenance tasks, like changing of backup tapes, is outside the scope and should be addressed by client personnel.



The management of phone systems are outside the scope of this agreement.

Non-Microsoft OS patching including Mac OS, third-party application patching and Linux systems are outside the scope of this agreement.

MINIMUM REQUIREMENTS

For ZAG to provide the best services possible, the following minimum requirements must be met:

- All systems must be current production machines running supported operating systems. Any systems that are obsolete or running operating systems that are past end of life will be handled to the best of our ability outside of the scope of this agreement.
- All passwords and network design information should be made available to the ZAG Professional Services staff at the time of onboarding. We will create a dedicated ZAG account for access to resources and will not require ongoing access to any existing Domain Administrator accounts.
- The ZAG Monitoring and Management Platform requires a server or high-end workstation that has 8GB RAM and 256GB of free disk space and a current supported Microsoft Operating System. The client will provide the hardware and Operating System for this platform. This system can be virtualized.

SUPPORTED VENDORS INCLUDED IN MANAGED SYSTEMS AND INFRASTRUCTURE

The following vendors are supported in the fixed fee Managed Plans. All products must be under a current warranty plan with the vendor. We can assist with acquiring this support with the vendor if needed.

Switches	Firewalls	Antivirus	Wireless Access Points	Backups
Cisco Catalyst Cisco Meraki HP	Cisco Meraki SonicWall	Sentinel One	Ruckus Meraki HP	BackupExec Datto Azure Backup

Other platforms will be maintained on a best effort process or by managing a third-party vendor (to be identified in separate addendum after assessment has been completed). Please note that these devices will be patched under the same schedule as supported devices. Patching and maintenance is critical to ensure the optimal performance and security of your environment.

Following is the full list of non-Microsoft apps that are patched under this plan. Please inform ZAG if any of these should be excluded from normal patching:

NON-MICROSOFT SUPPORTED VENDORS INCLUDED IN AUTOMATED PATCHING

Third Party Software Vendors		
Adobe Acrobat XI	Google Earth	
Adobe Air	iTunes (x64)	
Adobe Reader	iTunes (x86)	
Adobe Reader DC	Microsoft	VLC Media Player (x86)
Adobe Reader MUI	Notepad ++	WinRAR (x64)
Chrome	Opera Chromium	WinRAR (x86)
Firefox	QuickTime	WinZip (x64)
Firefox ESR	Safari	WinZip (x86)
Flash ActiveX	Shockwave	
Flash Plugin	Skype	
Foxit Reader	Thunderbird	

LIFECYCLE MANAGEMENT

Under this agreement, the client agrees to adhere to the following lifecycle management:

Hardware	Lifecycle
Laptops/Desktops	Replaced at minimum every four years
Servers/SANs	Replaced at minimum every six years
Switches/Routers/Firewalls/WiFi	Replaced at minimum every six years

TERM

The Managed Security Assurance agreement is a month to month term. A 30-day notice of termination is required should any party terminate this agreement.

RATES

Managed Service Calculations

	Monthly	Non-Recurring	Approved
Managed Security Assurance	$1925.00		
Discovery & Setup		$0	
	$1925.00	**$0**	

The number of devices being managed under this plan are updated monthly and the rates are adjusted accordingly. Customer agrees to pay for service for all systems discovered in the monthly audit at a rate of $65.00/workstation and $100.00/server.

Professional Services Hourly Rates

	Normal Business Hours	Nights, Weekends, Holidays
Systems Engineer	$205	50% Premium
Sr. Systems Engineer Sr. Project Manager	$225	
Solution Architect	$300	

ACCEPTANCE

IN WITNESS WHEREOF, the Parties have caused this Scope of Work ("SOW") to be executed as of the date indicated below.

Accepted By:

Authorized Signature	ZAG Technical Services, Inc.	Date
Authorized Signature	Pajaro Valley Water Management Agency	Date

APPENDIX A – SUMMARY INFORMATION

The pricing is based upon the following understanding of the client's environment:

	Quantity	Description
Number of Locations	1	
Firewalls		
Switches		
Servers (Virtual and Physical)	6	
Workstations (Virtual and Physical)	21	
Backup Solution		
Cloud Services(email, file sharing, SSO, MFA, document management, CRM, ERP, marketing, etc.)		

EXHIBIT "B"

Insurance Requirements

Consultant shall procure and maintain insurance as follows:

1. Commercial General Liability Insurance. Commercial general liability insurance, including products and completed operations, property damage, bodily injury, personal and advertising injury with limits of not less than $1,000,000 each occurrence and $2,000,000 aggregate.

2. Automobile Liability Insurance. Automobile liability insurance covering automobile bodily injury and property damage, including all owned (if any), hired and non-owned autos, with limits of not less than $1,000,000 each accident. If Consultant acquires any owned vehicles, Consultant shall provide insurance as above.

3. Professional Liability Insurance. Limits of liability in amounts not less than $1,000,000 per occurrence or claim and $2,000,000 aggregate, insuring Consultant and its employees against liabilities arising out of or in connection with the negligent acts, errors, or omissions of any of the foregoing in connection with the carrying out of their professional responsibilities relating to this Agreement. Consultant shall renew continuous coverage or extend the reporting period, to the extent available, by endorsement or otherwise, for claims five (5) years from the date this Agreement is terminated. Such professional liability policies shall include coverage for liability assumed by the Consultant under this Agreement for losses arising out of Consultant's negligence.

4. Workers' Compensation and Employer's Liability Insurance. Worker's Compensation as required by the Labor Code of the State of California and Employer's Liability Insurance for all employees in workplaces involved in this Agreement. Employer's liability insurance in the amount of, at least, $1,000,000 per accident for bodily injury or disease. The Certificate of Insurance shall include waiver of subrogation endorsement in favor of PV WATER. ***This requirement may be waived if Consultant provides a sworn affidavit to PV WATER that Consultant has no employees.***

5. Other Requirements.

    a. Additional Insured Endorsement. The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions: **The Pajaro Valley Water Management Agency, its directors, officers, employees, and authorized volunteers are to be additional insured**. The coverage shall contain no special limitations on the scope of protection afforded to PV WATER, its directors, officers, employees, or authorized volunteers.

b. Primary Insurance. For any claims related to this Agreement, Consultant's insurance shall be primary insurance as respects PV WATER, its directors, officers, employees, and authorized volunteers, individually and collectively. Any insurance, self-insurance, or other coverage maintained by PV WATER, its directors, officers, employees, or authorized volunteers shall be in excess of Consultant's insurance and shall not contribute to it.

c. Cancellation. The policies specified above are to state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to PV WATER.

d. Changes. If any change is made in the insurance carrier, scope of coverage or retroactive date of professional liability coverage required under this Agreement, Consultant shall notify the PV WATER within three (3) working days.

e. Evidence of Insurance. Prior to execution of this Agreement, Consultant shall file with PV WATER, on forms acceptable to PV WATER, certificate(s) of insurance and additional insured endorsements, as specified above.

f. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the PV WATER. At the option of PV WATER, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

g. Acceptability of Insurers. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-VII or equivalent or as otherwise approved by PV WATER.

h. Special Risks or Circumstances.
PV WATER reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

PAJARO VALLEY WATER MANAGEMENT AGENCY

Account Activity Report per Bank Statement

	Date	Deposits	Withdrawals	Balance
CLEARING ACCOUNT - Mechanics				
Beginning Balance	4/1/2023			$1,016,209
Cash Receipts				
Disbursements			1,227,534	
Transfers		375,401		
Bank Fees				
Ending Balance	4/30/2023			$164,075
GENERAL FUND10-MMA Mechanics				
Beginning Balance	4/1/2023			$1,387,724
Cash Receipts		1,400		
Transfers			33,189	
Interest Earned		3,156		
Bank Fees				
Ending Balance	4/30/2023			$1,359,091
GENERAL FUND 10 - LAIF				
Beginning Balance	4/1/2023			$2,214,386
Transfers				
Interest Earned		14,925		
Ending Balance	4/30/2023			$2,229,311
GENERAL FUND 20 - LAIF				
Beginning Balance	4/1/2023			$8,131,282
Transfers				
Interest Earned		54,803		
Ending Balance	4/30/2023			$8,186,086
SPECIAL REVENUE FUND 20-ACH Clearing Acct Mechanics				
Beginning Balance	4/1/2023			$0
Cash Receipts				
Sweep/Transfers		2403	2,403	
Disbursments/ACH-Wire				
Bank Fees				
Ending Balance	4/30/2023			$0
SPECIAL REVENUE FUND 20-Operating Mechanics				
Beginning Balance	4/1/2023			$424,804
Cash Receipts		1,956,586		
Transfers		30,000	572,211	
Disbursments/ACH-Wire			145,693	
Bank Fees			1,157	
Interest Earned				
Ending Balance	4/30/2023			$1,692,328
SPECIAL REVENUE Fund 20 Cash Mgmt-FUND20MMN Mechanics				
Beginning Balance	4/1/2023			$5,000,285
Transfers		330,000	130,000	
Disbursments/ACH-Wire				
Bank Fees				
Interest Earned		11,994		
Ending Balance	4/30/2023			$5,212,279
Certificate of Deposit - DWR Loan Reserve Mechanics Fund 40				
Beginning Balance	4/1/2023			$256,968
Interest Earned		654.74		
Ending Balance	4/30/2023			$257,623
Certificate of Deposit - SRF-D1501023				
Beginning Balance	4/1/2023			$76,275
Transfers				
Interest Earned				
Ending Balance	4/30/2023			$76,275

Prior Month Ending Cash Balance:	Total Deposits:	Total Withdrawals:	Month End Cash Balance:
18,507,934	$2,781,321	$2,112,188	19,177,068
Cash Transfers	735,401	735,401	-
Actual Cash Receipts/Disbursements	2,045,921	1,376,788	

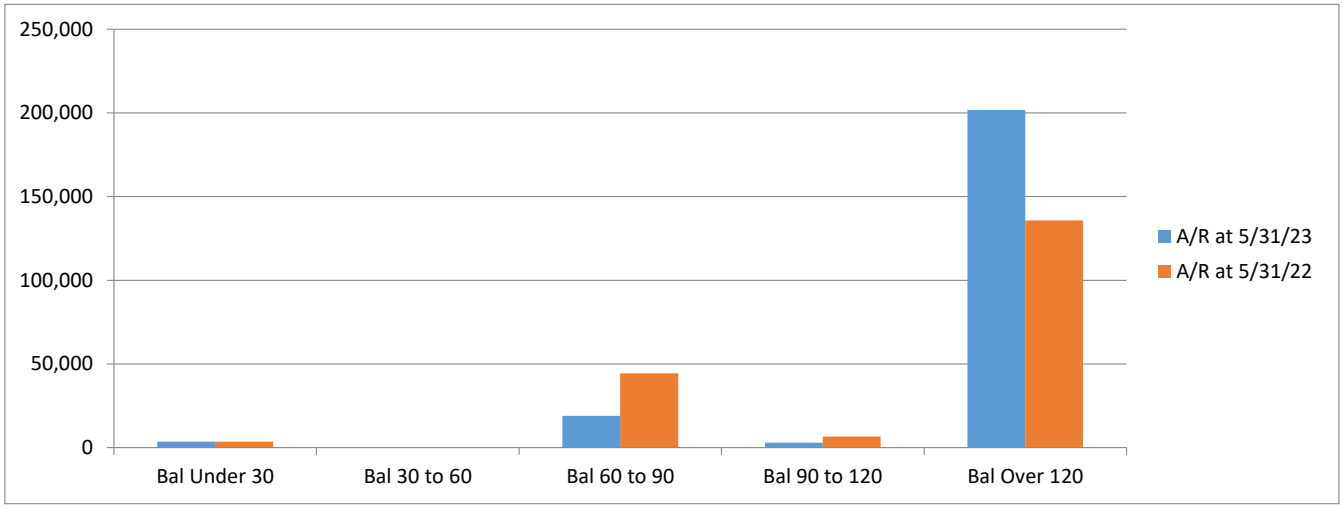
PAJARO VALLEY WATER MANAGEMENT AGENCY
INVESTMENT REPORT
ALL FUNDS
April 30, 2023

Description	Current Yield	Investment	% of Total Portfolio	Weighted Yield
MechanicsClearing Account	0.00%	**$164,075**	0.86%	0.00%
General Fund 10				
Mechanics General Fund 10 Money Market Account	3.04%	1,359,091	7.09%	0.22%
Local Agency Investment Fund	2.74%	2,229,311	11.62%	0.32%
		$3,588,402		
Special Revenue Fund 20				
Mechanics Special Revenue Fund 20-ACH Clearing Account	0.00%	0	0.00%	0.00%
Mechanics Special Revenue Fund 20 Operating Account	0.00%	1,692,328	8.82%	0.00%
Mechanics Special Revenue Fund 20 Money Market Account	3.04%	5,212,279	27.18%	0.83%
Local Agency Investment Fund	2.74%	8,186,086	42.69%	1.17%
		$15,090,693		
Long Term Debt Fund 40				
Mechanics Certificate of Deposit DWR Loan Reserve	3.00%	$257,623	1.34%	0.04%
Mechanics Certificate of Deposit SRF-D1501023	3.00%	$76,275	0.40%	0.01%
		333,898		
	Total:	**$19,177,068**	**100.0%**	

Total Funds Reserved	333,898
Total Funds Invested	16,986,767
Total Funds Non-interest Bearing	1,856,403
Total Funds	**$19,177,068**
Total Available Funds	18,843,170
Cash Reserve Policy Requirements (PV Water)	6,330,000
Surplus (Deficit) of Funds	**$12,513,170**

PV Water
Accounts Receivable Aging 3 Month Trend
As of 5/31/2023

	Balance Forward	Bal Under 30	Bal 30 to 60	Bal 60 to 90	Bal 90 to 120	Bal Over 120
Accounts Receivable before credits	227,111	3,536	0	18,895	2,851	201,829
Credits	(23,422)					
Total Accounts Receivable at 5/31/23	203,689					
Accounts Receivable before credits	190,045	3,500	0	44,307	6,563	135,675
Credits	(30,031)					
Total Accounts Receivable at 5/31/22	160,014					
Accounts Receivable before credits	768,327	0	546,665	3,479	0	218,183
Credits	(21,245)					
Total Accounts Receivable at 4/30/23	747,083					
Accounts Receivable before credits	1,128,428	853,101	5,181	0	80,073	190,073
Credits	(20,213)					
Total Accounts Receivable at 3/31/23	1,108,215					



Accounts Payable

Checks by Date - Detail by Check Date

User: Nancy
Printed: 06/07/23

Check No	Vendor Invoice	Vendor Descriptio	Check Reference	Check
44453	A791	ASAP SIGNS & PRINTING	########	
	23540	76 Holahan Sign for 4/23		2,586.48
Total for Check Number 44453:				2,586.48
44454	P1109	BELINDA PLATTS	########	
	2023-2	Professional Services for 4/24 to 4/29/23		300.00
Total for Check Number 44454:				300.00
44455	L563	BRIAN LOCKWOOD	########	
	2/14--3/13/23	GM. Cell reimb. For 2/14-3/13/23		80.00
	REIMB	Donuts for Staff Mtg on for 4/23		74.70
Total for Check Number 44455:				154.70
44456	C103	CBEC ECO ENGINEERING INC	########	
	17-1003-6-15	CL/PS.Hydrologic Monitoring 2022-2023 for 3/1 to 3/31/23		17,877.75
Total for Check Number 44456:				17,877.75
44457	W400	CITY OF WATSONVILLE UTILITIES	########	
	#100507/24515	PVWMA recycled water use for JAN.-MAR, 2023		2,509.87
Total for Check Number 44457:				2,509.87
44458	P651	DAVID PARRA	########	
	REIMB	Reimb for Irrigators mtg supplies4/23		72.49
Total for Check Number 44458:				72.49
44459	E355	EKI ENVIRONMENT & WATER INC	########	
	B90103.03-04	HS. Professional Services for 3/1 to 3/31/23		8,441.98
	B90103.03-04	WSR. Professional Services for 3/1 to 3/31/23		8,441.98
Total for Check Number 44459:				16,883.96
44460	E500	ENVIRONMENTAL SCIENCE ASSOCIATES	########	
	183768	Updating CL Pipeline Project for 3/1-3/31/23		4,748.50
Total for Check Number 44460:				4,748.50
44461	K310	KITTLESON ENVIRONMENTAL CONSULTING	########	
	025.35	PVWMA/CL Biological Consulting for 3/1-4/26/23		4,609.54
Total for Check Number 44461:				4,609.54
44462	M175	MARISCOS PUERTO VALLARTA	########	
	MEETING	Irrigators Mtg for 4/23		620.00
Total for Check Number 44462:				620.00
44463	M2300	McCROMETER, INC.	########	
	592680	Meter replacement Parts Telemetry Project for 4/23		1,580.29
Total for Check Number 44463:				1,580.29
44464	P1160	MIKE PODLECH	########	
	2434	CL Fisheries Support Prof. Services for 4/1 to 4/30/23		525.00
Total for Check Number 44464:				525.00
44465	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	########	
	230323-71	Water Samples Surface for 3/23/23		2,970.00
	230405-80	Water Samples Surface for 4/5/23		465.00
Total for Check Number 44465:				3,435.00
44466	M1650	MONTEREY COUNTY ASSESSOR	########	

Check No	Vendor Invoice	Vendor Descriptio	Check Reference	Check
	294	Disclaimer Assessor Parcel/PVWMA Data Report for 4/23		200.00
Total for Check Number 44466:				200.00
44467	O95	OCEAN AIR & HEATING CO,	########	
	1076	Holohan HVAC install furnace unit bryant pymnt for 4/23		20,500.00
Total for Check Number 44467:				20,500.00
44468	O217	OFFICE AND HOME CLEANING SERVICES	########	
	2182	36 Brennan Mo. Office housekeeping for 4/23		600.00
	2183	76 Holohan Mo. Housekeeping for 4/23		300.00
Total for Check Number 44468:				900.00
44469	O411	O'REILLY AUTO PARTS	########	
	2912-280512	CD's Field Supplies for 4/23		21.94
Total for Check Number 44469:				21.94
44470	P300	PAJARO VALLEY CHAMBER OF COMMERCE	########	
	11673	Annually Membership Rnwal Dues for 4/23 thru 4/24		158.55
Total for Check Number 44470:				158.55
44471	P510	PAJARO VALLEY PRINTING	########	
	45728	2500 Self Seal Window/Regular/Ret. Envelopes for 4/23		404.98
Total for Check Number 44471:				404.98
44472	P180	PENINSULA MESSENGER LLC	########	
	1370503	Monthly RaboBank Courier for 4/23		115.00
Total for Check Number 44472:				115.00
44473	P800	PG & E	########	
	0688235687-3	Service at 76 Holohan Rd for 3/23 to 4/21/23		155.96
	2926809320-9	Service at 36 B Brennan St for 3/23 to 4/23/23		184.61
	3771390038-1	Service at Jensen Rd #3 for 3/21 to 4/19/23		21.71
	4291054495-8	Service at 475 San Andreas Rd for 3/22 to 4/20/23		49.80
	5916054391-0	Service at 187C San Andreas Rd for 3/22 to 4/20/23		1,251.58
Total for Check Number 44473:				1,663.66
44474	P400	PVI PAJARO VALLEY IRRIGATION, INC.	########	
	INV200065528	CD's Field Supplies for 4/23		39.51
Total for Check Number 44474:				39.51
44475	S1405	SC FUELS INC	########	
	0707229	Agency Vehicles Fuel for 4/17 to 4/28/23		634.24
Total for Check Number 44475:				634.24
44476	S1681	SHAMROCK OFFICE SOLUTIONS	########	
	3765645	Contract printer usage charge for 4/2-5/1/23		136.61
Total for Check Number 44476:				136.61
44477	C1580	SPECTRUM BUSINESS COMMUNICATIONS	########	
	0495564042323	LandLine & Internet services for 4/23 to 5/22/23		1,324.67
Total for Check Number 44477:				1,324.67
44478	C1580	SPECTRUM BUSINESS COMMUNICATIONS	########	
	0310817042023	Holahan/Internet/communication for 4/20 to 5/19/22		127.97
Total for Check Number 44478:				127.97
44479	S2865	SWCA ENVIRONMENTAL CONSULT. INC.	########	
	166231	CL. Integrated Resources Mngmnt Project. thru 4/15/23		11,791.25
Total for Check Number 44479:				11,791.25
44480	T333	THE BANK OF NEW YORK MELLON TRUST CO.	########	
	252-2548619	PVWMA 2015 Water Rev.Refund bond for 4/30-4/29/24		1,250.00
Total for Check Number 44480:				1,250.00
44481	T345	THE HOME DEPOT CREDIT SERVICES	########	

Check No	Vendor Invoice	Vendor Descriptio	Check Reference	Check
	1213529	Field supplies for 4/23		36.68
	1213529	Holohan supplies for 4/23		41.08
Total for Check Number 44481:				77.76
44482	U185	U.S. BANK EQUIPMENT FINANCE	########	
	499320711	RICOH Office Copier for 4/23		208.57
	499643781	RICOH Office Copier (upstairs) for 4/23		79.55
Total for Check Number 44482:				288.12
44483	W80	WAGEWORKS INC.	########	
	INV5094437	Mo. Admin & Compliance fee for 4/23		104.00
Total for Check Number 44483:				104.00
44484	Z100	ZAG TECHNICAL SERVICES, INC.	########	
	134215	IT-Annual Contract Monthly Subs/Agreement MS-CSP for 4/23		380.00
	134444	IT-Professional Prefered Support Agreement for 4/23		536.25
Total for Check Number 44484:				916.25
Total for 5/4/2023:				96,558.09
44485	A400	ACWA/JPIA WORKERS COMP	########	
	1/1 Thru 3/31/23	Worker's Compensation Ins. for 1/1 to 3/31/23		4,750.97
Total for Check Number 44485:				4,750.97
44486	R40	CARDMEMBER SERVICE	########	
	APRIL2023	Bridge fee to conference for 4/23		7.00
	APRIL2023	Office supplies for 4/23		136.56
	APRIL2023	Goto Mtg Phone conference for 4/23		24.28
	APRIL2023	office supplies for 4/23		12.83
	APRIL2023	Field supplies/jump start for 4/23		160.40
	APRIL2023	office supplies for 4/23		12.02
	APRIL2023	Holohan/bulletin board cabinet for 4/23		193.41
	APRIL2023	field supplies for 4/23		20.75
	APRIL2023	Holohan/.window covering for 4/23		2,790.91
	APRIL2023	IT-recurring subscription for 4/23		150.34
	APRIL2023	IT office supplies for 4/23		137.19
	APRIL2023	work boots for david for 4/23		-207.59
	APRIL2023	SP Board Mtg for 4/23		46.12
	APRIL2023	office supplies for 4/23		20.20
	APRIL2023	Field supplies jump/start for 4/23		-160.40
	APRIL2023	BOD sp Mtg for 4/23		83.16
	APRIL2023	field supplies for 4/23		51.15
	APRIL2023	IT office supplies for 4/23		193.10
	APRIL2023	Holohan/Scada Keys for 4/23		55.25
	APRIL2023	Holohan/fridge for 4/23		653.99
	APRIL2023	office supplies for 4/23		164.58
	APRIL2023	Admin day recognition for 4/23		39.20
	APRIL2023	office supplies for 4/23		32.28
	APRIL2023	lawn mower/field supplies for 4/23		96.95
	APRIL2023	IT office supplies for 4/23		590.64
	APRIL2023	IT office supplies for 4/23		-193.10
	APRIL2023	Lawn mower/field supplies for 4/23		120.64
	APRIL2023	office supplies for 4/23		14.95
Total for Check Number 44486:				5,246.81
44487	W400	CITY OF WATSONVILLE UTILITIES	########	
	CUST#602389	Office Monthly Utilities for 4/7 to 5/5/23		159.36
Total for Check Number 44487:				159.36
44488	C1677	COMMUNITY PRINTERS INC	########	
	34426012	200 2"x2" Stickers for 4/23		245.27
Total for Check Number 44488:				245.27
44489	E500	ENVIRONMENTAL SCIENCE ASSOCIATES	########	
	184239	Updating CL Pipeline Project for 4/1-4/30/23		4,265.75
Total for Check Number 44489:				4,265.75

Check No	Vendor Invoice	Vendor Descriptio	Check Reference	Check
44490	G148	GOMEZ TAURINO & MARIA	########	
	APPRAISALREIMB.	Apraisal Reimb. CL. 200-280 Minto for 5/23		5,000.00
Total for Check Number 44490:				5,000.00
44491	G170	GRAINGER	########	
	9695044892	Field supplies. for 5/23		57.99
Total for Check Number 44491:				57.99
44492	G195	GREENWASTE RECOVERY LLC	########	
	ID#219557	76 Holohan Green Waste for 5/1 Thru 5/31/23		122.12
Total for Check Number 44492:				122.12
44493	G330	GUTIERREZ CONSULTANTS, INC.	########	
	1779	CL Grant Supp.Serv for 4/1 to 4/30/23		1,335.00
	1779	Funding Support for 4/1 -4/31/23		600.75
Total for Check Number 44493:				1,935.75
44494	M1010	MAGNOLIA GARDENING INC	########	
	27346	36 Brennan Building Mo. Landscape Maint. For 4/23		100.00
	27517	76 Holohan Building Mo. Landscape Maint. For 4/23	HOLOHAN I	90.00
Total for Check Number 44494:				190.00
44495	M1875	MICROSOFT AZURE	########	
	E0600NCQLJ	IT-Support/Pay as you go for 3/12-4/11/23		14.98
Total for Check Number 44495:				14.98
44496	M1086	MILLER MAXFIELD, INC.	########	
	0423PV	CLIRMP Print advertising for 4/23		11,784.50
	0423PV	Public Outreach Consulting for 4/23		8,312.50
	0423PV	S. Media Dev. & support/FB, instegram,Twitter For 4/23		337.50
Total for Check Number 44496:				20,434.50
44497	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	########	
	230222-54	Water Samples Groundwater for 2/22/23		2,210.00
	230405-79	Water Samples CDS for 4/5/23		1,385.00
	230411-119	Water Samples Groundwater for 4/11/23		1,210.00
	230413-69	Water Samples Groundwater for 4/13/23		630.00
	230418-59	Water Samples CD's r for 4/18/23		815.00
	230418-60	Water Samples Groundwater for 4/18/23		840.00
	230420-47	Water Samples Groundwater for 4/20/23		1,210.00
	230425-78	Water Samples Groundwater for 4/125/23		1,750.00
Total for Check Number 44497:				10,050.00
44498	p629	PASILLAS TIRE SERVICES, INC	########	
	43340	Veh. Maint. service on Truck#8 for 5/23		267.08
Total for Check Number 44498:				267.08
44499	P800	PG & E	########	
	9968544374-1	Service at 36 Brennan St for 4/10 to 5/9/23		526.18
Total for Check Number 44499:				526.18
44500	P905	M PRESS DIGITAL INC.	########	
	19996	CL/Post Cards/postage for 4/23		6,398.82
Total for Check Number 44500:				6,398.82
44501	A99	ROBERT HALF, INC	########	
	WE 2/24/23	Temp. S.Saldana for Week Ending 2/24/23	WWK END	1,134.77
Total for Check Number 44501:				1,134.77
44502	S902	STANDARD & POOR'S FINANCIAL SERVICES LLC	########	
	11454229	PS. Analytical Services for 4/23		32,000.00
Total for Check Number 44502:				32,000.00
44503	S2400	STAPLES CREDIT PLAN	########	
	15680	Holohan Office Supplies/surge Protectors for 5/23		94.36

Check No	Vendor Invoice	Vendor Descriptio	Check Reference	Check
Total for Check Number 44503:				94.36
44504	S2875	STRATEGY DRIVER, INC	########	
	902	SDI Professional Services for 4/23		9,285.00
Total for Check Number 44504:				9,285.00
44505	R400	THE PAJARONIAN	########	
	77258	Public hearing/prelim.butdget FY 2023-24 for 4/23		72.50
Total for Check Number 44505:				72.50
44506	V369	VERIZON WIRELESS	########	
	9933777542	Agency Personnel Cell Phones & equipt. for 4/2 - 5/1/23		438.12
Total for Check Number 44506:				438.12
44507	Z100	ZAG TECHNICAL SERVICES, INC.	########	
	134662	IT-Professional Prefered Support Agreement for 5/23		390.00
	134663	IT-Monthly Agreement-KnowBe4 managed service for 5/23		164.88
	134749	IT-Professional Prefered Support Agreement for 5/23		195.00
Total for Check Number 44507:				749.88
Total for 5/15/2023:				103,440.21
ACH	f365	FIRST AMERICAN TITLE CO.	########	
	4408-6258616	APN:051-101-50/208 Paulsen Rd		149,189.75
	4408-6725693	APN:051-221-26 & 30/129 Riverside Dr		32,197.10
Total for this ACH Check for Vendor f365:				181,386.85
Total for 5/17/2023:				181,386.85
ACH	A1250	AFLAC- FLEX ONE	########	
	EE Deferrals	EE PR Deferrals		631.14
Total for this ACH Check for Vendor A1250:				631.14
ACH	E830	DEPT. OF CHILD SUPORT SERVICES	########	
	EE Deferrals	EE PR Deferrals		174.46
Total for this ACH Check for Vendor E830:				174.46
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	########	
	EE Deferrals	EE PR Deferrals		2,800.00
Total for this ACH Check for Vendor N125:				2,800.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	########	
	EE Deferrals	EE PR Deferrals		1,768.69
	EE Deferrals	ER/EE Retirement Contributions		9,749.31
Total for this ACH Check for Vendor P1300:				11,518.00
ACH	P555	PVWMA-Cafeteria Account	########	
	EE Deferrals	EE PR Deferrals		958.05
Total for this ACH Check for Vendor P555:				958.05
Total for 5/19/2023:				16,081.65
ACH	A1250	AFLAC- FLEX ONE	########	
	EE Deferrals	EE PR Deferrals		631.14
Total for this ACH Check for Vendor A1250:				631.14
ACH	A300	ACWA/JPIA	########	
	0699519	EE PR Deferrals		25,344.06
Total for this ACH Check for Vendor A300:				25,344.06
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	########	
	EE Deferrals	EE PR Deferrals		2,800.00
Total for this ACH Check for Vendor N125:				2,800.00

Check No	Vendor Invoice	Vendor Descriptio	Check Reference	Check
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	########	
	EE Deferrals	ER/EE Retirement Contributions		9,749.30
	EE Deferrals	EE PR Deferrals		1,768.69
Total for this ACH Check for Vendor P1300:				11,517.99
ACH	P555	PVWMA-Cafeteria Account	########	
	EE Deferrals	EE PR Deferrals		958.05
Total for this ACH Check for Vendor P555:				958.05
Total for 5/22/2023:				41,251.24
ACH	T359	THE STANDARD INSURANCE COMPANY	########	
	April LTD Prem	Long Term Disability Benefits		1,075.02
Total for this ACH Check for Vendor T359:				1,075.02
Total for 5/24/2023:				1,075.02
		Report Total (67 checks):		439,793.06