



**ADMINISTRATION & FINANCE COMMITTEE
MEETING MINUTES of
Tuesday, July 11, 2023, 3:00 p.m.
PV Water, 36 Brennan Street, Watsonville**

The meeting was called to order at 3:01 p.m.

1. Roll Call of Committee Members:

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

Staff Present: Brian Lockwood, General Manager (GM), Priscilla Sanchez (FA)

Others Present: None

- 2. Director Comments:** Director Newell will have a meeting with the San Benito County Chief Administrative Officer (CAO), Ray Espinosa, regarding PV Water's recently adopted policy concerning Aromas Water District Annexation Requests. Rob Johnson, General Manager, Aromas Water District, will also attend the meeting that will take place at the CAO's office in Hollister, Thursday, July 13, 2023.
- 3. Public Comments:** None, but GM Lockwood shared that Governor Newsom recently signed AB 588 into law. AB 588 amends PV Water's Agency Act. It was carried into office by newly appointed CA Speaker of the Assembly, Robert Rivas.
- 4. Election of Vice Chair:**
Action: Director Newell moved to elect Director Rider as Vice Chair; seconded by Director Culbertson. Director Rider stated that he had no objection to the nomination.

The motion carried by the following vote:

Ayes: **Culbertson, Newell**

Noes: **None**

Abstain: **Rider**

Absent: **None**

5. Consider Approving Minutes of June 13, 2023, Committee Meeting:

Action: Director Newell moved to approve the June 13, 2023, minutes as amended; seconded by Director Rider.

Commentary: Director Newell stated that the verbiage of the action should read "as amended" vs. "as presented" based on the previous meeting's recommendations by Director Culbertson. Specifically, the policy language should reflect a change from "means" to "process".

The motion carried by the following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

6. **Consider Procedures for the Collection of Augmentation Charges:**

GM Lockwood summarized the Procedures for the Collection of Augmentation Charges. Roundtable discussion ensued. GM Lockwood read to the Committee the past due letters that staff send. Director Newell suggested staff amend paragraph 2b, to clarify that 1.5% interest accrues per month. Director Newell asked if a copy of the procedure is attached when delinquent notices are mailed out. GM Lockwood responded and read aloud during the meeting, the delinquent letter that is mailed to the customer. Discussion ensued about adding language to the current letter to make clear the customer's 15-day right to appeal and have a hearing. GM Lockwood will check with staff to review our most recent appeal hearing documents and correspondence. Director Culbertson requested to bring the template letter back to the next meeting for further review and discussion.

Action: Director Newell moved to recommend that the Board re-affirm procedures for the collection of augmentation charges; seconded by Director Rider.

The motion carried by the following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

7. **Consider Accepting Quarterly Reports:**

GM Lockwood summarized the reports, including a year-over-year operational comparison.

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

The motion carried by the following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

8. **Consider Accepting Financial Reports:**

Director Newell asked if there were any advantages to our Local Agency Investment Fund (LAIF) investments and how liquid these funds are to access. GM Lockwood responded that the funds are accessible within the same day if the request is made prior to the daily cutoff.

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

The motion carried by the following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

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

Commentary: Director Newell asked about the nature of the annual payment for \$76K to the State Water Resources Control Board (SWRCB). GM Lockwood responded that this payment is for the Clean Water State Revolving Fund annual loan payment.

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

The motion carried by the following vote:

Ayes: **Culbertson, Newell, Rider**

Noes: **None**

Abstain: **None**

Absent: **None**

10. **Discuss Future Agenda Items and Next Meeting Date:** Future agenda items include reviewing the delinquency letter templates. The next regular meeting date is set for Tuesday, August 8, 2023, 3:00 p.m.

Adjournment: 3:56 p.m.