PAJARO VALLEY WATER MANAGEMENT AGENCY

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ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES of Tuesday, July 9, 2024, 3:00 p.m. PV Water, 36 Brennan Street, Watsonville

Chair Culbertson called the meeting to order at 3:01 p.m.

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

   Committee Members Present: Bob Culbertson (Chair), Amy Newell
   Committee Members Absent: Abel Sanchez
   Staff Present: Brian Lockwood, General Manager (GM), Nancy Trevino (FASM), Priscilla Sanchez (FA)
   Others Present: Robert Rodoni, Joseph Rodoni

2. **Director Comments:** None

3. **Public Comments:** None

4. **Consider Approving Minutes of June 11, 2024, Committee Meeting:**
   Action: Director Newell moved to approve the June 11, 2024, meeting minutes; seconded by Director Culbertson.

   The motion carried following vote:

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

5. **Consider Proposed Operations Department Organization Chart Changes:**
   GM Lockwood presented current and proposed PV Water Organization Charts, focusing on proposed changes to the Operations Department designed to support future operations with the College Lake Integrated Resources Management Project under construction. One of the proposed changes is the reclassification of the Water System Operations Supervisor position to an Operations & Maintenance Manager (exempt position), and another is the addition of a Water System Operator I/II position. GM Lockwood then presented the corresponding job descriptions and salary schedule. Director Newell favored the updating of the job descriptions, as needed. Mr. Rodoni asked if internal employees must apply for the new positions in lieu of appointment to the role. FASM Trevino noted that one of the proposed changes is the reclassification of the existing Water System Operations Supervisor position to Operations &

Maintenance Manager. GM Lockwood added that legal counsel has not raised concerns about staff reclassifications in the past.

Action: Director Newell moved to recommend the Board approve the proposed operations department organization chart changes; seconded by Director Culbertson.

The motion carried following vote:

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

6. **Consider College Lake Integrated Resources Management Project Water Quality Monitoring Instrumentation & Installation Project with YSI Inc., in an Amount Not to Exceed $123,746:**
GM Lockwood summarized the need for this item and explained PV Water staff have long utilized products from YSI Inc. to monitor water quality within the Pajaro Valley. He noted that prior to recommending YSI Inc., staff met with several vendors on the phone and in the field. He also stated that a significant portion of the costs in the quote are for instrumentation & equipment to record and transfer data for permit compliance purposes. Director Culbertson asked about the 1-year warranty for equipment and if there is a way to extend the warranty. GM Lockwood stated that while existing equipment has lasted significantly longer than 1-year, he would inquire with YSI Inc. about an extended warranty and report back at the Board meeting. Mr. Rodoni asked if it may be cheaper to lease the equipment to avert maintenance costs and to stay current with technological improvements in equipment. GM Lockwood stated he would inquire with YSI Inc. about a leasing option and report back at the Board meeting.

Action: Director Newell moved to recommend the Board approve the College Lake Integrated Resources Management Project Water Quality Monitoring Instrumentation & Installation Project with YSI Inc., in an Amount Not to Exceed $123,746; seconded by Director Culbertson.

The motion carried following vote:

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

7. **Consider Accepting the Quarterly Billing Report:**
FASM Trevino explained the staff completed the June billing last week; approximately 800 acre-feet (AF) more water was pumped this quarter compared to the same quarter last year, resulting in an increase of approximately $500,000 more revenue. The actual billed revenue for both the delivered water charge and the augmentation charge slightly

exceeded the budgeted value for fiscal year 2023-24. Director Newell asked about Pajaro Sunny Mesa which shows less than 9 AF this year compared to last year's value of approximately 53 AF. FASM Trevino noted it appeared the dollar values were transposed between the two-line items and would check with staff.

Action: Director Newell moved to accept the quarterly billing report and recommend the Board approve it; seconded by Director Culbertson.

The motion carried following vote:

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

8. **Consider Accepting Financial Reports:**
FASM Trevino summarized the reports stating that PV Water's cash position ending May 31, 2024, was approximately $21.5 million.

Action: Director Newell moved to accept the financial reports and recommend the Board approve them; seconded by Director Culbertson.

The motion carried following vote:

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

9. **Consider Accepting Cash Flow Reports:**
FASM Trevino summarized the accounts receivable aging report ending June 30, 2024. The balance over 120 days has increased by $60,000 from one year ago. PV Water's staff, supported by General Counsel, are pursuing these past due accounts in accordance with the Collections Procedures. FASM Trevino then presented the monthly accounts payable report, which shows disbursements for the month of June. Mr. Rodoni asked when a report will be made publicly available that shows delinquent customers of 120+ days by name and balance owed. GM Lockwood and FASM Trevino responded that staff intend to present that report to the Committee in the near future.

Action: Director Newell moved to accept the cash flow reports and recommend the Board approve them; seconded by Director Culbertson.

The motion carried following vote:

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

10. **Discuss Future Agenda Items and Next Meeting Date:** No new future agenda items. The next regular meeting date is set for Tuesday, August 13, 2024, 3:00 p.m.

    Adjournment: 3:57 p.m.