PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA 95076
TEL: 831) 722-9292 FAX: 831) 722-3139
email: info@pvwater.org • https://www.pvwater.org

ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES of Tuesday, August 13, 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 (GM), Nancy Trevino (FASM), Priscilla Sanchez (FA), Marcus Mendiola (WCOS)
   Others Present: Robert Rodoni

2. **Director Comments:** None

3. **Public Comments:** None

4. **Consider Approving Minutes of July 9, 2024, Committee Meeting:**
   Action: Director Newell moved to approve the July 9, 2024, meeting minutes with the following correction to item #9: "Mr. Rodoni asked when a report will be made publicly available that shows delinquent customers over 120 days past due"; seconded by Director Culbertson.

   The motion carried following vote:

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

5. **Receive Update on 40th Anniversary Event Planning Effort and Consider Providing Direction to Staff:**
   GM Lockwood summarized WCOS Mendiola's efforts to identify a location, date and time for the 40th Anniversary event. He also noted that after further consideration, staff were no longer in favor of obtaining sponsorships for the event, and he asked for direction from the Committee. Discussion ensued around venues and sponsorships. The Committee agreed to using the Community Room at Civic Plaza if it was available on October 29, and the Committee agreed to not pursue sponsorships.

   Action: None taken.

6. **Consider Agreement with cbec inc., eco engineers for College Lake Watershed Hydrologic and Water Quality Monitoring Professional Services for Water Years 2025 & 2026 in an Amount Not to Exceed $449,751:**
GM Lockwood reported on the proposed scope of work and noted that while this item recurs every two years, this scope is larger than prior versions as it involves more robust monitoring and reporting requirements due to implementation of the College Lake Project Water Quality Monitoring Plan. This agreement would provide services for two water years and would have a term end date of June 30, 2027. Mr. Rodoni asked why the reimbursable costs are twice as much in year 1 as they are in year 2, in the scope of work. GM Lockwood explained this is due to less time needed by cbec in the second year pending approval by the State Water Resources Control Board regarding a change in methodology for calculating streamflow.

   Action: Director Newell moved to recommend the Board approve the Agreement with cbec inc., eco engineers for College Lake Watershed Hydrologic and Water Quality Monitoring Professional Services for Water Years 2025 & 2026 in an Amount Not to Exceed $449,751; seconded by Director Culbertson.

   The motion carried following vote:

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

7. **Consider the Investment Policy**
GM Lockwood summarized the proposed revisions to the investment policy, which primarily included the replacement of the title of "Treasurer" with "Investment Officers" that include both the GM and FASM.

   Action: Director Newell moved to recommend the Board approve the investment policy; seconded by Director Culbertson.

   The motion carried following vote:

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

8. **Consider Accepting the Quarterly Billing Report:**
FASM Trevino summarized the contract commitments report ending June 30, 2024, and noted that several contracts reached their term expiration as of 6/30/24. GM Lockwood added some of the expired contracts may undergo a no cost time extension.

The budget-to-actual report reflected preliminary fiscal year end totals with FASM Trevino noting that the Agency fell slightly under its budgeted revenue projections and had a surplus its budgeted expenditures, though not all expenditures for fiscal year 2023-24 have been received. Mr. Rodoni asked why the City of Watsonville takes a long time to provide the Agency with a quarterly bill for the Recycle Water Facility; FASM spoke to the process.

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**

9. **Consider Accepting Financial Reports:**
FASM Trevino reported the Agency's cash position ending June 30, 2024, showing approximately $13 million in available cash.

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**

10. **Consider Accepting Cash Flow Reports:**
FASM Trevino reported the AR Aging Report ending July 31, 2024, had an outstanding balance of $1.8 million of which approximately $955,000 had been received as of August 13, 2024. FASM introduced a new Aging Report specific to balances over 120 days by customer. Director Newell asked if rural residential customers are on this report to which FASM answered in the affirmative. Director Culbertson spoke to the customer accounts with the largest balance. Mr. Rodoni commented on the inefficiency of mailing customers' bills with low dollar values. Mr. Rodoni also asked about the tenant/owner relationship and at what point the Board acts. FASM explained the judgement and lien process for severely delinquent customers, and GM Lockwood explained accounts that exceed his signing authority are presented to the Board, in closed session, for discussion and action. Director Newell directed Mr. Rodoni to the Agency's Collection Policy that outlines the timelines and appeals process. The

Committee requested this Aging 120+ Report be presented quarterly, and it omit account balances less than $100.

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**

11. **Discuss Future Agenda Items and Next Meeting Date:** Future agenda items include the 40th Anniversary Agency Event. The next regular meeting date is set for Tuesday, September 10, 2024, 3:00 p.m.

Adjournment: 4:26 p.m.