PAJARO VALLEY WATER MANAGEMENT AGENCY

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ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES of Tuesday, March 12, 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), Abel Sanchez (Vice Chair), Amy Newell
   Staff Present: Brian Lockwood, General Manager (GM), Nancy Trevino (FASM), Priscilla Sanchez (FA)
   Others Present: None

2. **Director Comments:** None

3. **Public Comments:** None

4. **Consider Approving Minutes of February 13, 2024, Committee Meeting:**
   Action: Director Culbertson highlighted the removal of language formerly placing items on either the consent or action agenda for Board approval, which was removed for administrative simplicity, to state "we recommend the board approve" the item. He also called attention to possible confusion in item #8 which spoke to both a regular Board and Committee meeting. Director Newell pointed out a typographical error in item #5 to correct the word contact with contract. Director Newell moved to approve the February 13, 2024, meeting minutes with suggested changes; seconded by Director Sanchez.

   The motion carried following vote:

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

5. **Consider Agreement with the Resource Conservation District of Santa Cruz County for Agricultural Water Conservation Program Services, in an Amount Not to Exceed $1,073,931.**
   GM Lockwood summarized the proposed RCD scope and budget and explained how the agreement builds upon ongoing work and serves as a collaborative partnership to support conservation efforts with strong community support. Current RCD service

levels will be maintained through the duration of the contract, and staff recommend that the rebate program budget be sustained at $100,000 per year. Roundtable discussion ensued.

Action: Director Newell moved to recommend the Board approve the agreement with the Resource Conservation District of Santa Cruz County for Agricultural Water Conservation Program Services, with suggested budgetary alignment follow up; seconded by Director Sanchez.

The motion carried following vote:

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

6. **Discuss PV Water 40th Anniversary (oral report):**
GM Lockwood noted 2024 marks PV Water's 40th anniversary and suggested several ideas for celebrating the milestone. GM Lockwood asked the Committee for input. Discussion ensued regarding whether public funds should be used for this event and how the event might be perceived by the community. The Committee directed staff to conduct research furthering ideas and costs, and to return to the Committee for continued discussion.

7. **Consider Accepting Financial Reports:**
FASM Trevino presented the cash position of $28 million for the Agency through January 31, 2024, and mentioned the Agency has paid approximately $3.6 million toward the CLP after the exhaustion of the 2023 BNY Mellon COP funds. She also mentioned the Agency paid its bi-annual long term debt service payments in mid-February. Mechanic's Bank money market accounts continue to increase the bearing interest rate.

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

The motion carried following vote:

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

8. **Consider Accepting Cash Flow Reports:**
FASM Trevino presented the 120+ day past due balances which shows approximately $311,000. This is due to repeat offending customers with growing balances which will continue to increase. Approximately $178,000 of delinquencies are in judgement status

with legal counsel. Demand letters were recently mailed out covering approximately $46,000 for customers who have outstanding Sept. and December past due bills and noted of one isolated delivered water account of approximately $47,500 that staff is working on collecting with the account holder.

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

The motion carried following vote:

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

9. **Discuss Future Agenda Items and Next Meeting Date:** The Committee made recommendations for future agenda items to include the preliminary budget for FY24-25, amended budget for FY23-24 and possible ideas and a budget for the Agency's 40th Anniversary event. The next regular meeting date is set for Tuesday, April 9, 2024, 3:00 p.m.

Adjournment: 4:18 p.m.