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, March 11, 2025, 3:00 p.m. PV Water, 36 Brennan Street, Watsonville

Director Culbertson called the meeting to order at 3:00 p.m.

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

   Committee Members Present: Bob Culbertson (Chair), Amy Newell (Vice Chair), Stephen Rider
   Committee Members Absent: None
   Staff Present: Brian Lockwood, General Manager (GM), Nancy Trevino (FASM), Priscilla Sanchez (FA), Asia Valdivia (EA/BS)
   Others Present: Robert Rodoni

2. **Director Comments:** Director Newell suggested changing the May Admin. Finance Committee meeting from Tuesday, May 13th to Tuesday, May 6th, due to a conflict with the Association of California Water Agencies (ACWA) Spring Conference, being held in Monterey. Director Rider stated he is unable to attend the Admin. Finance Committee meeting scheduled for April 8th (General Manager Lockwood is also unavailable on April 8th). Director Culbertson reported that he attended the March 10, 2025, Pajaro River Watershed Resilience Plan Workshop at the Aromas Grange; this workshop was funded by DWR's $2 million Watershed Resiliency Grant. The meeting was informational to the public and interested parties; approximately 80 people attended. Director Newell added two representatives from DWR were in attendance and were impressed by the meeting turnout.

3. **Public Comments:** Mr. Rodoni commented on possible future outcomes for groundwater basin boundaries and watershed boundaries.

4. **Consider Approval of February 11, 2025, Administration & Finance Committee Meeting Minutes:**
   Action: Director Rider moved to approve the February 11, 2025, meeting minutes; seconded by Director Newell.

   The motion carried following vote:

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

5. **Consider Recycled Water Facility (RWF) Electrical Improvements and Variable Frequency Drive (VFD) Replacement Project in Collaboration with the City of Watsonville with a Cost Estimate of Approximately $1,350,000:**
GM Lockwood presented a brief summary of the RWF Condition Assessment and its findings. Included in the Condition Assessment is a table listing future capital improvements and the time frame in which they may need to occur. The first project to advance from the Condition Assessment is a project to construct electrical improvements and to replace three (3) large VFDs with obsolete technology that are at risk of failing. The City of Watsonville will take the lead on this project, and PV Water will reimburse the City pursuant to the existing agreement between the City and PV Water. The matter is listed on tonight's City Council agenda and if approved, construction will commence later this year. The cost estimate for this capital improvement is set for approximately $1,350,000. Mr. Rodoni suggested PV Water keep its options of vendors open as uncertain politics and tariff outcomes remain. Roundtable discussion ensued.

   Action: Director Newell moved to recommend the Board approve the Recycled Water Facility Electrical Improvements and Variable Frequency Drive (VFD) Replacement Project in Collaboration with the City of Watsonville with a Cost Estimate of Approximately $1,350,000; seconded by Director Rider.

   The motion carried following vote:

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

6. **Consider Proposed Budget Amendments for Fiscal Year Ending June 30, 2025:**
FA Sanchez provided a summary of the proposed budget amendments for the fiscal year ending June 30, 2025. Director Newell asked if the Agency has drawn WIFIA funding for the Watsonville Slough System Managed Aquifer Recharge & Recovery Project and FASM Trevino stated that the Agency has not.

   Action: Director Rider moved to recommend the Board approve the proposed budget amendments for fiscal year ending June 30, 2025; seconded by Director Newell.

   The motion carried following vote:

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

7. **Consider Association of California Water Agencies Joint Powers Authority (ACWA-JPIA) Commitment to Excellence:**
   GM Lockwood reported on a recent meeting with ACWA-JPIA's Risk Management Advisor and summarized the ACWA-JPIA Commitment to Excellence resolution. Adoption of the Commitment to Excellence is necessary for the Agency to pursue grant funds offered by ACWA-JPIA.

   Action: Director Newell moved to recommend the Board approve the Association of California Water Agencies Joint Powers Authority's (ACWA-JPIA) Commitment to Excellence; seconded by Director Rider.

   The motion carried following vote:

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

8. **Consider Accepting Financial Reports:**
   FASM Trevino reported the Agency's cash position as of January 31st, with a balance of just under $25 million.

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

   The motion carried following vote:

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

9. **Consider Accepting Cash Flow Reports:**
   FASM Trevino presented the cash flow reports and noted the outstanding balance as of February 28th was approximately $581,000. Ms. Trevino also reported on check and ACH payments issued in February. Roundtable discussion ensued.

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

   The motion carried following vote:

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

10. **Discuss Future Agenda Items and Next Meeting Date:** Staff presented the following future agenda item: rescheduling the May Admin Finance Meeting. The next regular meeting date is set for Tuesday, April 8, 2025, at 3:00 p.m.

    Adjournment: 3:52 p.m.