PAJARO VALLEY WATER MANAGEMENT AGENCY

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ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES of Tuesday, May 6, 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:

2. **Director Comments:** Director Newell inquired about the dates for mandated training for Directors.

3. **Public Comments:** None

4. **Consider Approval of April 1, 2025, Administration & Finance Committee Meeting Minutes:**

   Action: Director Rider moved to approve the April 1, 2025, meeting minutes; seconded by Director Newell.

   The motion carried following vote:

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

5. **Consider Amendments to Agreements with Carollo Engineers, Inc. and Jacobs Engineering Group, Inc. for College Lake Integrated Resources Management Project Construction Management & Inspections Services in Amounts Not to Exceed $390,298 and $103,400, Respectively:**
   GM Lockwood presented the proposed amendments to the agreements with Carollo Engineers, Inc., and Jacobs Engineering Group, Inc., and responded to questions from the Committee.

Action: Director Newell moved to recommend the Board approve the Amendments to Agreements with Carollo Engineers, Inc., and Jacobs Engineering Group, Inc., for College Lake Integrated Resources Management Project Construction Management & Inspections Services in Amounts Not to Exceed $390,298 and $103,400, Respectively; seconded by Director Rider.

The motion carried following vote:

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

6. **Consider Agreement with ZAG Technical Services, Inc., for Information Technology Professional Support Services from July 1, 2025, through June 30, 2027, in an amount not to exceed $200,000:**
GM Lockwood presented the proposed agreement and explained this is a routine bi-annual action with ZAG Technical Services, Inc. (ZAG), which supports PV Water's staff in managing its Information Technology infrastructure. Director Newell asked specifically about ZAG's normal business hours, referencing page 61, which states Pacific Standard Time, and inquired about what happens during Daylight Savings Time. Staff will follow-up with ZAG.

Action: Director Rider moved to recommend the Board approve the Agreement with ZAG Technical Services, Inc., for Information Technology Professional Support Services from July 1, 2025, through June 30, 2027, in an amount not to exceed $200,000; seconded by Director Newell.

The motion carried following vote:

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

7. **Consider Final Budget for Fiscal Year Ending June 30, 2026:**
GM Lockwood offered to present the budget to the Committee but noted staff had not made any changes to the budget since staff presented the Preliminary Budget to the Committee in April, and the Committee voted to recommend the Board approve it. The budget is on the agenda to provide the Committee and the public another opportunity to ask questions about the budget.

Action: Director Rider moved to recommend the Board approve the final budget for the fiscal year ending June 30, 2026; seconded by Director Newell.

The motion carried following vote:

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

8. **Consider Accepting Quarterly Reports:**
GM Lockwood presented the Contract Commitments Report, highlighting contracts that are expiring and noting those that have forthcoming amendments. FASM Trevino presented the Budget to Actual Report, followed by the Account Aging: Over 120 Days with Balances Exceeding $100 Report and discussed the Staff's efforts to collect outstanding balances. Roundtable discussion ensued.

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

The motion carried following vote:

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

9. **Consider Accepting Financial Reports:**
FASM Trevino reported PV Water's cash position as of March 31, 2025, with a balance of just over $24 million. Roundtable discussion ensued.

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

The motion carried following vote:

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

10. **Consider Accepting Cash Flow Reports:**
FASM Trevino presented the Cash Flow Reports and noted the outstanding balance as of April 30, 2025, which was approximately $581,000. Ms. Trevino also reported on check and ACH payments issued in April. Roundtable discussion ensued.

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

The motion carried following vote:

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

11. **Discuss Future Agenda Items and Next Meeting Date:** Staff suggested the following future agenda items: 1) Ribbon cutting ceremony for the College Lake Project, 2) Conduct annual review of the Cash Reserve Policy, and 3) Conduct annual review of the Investment Policy. The next regular meeting date is Tuesday, June 10, 2025, at 3:00 p.m.

Adjournment: 4:12 p.m.