PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA. 95076
TEL: 831) 722-9292 FAX: 831) 722-3139
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ADMINISTRATION & FINANCE COMMITTEE MEETING
PV Water, 36 Brennan Street, Watsonville
Tuesday, June 10, 2025, 3:00 p.m.

MEETING AGENDA

1. Call to Order and Roll Call:
   Committee members: Bob Culbertson (Chair), Amy Newell (Vice Chair), Stephen Rider

2. Director Comments

3. Public Comments
   This time is set aside for members of the general public to address the Committee on any item not on the agenda, and that is within the subject matter jurisdiction of the Committee. Each speaker is allotted up to 3 minutes.

4. Consider Approval of May 6, 2025, Administration & Finance Committee Meeting Minutes
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   v. Committee action

5. Consider Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees)
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   v. Committee action

6. Consider Amending the Cash Reserve Policy for the Fiscal Year Ending June 30, 2026
   i. Introduction by staff
   ii. Questions from Committee
   iii. Public comment
   iv. Committee discussion and deliberation
   v. Committee action

7. Conduct Annual Review the Statement of Investment Policy
   i. Introduction by staff
   ii. Questions from Committee

PV Water is a state-chartered local Agency formed "to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and insure sufficient water supplies for present and anticipated needs within the boundaries of the Agency. It is anticipated that long-term overdraft problems may not be solved unless supplemental water supplies are provided. The water management Agency should, in an efficient and economically feasible manner, utilize supplemental water and available underground storage and should manage the groundwater supplies to meet the future needs of the basin." This agenda is subject to revision and may be amended prior to the scheduled meeting. If amended, a Final Agenda will be posted at the PV Water offices at 36 Brennan Street, Watsonville, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the Board Meeting. This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132) and the Ralph M. Brown Act (Cal. Govt. Code Sec. 54954.2). Persons requesting a disability-related modification or accommodation should contact PV Water at (831) 722-9292 during regular business hours, at least 24 hours prior to the time of the meeting.

iii. Public comment
iv. Committee discussion and deliberation
v. Committee action

8. Consider Accepting Financial Reports
   a. Bank Activity
   b. Investment Earnings
      i. Introduction
      ii. Questions from Committee
      iii. Public comment
      iv. Committee discussion and deliberation
      v. Committee action

9. Consider Accepting Cash Flow Reports
   a. Accounts Receivable: Aging
   b. Accounts Payable: Checks By Date
      i. Introduction by staff
      ii. Questions from Committee
      iii. Public comment
      iv. Committee discussion and deliberation
      v. Committee action

10. Discuss College Lake Integrated Resources Management Project Ribbon Cutting Ceremony (Oral Report)
      i. Introduction by staff
      ii. Questions from Committee
      iii. Public comment
      iv. Committee discussion and deliberation
      vi. Committee action

11. Discuss future agenda items and next meeting date – Tuesday, July 08, 2025, 3:00 p.m.

Adjournment

Remote Access for Meeting

Join the Administration & Finance Committee meeting from your computer, tablet or smartphone.
https://www.gotomeet.me/PVWater/pv-water-administration-finance-committee

You can also dial in using your phone.
United States (Toll Free): 1 877 309 2073
Access Code: 392-853-285

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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 Accounts Receivable 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.

MEMORANDUM

DATE: June 6, 2025
MEETING OF: June 10, 2025
TO: Administration & Finance Committee
FROM: General Manager
RE: **ITEM 5:** Consider Resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees)

BACKGROUND

When Pajaro Valley Water Management Agency (PV Water) was established in 1984, the primary source of income was an assessment on parcels within its jurisdiction called the "Management Fee." The Management Fee is assessed annually at a rate of $18 per residential parcel and $20 per commercial parcel, and it is collected via the counties tax rolls.

The counties collect the Management Fee on behalf of PV Water through a special levy. To enable this collection, PV Water must prepare listings of the parcel charges and submit them by August 1, along with a request to place these billings on the tax rolls. Resolution 2025-XX constitutes this request. In addition to the standard resolution staff request the PV Water Board of Directors to adopt each year, Monterey County has requested a separate resolution along with an opinion from PV Water's General Counsel pertaining to the Management Fee (attached).

FISCAL IMPACT

Santa Cruz County charges 1.00% for administrative costs, approximately $3,000.00, Monterey County charges 0.25%, approximately $160.00. San Benito County charges $0.30 per parcel, or approximately $90.00. These charges are included in the Fiscal Year 2025-2026 budget.

STAFF RECOMMENDATION

The Committee considers the resolution Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees) and recommends that the Board approve it.

ATTACHMENTS

- Resolution 2025-XX

Resolution 2025-XX

A Resolution of the Board of Directors of
Pajaro Valley Water Management Agency

Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Property-Related Fees and Charges (Management Fees)

WHEREAS, the initial major source of income for Pajaro Valley Water Management Agency (PV Water) as established in 1984 has been a Management Fee assessed to each parcel within PV Water's jurisdiction, which for 2025-2026 will be at the rate of $18 per residential and $20 per commercial parcel; and

WHEREAS, such charges as assessed by PV Water are authorized in Article 9 of PV Water enabling legislation and have been processed by the Counties of Santa Cruz, Monterey and San Benito since inception; and

WHEREAS, Pajaro Valley Water Management Agency ("Public Agency") requests that the Public Agency's management fee be placed on the Monterey County, San Benito County and Santa Cruz County 2025-2026 tax rolls for collection and distribution.

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The Public Agency hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general and special taxes, assessments, or property-related fees or charges identified in Exhibit "A", regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.

2. The Public Agency further certifies that, except for the sole negligence or misconduct of the Counties of Monterey, San Benito, and Santa Cruz, their officers, employees, and agents with regards to the handling of the CD or electronic file identified as Exhibit 'A', the Public Agency shall be solely liable and responsible for defending, at its sole expense, cost and risk, each and every action, suit or other proceeding brought against the Counties of Monterey, San Benito, and Santa Cruz, their officers, employees, and agents for every claim, demand, or challenge to the levying or imposition of the general and special taxes, assessments, or property-related fees or charges identified in Exhibit "A", and that it shall pay or satisfy any judgment rendered against the Counties of Monterey, San Benito, and Santa Cruz, their officers, employees and agents on every such action, suit or other proceeding, including all claims for refunds and interest thereon, legal fees and court costs, and administrative expenses of the Counties of Monterey, San Benito, and Santa Cruz to correct the tax rolls.

PASSED AND ADOPTED by Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the **18th** day of **June**, **2025**, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Stephen Rider, Chair

Attest:

_____
Asia Valdivia, Board Secretary

DRAFT

Exhibit "A" to
Resolution 2025-XX
A Resolution of the Board of Directors of the
Pajaro Valley Water Management Agency

Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments and Property-Related Fees and Charges

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Fiscal Year Ending June 30, 2026

General Taxes:	None
Special Taxes:	None
Assessments:	None
Property Related Fees or Charges:	Management Fee: $18 per residential parcel and $20 per commercial parcel

DRAFT

MEMORANDUM

DATE:	June 6, 2025
MEETING OF:	June 10, 2025
TO:	Administration & Finance Committee
FROM:	General Manager
RE:	**ITEM 6:** Consider Amending the Cash Reserve Policy for the Fiscal Year Ending June 30, 2026

BACKGROUND

In July 2013, the Board adopted *Resolution 2013-05, Adopting a Cash Reserve Policy.* It was recommended at the time that reserves be built gradually as funds become available, while maintaining an appropriate level of services for PV Water's primary functions such as operations, basin management and monitoring, and administration. The most recent update to the Cash Reserve Policy occurred in December 2023 when the Board adopted *Resolution 2023-20, Amending the Cash Reserve Policy for the Fiscal Year Ending June 30, 2024.*

Establishment of formal policies to ensure appropriate financial margins for operations, maintenance, and debt service needs is identified by analysts as a management practice that constitutes a positive credit factor. The Cash Reserve Policy states that it will be reviewed annually at budget time to evaluate if funding levels are sufficient and prudent. This year, staff is proposing an increase to the Rate Stabilization Reserve from $1,100,000 to $1,200,000, with the goal of increasing the Rate Stabilization Reserve to a total of $1,500,000 by Fiscal Year Ending June 30, 2029, as recommended by the Committee in December 2023.

FISCAL IMPACT

This action will categorize funds as reserved for the purposes identified.

STAFF RECOMMENDATION

The Committee consider the Cash Reserve Policy for Fiscal Year Ending June 30, 2026, and make a recommendation for the Board of Directors.

ATTACHMENTS

- Draft Resolution
- Cash Reserve Policy (redline & clean versions)

Resolution 2025-XX

A Resolution of the Board of Directors of
Pajaro Valley Water Management Agency

Amending the Cash Reserve Policy for the Fiscal Year Ending June 30, 2026

The Board of Directors of Pajaro Valley Water Management Agency ("PV Water") does resolve as follows:

WHEREAS, the Board of Directors has determined that it is prudent to formally articulate a Cash Reserve Policy establishing general guidelines on cash reserves that will help to ensure the Agency's long-term financial and operational stability; and

WHEREAS, the Cash Reserve Policy was adopted in 2013, establishing minimal reserves with the intention of building over time; and

WHEREAS, the Administration & Finance Committee reviewed the proposed revisions to the Cash Reserve Policy during its June 10, 2025, meeting; and

WHEREAS, the Cash Reserve Policy serves as an important management decision-making tool in planning for and evaluating activities or transactions that could have a significant impact on PV Water's finances; and

WHEREAS, the Board desires to amend the Cash Reserve Policy.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Pajaro Valley Water Management Agency does hereby amend the Cash Reserve Policy, attached to this Resolution as Exhibit A, and incorporated herein.

PASSED AND ADOPTED by the Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the **18th** day of **June 2025,** by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Stephen Rider, Chair

Attest:

_____
Asia Valdivia, Board Secretary

DRAFT

Pajaro Valley Water Management Agency
Cash Reserve Policy

Introduction

The Pajaro Valley Water Management Agency (PV Water or the Agency) Cash Reserve Policy establishes general guidelines on cash reserves that will help to ensure the Agency's long-term financial and operational stability. In this capacity, the Cash Reserve Policy articulates a comprehensive set of reserves that seek to mitigate operational, capital, and debt service risks PV Water may encounter.

The Cash Reserve Policy is established in the context of PV Water's current and expected capital improvement program and borrowings associated with the Basin Management Plan: Groundwater Sustainability Update 2022 (GSU22). The intent of the Cash Reserve Policy is to set overall reserve levels that are reasonable, defensible, and consistent with the aggregate risk profile that PV Water faces in effectively managing water supplies in the Pajaro Valley. Considering climate change resiliency is an important aspect of this effort. Since reserve targets are based on certain assumptions and estimated costs and risks for PV Water, the Cash Reserve Policy and established reserve levels will be reviewed annually or more often if there is a material change in the risk exposures to PV Water. It is noted that the Cash Reserve Policy is established to provide general guidelines for fiscally responsible cash management. The Cash Reserve Policy is not intended to set strict limits that must be ~~adhered to~~adhered to~~to in a vacuum~~, nor is it intended to be all-inclusive in the sense that there remain a variety of factors outside the purview of the policy that could materially impact PV Water's financial condition. Certain risks and risk probabilities have been considered to be sufficiently remote or to require a scale of reserves that would be prohibitive as compared to the probability of such an outcome, and this policy does not purport to address such risks. Instead, these guidelines are intended to serve as a management decision-making tool in planning for and evaluating activities or transactions that could have a significant impact on the level of cash on hand.

Categories of Cash Reserves

The Cash Reserve Policy recommends the creation of four separate reserve funds:

- Operation & Maintenance Reserve
- Repair & Replacement Reserve
- Debt Service Reserve
- Rate Stabilization Reserve

Summary of Recommended Reserve Levels

Reserve Category	Recommended Reserve
Operation & Maintenance Reserve	~~Start at 30 days of expenditures and build to~~ 50% of Annual Operating Expenditures or approximately **180 days**
Repair & Replacement Reserve	~~Start at 10%~~25~~% Annual~~% Annual Depreciation ~~and build to 25%~~
Debt Service Reserve	**20% for Debt Service obligation that do not have their own reserve**

Rate Stabilization Reserve	**As determined by the Board and management**

Each reserve is summarized below with an explanation as to the methodology that was used to size each reserve.

Operation & Maintenance Reserve

Purpose

The purpose of the Operation & Maintenance Reserve is to provide greater stability in PV Water's annual operations even under unforeseen and changing circumstances as it relates to both revenues and expenses. Water ~~U~~utilities such as PV Water are subject to a broad array of risks, including but not limited to natural events such as earthquakes and climate change, and malicious events such as cybersecurity attacks, which may vary from small, temporary disruptions of business to substantial disruptions. The operation and maintenance reserve may be used any time to meet the cash flow requirements of PV Water's operations. ~~The intent of the Cash Reserve Policy is to set an overall reserve level that is reasonable, defensible, and consistent with the aggregate risk profile that PV Water faces in effectively managing water supplies in the Pajaro Valley. Considering climate change resiliency is an important aspect of this effort.~~

Methodology

Many water utilities, which generally operate on a monthly billing cycle, maintain operating reserves at a level of 60 to 180 days of operating expenses. Typically, ~~it is utilities~~agencies in the most stable operating environments ~~that~~ are able to manage with reserves on the smaller end of this range, while many agencies with significant annual volatility in revenues or expenditures or those undergoing significant expansion have substantially larger operating reserves.

~~Operation & Maintenance Reserve Policy~~Operation & Maintenance Reserve Target Level

PV Water will maintain an Operation & Maintenance Reserve equal to 50%, or approximately 180 days, of annual operating and maintenance expenses (see Exhibit A).

Repair & Replacement Reserve

Purpose

PV Water's GSU22 is made up of projects that will increase water supply to the Pajaro Valley and significantly expand PV Water's existing infrastructure. The ~~purpose of the~~ Repair & Replacement Reserve ~~is~~ may be used any time to fund the unplanned repair or replacement of capital assets, and to allow PV Water to absorb fluctuations in the capital improvement plan without an immediate rate impact to customers.

Methodology

Given the significant capital improvements in which the Agency has invested over the past couple of decades and the sizeable capital plans associated with implementation of the GSU22, the Repair & Replacement Reserve ensures the availability of funds to respond to unexpected needs.

Repair and Replacement Reserve ~~Policy~~Target Level

PV Water will maintain a 25% annual depreciation reserve (see Exhibit A).

Debt Service Reserve

Purpose

The purpose of the Debt Service Reserve is to provide ~~PV Water with~~ funds dedicated to paying PV Water's ~~the Agency's~~ debt service obligations in the event of a significant, unexpected decrease in operating revenue during which operating funds may be insufficient to meet such obligations. Increases and decreases to the Debt Service Reserve are based upon total debt service obligations.

Methodology

Typical municipal bond covenants require the establishment of a debt service reserve fund in an amount equal to maximum or average annual debt service on the bonds. Such a requirement exists in connection with ~~the Agency's~~PV Water's Department of Water Resources' promissory note and State Water Resources Control Board's Clean Water State Revolving Fund (SRF) Financial Agreement. PV Water's accounting records show these amounts in various liability accounts.
~~It would be prudent for PV Water to also set aside reserves in connection with its other debt as these loans are significant.~~

Debt Service Reserve Policy

PV Water will maintain~~s~~ a Debt Service Reserve funded at a level equal to 20% for debt service obligations that do not have their own reserve (see Exhibit A).

Rate Stabilization Reserve ~~Policy~~

Purpose

The Rate Stabilization Reserve is established to provide short-term rate stability in case of an unexpected drop in revenue or increase in expenses. Among other things, the R~~r~~ate S~~-s~~tabilization R~~r~~eserve affords PV Water with added flexibility in meeting its financial covenants to bondholders in the event of a financial shock to the Agency resulting from disaster or unforeseen financial circumstances. The Rate Stabilization Reserve can be used at any time to meet ~~cash~~the cash-flow requirements of PV Water's operations. The use of the Rate Stabilization Reserve ~~will~~ require~~s~~ Board Authorization.

Methodology

Unlike other reserves, the Rate Stabilization Reserve is typically not a percentage or ratio, but rather a fixed amount. The funding of such a reserve is highly dependent upon the expected variability in PV Water's revenue stream, budgeted expenditures, political matters, legal matters and the level of total annual debt service, among other factors.

Rate Stabilization Reserve ~~Policy~~Target Level

PV Water will maintain~~s~~ a Rate Stabilization Reserve as determined by management and the Board (see Exhibit A). In December 2023, the Board voted to increase the Rate Stabilization Reserve from $500 thousand to $1 million and directed staff to increase it to $1.5 million by Fiscal Year 2028-29.

Accessing Reserved Funds

A written request will be submitted to the Administrative & Finance Committee, prior to the Board of Directors, outlining the reasons for accessing the reserves, the amount needed, and a plan for payment or replenishment. The Board of Directors will review and approve or modify the request, authorizing the

transfer of funds. The approved transfer is executed, moving the funds out of the reserve to be used for only the specific and intended purpose.

Replenishment and Annual Review ~~Process~~

~~PV Water reviews and evaluates reserve funding levels annually.~~ .To replenish cash reserves, target balances are established along with ~~the~~ identifying ~~of~~the sources ~~revenue~~of revenue ~~sources~~ to set an annual appropriation schedule of repayment.

Operating & Maintenance Reserves are replenished from PV Water's revenue, taking precedence over the replenishment of the Rate Stabilization Reserve. Operating and Maintenance reserves will be replenished as soon as is fiscally feasible.

The Rate Stabilization Reserve will be replenished as soon as possible, with replenishment to commence within 18 months of any Rate Stabilization Reserve draw.

Repair & Replacement Reserves are replenished from PV Water's revenue, taking precedence over the replenishment of the Rate Stabilization Reserve. Repair ~~& Replacment~~Replacement reserves will be replenished as soon as is fiscally feasible.

The General Manager or Finance & Administrative Services Manager will submit a reserve analysis to the Board of Directors when:

- The Board of Directors considers the annual budget.
- The Board of Directors considers a rate increase.
- A major change in conditions threatens the reserve levels.

If reserve analysis (Exhibit A) indicate~~ss~~ projected or actual individual reserve~~s~~ levels would fall 10 percent or more below ~~a~~ target level~~ss~~ outlined in this Policy, at least one of the following actions shall be included with the analysis:

- An explanation of why the reserve levels are not at the targeted level.
- A list of actions needed to bring reserve levels within the target level prescribed.

PV Water closely monitors, reviews and evaluates reserve balance~~s~~ and funding levels annually. All reserve fund transactions are transparent to the public, via meeting minutes, budget documentation and board resolutions. Since reserve targets are based on certain estimates, assumptions, and risk probabilities, the Cash Reserve Policy will be revisited more frequently if there is a change in PV Water's operations, capital program, or debt service obligations that warrant review of these policies.

Pajaro Valley Water Management Agency
Cash Reserve Policy

Introduction

The Pajaro Valley Water Management Agency (PV Water or the Agency) Cash Reserve Policy establishes general guidelines on cash reserves that will help to ensure the Agency's long-term financial and operational stability. In this capacity, the Cash Reserve Policy articulates a comprehensive set of reserves that seek to mitigate operational, capital, and debt service risks PV Water may encounter.

The Cash Reserve Policy is established in the context of PV Water's current and expected capital improvement program and borrowings associated with the Basin Management Plan: Groundwater Sustainability Update 2022 (GSU22). The intent of the Cash Reserve Policy is to set overall reserve levels that are reasonable, defensible, and consistent with the aggregate risk profile that PV Water faces in effectively managing water supplies in the Pajaro Valley. Considering climate change resiliency is an important aspect of this effort. Since reserve targets are based on certain assumptions and estimated costs and risks for PV Water, the Cash Reserve Policy and established reserve levels will be reviewed annually or more often if there is a material change in the risk exposures to PV Water. It is noted that the Cash Reserve Policy is established to provide general guidelines for fiscally responsible cash management. The Cash Reserve Policy is not intended to set strict limits that must be adhered to, nor is it intended to be all-inclusive in the sense that there remain a variety of factors outside the purview of the policy that could materially impact PV Water's financial condition. Certain risks and risk probabilities have been considered to be sufficiently remote or to require a scale of reserves that would be prohibitive as compared to the probability of such an outcome, and this policy does not purport to address such risks. Instead, these guidelines are intended to serve as a management decision-making tool in planning for and evaluating activities or transactions that could have a significant impact on the level of cash on hand.

Categories of Cash Reserves

The Cash Reserve Policy recommends the creation of four separate reserve funds:

- Operation & Maintenance Reserve
- Repair & Replacement Reserve
- Debt Service Reserve
- Rate Stabilization Reserve

Summary of Recommended Reserve Levels

Reserve Category	Recommended Reserve
Operation & Maintenance Reserve	**50% of Annual Operating Expenditures or approximately 180 days**
Repair & Replacement Reserve	**25% Annual Depreciation**
Debt Service Reserve	**20% for Debt Service obligation that do not have their own reserve**
Rate Stabilization Reserve	**As determined by the Board and management**

Each reserve is summarized below with an explanation as to the methodology that was used to size each reserve.

Operation & Maintenance Reserve

Purpose

The purpose of the Operation & Maintenance Reserve is to provide greater stability in PV Water's annual operations even under unforeseen and changing circumstances as it relates to both revenues and expenses. Water utilities such as PV Water are subject to a broad array of risks, including but not limited to natural events such as earthquakes and climate change, and malicious events such as cybersecurity attacks, which may vary from small, temporary disruptions of business to substantial disruptions. The operation and maintenance reserve may be used any time to meet the cash flow requirements of PV Water's operations.

Methodology

Many water utilities, which generally operate on a monthly billing cycle, maintain operating reserves at a level of 60 to 180 days of operating expenses. Typically, agencies in the most stable operating environments are able to manage with reserves on the smaller end of this range, while many agencies with significant annual volatility in revenues or expenditures or those undergoing significant expansion have substantially larger operating reserves.

Operation & Maintenance Reserve Target Level

PV Water will maintain an Operation & Maintenance Reserve equal to 50%, or approximately 180 days, of annual operating and maintenance expenses (see Exhibit A).

Repair & Replacement Reserve

Purpose

PV Water's GSU22 is made up of projects that will increase water supply to the Pajaro Valley and significantly expand PV Water's existing infrastructure. The Repair & Replacement Reserve may be used any time to fund the unplanned repair or replacement of capital assets, and to allow PV Water to absorb fluctuations in the capital improvement plan without an immediate rate impact to customers.

Methodology

Given the significant capital improvements in which the Agency has invested over the past couple of decades and the sizeable capital plans associated with implementation of the GSU22, the Repair & Replacement Reserve ensures the availability of funds to respond to unexpected needs.

Repair and Replacement Reserve Target Level

PV Water will maintain a 25% annual depreciation reserve (see Exhibit A).

Debt Service Reserve

Purpose

The purpose of the Debt Service Reserve is to provide funds dedicated to paying PV Water's debt service obligations in the event of a significant, unexpected decrease in operating revenue during which operating funds may be insufficient to meet such obligations. Increases and decreases to the Debt Service Reserve are based upon total debt service obligations.

Methodology

Typical municipal bond covenants require the establishment of a debt service reserve fund in an amount equal to maximum or average annual debt service on the bonds. Such a requirement exists in connection with PV Water's Department of Water Resources' promissory note and State Water Resources Control Board's Clean Water State Revolving Fund (SRF) Financial Agreement. PV Water's accounting records show these amounts in various liability accounts.

Debt Service Reserve Policy

PV Water will maintain a Debt Service Reserve funded at a level equal to 20% for debt service obligations that do not have their own reserve (see Exhibit A).

Rate Stabilization Reserve

Purpose

The Rate Stabilization Reserve is established to provide short-term rate stability in case of an unexpected drop in revenue or increase in expenses. Among other things, the Rate Stabilization Reserve affords PV Water with added flexibility in meeting its financial covenants to bondholders in the event of a financial shock to the Agency resulting from disaster or unforeseen financial circumstances. The Rate Stabilization Reserve can be used at any time to meet the cashflow requirements of PV Water's operations. The use of the Rate Stabilization Reserve requires Board Authorization.

Methodology

Unlike other reserves, the Rate Stabilization Reserve is typically not a percentage or ratio, but rather a fixed amount. The funding of such a reserve is highly dependent upon the expected variability in PV Water's revenue stream, budgeted expenditures, political matters, legal matters and the level of total annual debt service, among other factors.

Rate Stabilization Reserve Target Level

PV Water will maintain a Rate Stabilization Reserve as determined by management and the Board (see Exhibit A). In December 2023, the Board voted to increase the Rate Stabilization Reserve from $500 thousand to $1 million and directed staff to increase it to $1.5 million by Fiscal Year 2028-29.

Accessing Reserved Funds

A written request will be submitted to the Administrative & Finance Committee, prior to the Board of Directors, outlining the reasons for accessing the reserves, the amount needed, and a plan for payment or replenishment. The Board of Directors will review and approve or modify the request, authorizing the

transfer of funds. The approved transfer is executed, moving the funds out of the reserve to be used for only the specific and intended purpose.

Replenishment and Annual Review

To replenish cash reserves, target balances are established along with identifying the sources of revenue to set an annual appropriation schedule of repayment.

Operating & Maintenance Reserves are replenished from PV Water's revenue, taking precedence over the replenishment of the Rate Stabilization Reserve. Operating and Maintenance reserves will be replenished as soon as is fiscally feasible.

The Rate Stabilization Reserve will be replenished as soon as possible, with replenishment to commence within 18 months of any Rate Stabilization Reserve draw.

Repair & Replacement Reserves are replenished from PV Water's revenue, taking precedence over the replenishment of the Rate Stabilization Reserve. Repair & Replacement reserves will be replenished as soon as is fiscally feasible.

The General Manager or Finance & Administrative Services Manager will submit a reserve analysis to the Board of Directors when:

- The Board of Directors considers the annual budget.
- The Board of Directors considers a rate increase.
- A major change in conditions threatens the reserve levels.

If reserve analysis (Exhibit A) indicates projected or actual individual reserve levels would fall 10 percent or more below target levels outlined in this Policy, at least one of the following actions shall be included with the analysis:

- An explanation of why the reserve levels are not at the targeted level.
- A list of actions needed to bring reserve levels within the target level prescribed.

PV Water closely monitors, reviews, and evaluates reserve balances and funding levels annually. All reserve fund transactions are transparent to the public, via meeting minutes, budget documentation and board resolutions. Since reserve targets are based on certain estimates, assumptions, and risk probabilities, the Cash Reserve Policy will be revisited more frequently if there is a change in PV Water's operations, capital program, or debt service obligations that warrant review of these policies.

Pajaro Valley Water Management Agency
Cash Reserve Policy
Exhibit "A"

			FY25-26 Budgeted Water Serivce O&M Costs per Bond Coventant Test	*FY24-25 Estimated Expenditures in Fd10 & Fd20; less $1.95M in grant expenditures*	*FY23-24 actual expenditures in Fd10 & Fd20 & FY25-26 Budgeted Costs for CL Ops*
Operation & Maintenance Reserve	**FY 23/24**	**FY24/25**	***Option A FY25/26***	***Option B FY25/26***	***Option C FY25/26***
Projected Operating Expenditures ($MM)	8.50	8.85	*12.13*	*10.77*	*9.17*
Projected Reserve Amount ($KK)	4,250.00	4,427.09	*6,066.53*	*5,386.07*	*4,587.23*

Repair & Replacement Reserve	**FY 23/24**	**FY24/25**	***FY25/26***	***FY25/26***	***FY25/26***
Projected Annual Depreciation ($MM)	3.38	3.43	*3.37*	*3.37*	*3.37*
Projected Reserve Amount ($KK)	845.28	857.97	*841.36*	*841.36*	*841.36*

Debt Service Reserve	**FY 23/24**	**FY24/25**	***FY25/26***	***FY25/26***	***FY25/26***
Projected Debt Service Payments ($MM)	3.98	4.02	*4.02*	*4.02*	*4.02*
Restricted Funds for Debt Covenants ($KK)	333.90	346.09	*361.06*	*361.06*	*361.06*
Projected Reserve Amount ($KK)	729.21	734.39	*731.12*	*731.12*	*731.12*

Rate Stabilization Reserve	**FY 23/24**	**FY24/25**	***FY25/26***	***FY25/26***	***FY25/26***
Projected Reserve Amount ($KK)	1,000.00	1,100.00	*1,200.00*	*1,200.00*	*1,200.00*

Total Cash Reserve ($MM)	**6.82**	**7.12**	***8.84***	***8.16***	***7.36***

MEMORANDUM

DATE: June 6, 2025
MEETING OF: June 10, 2025
TO: Administration and Finance Committee
FROM: General Manager
RE: **ITEM 7:** Conduct Annual Review of the Statement of Investment Policy

BACKGROUND

The Statement of Investment Policy (Policy) is an important tool that establishes guidelines for PV Water's investments. The Policy defines general investment goals and objectives. The primary objectives of the Policy are safety of principal, liquidity, and return on investment. The Policy was last updated by the Board of Directors on August 21, 2024.

DISCUSSION

This year, during a meeting with the California Special District Association's (CSDA) Chief Executive Officer (CEO) and Chief Finance & Operations Officer (CFOO), PV Water staff requested that the CFOO review the Policy. Following receipt of the CFOO's comments, staff reviewed them with PV Water's financial advisor, NHA. Staff will present the proposed revisions to the Policy to the Committee as part of this year's annual review.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

The Committee review the Policy and consider making a recommendation to the Board.

ATTACHMENT

- Draft Resolution
- Investment Policy

Resolution 2025-XX

A Resolution of the Board of Directors of
Pajaro Valley Water Management Agency

Amending Statement of Investment Policy

The Board of Directors of the Pajaro Valley Water Management Agency ("PV Water") does resolve as follows:

WHEREAS, PV Water's Board of Directors first adopted an Investment Policy on July 3, 2002, under Resolution 2002-19, and most recently Amended the Investment Policy on August 21, 2024, under Resolution 2024-12; and

WHEREAS, the Investment Policy has undergone periodic updates to comply with California Government Code; and

WHEREAS, PV Water's Board of Directors has the authority to invest any portion of funds in an investment fund, or excess cash flow in its treasury, not required for the immediate necessities of the Agency, which is deemed wise or expedient according to the provisions of California Government Code sections 53601 and 53635; and

WHEREAS, PV Water's General Manager and Finance & Administrative Services Manager ("Investment Officers") shall prepare and submit a annually statement of investment policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting; (CGC §53646(a)); and

WHEREAS, it shall be the policy of PV Water to invest such surplus funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of PV Water and conforming to all statutes governing the investment of PV Water funds.

NOW, THEREFORE, BE IT RESOLVED that pursuant to section 53646 of the California Government Code, Pajaro Valley Water Management Agency hereby adopts the amended Investment Policy, attached hereto as Exhibit A and incorporated by reference herein.

PASSED AND ADOPTED by the Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the 18th day of June, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Stephen Rider, Chair

Attest:

_____
Asia Valdivia, Board Secretary

PAJARO VALLEY WATER MANAGEMENT AGENCY

Statement of Investment Policy

Presented to the Administration & Finance Committee on June 10, 2025.
Last Adopted by the Board of Directors on August 21, 2024.

The Pajaro Valley Water Management Agency ("PV Water") Board of Directors ("Board")~~of the Agency~~ has the authority to invest any portion of funds in an investment fund, or excess cash flow in its treasury, not required for the immediate necessities of the Agency, which is deemed wise or expedient according to Government Code Sections 53601 and 53635. The authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to ~~the Agency's~~PV Water's Administration & Finance Committee, which provides direction to ~~the Agency's~~PV Water's General Manager and Finance & Administrative Services Manager ("Investment Officers"). Investments are limited to those instruments specified by the Board.

1. Scope

This investment policy applies to all financial assets of ~~the Pajaro Valley Water Management Agency~~PV Water. These funds are accounted for in the annual ~~Agency~~ financial audit and include: All funds.

Funds not included in the policy: none.

2. Basic Policy and Statement of Objectives

As specified in California Government Code §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

a) Safety of Principal - Safety of principal is the foremost objective of the
investment program. Investments of ~~the Pajaro Valley Water Management Agency~~PV Water shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

b) Liquidity - Investments shall be made whose maturity date is compatible with cash flow requirements and which will permit easy and rapid conversion into cash without substantial loss of value, and which will enable ~~the Agency~~PV Water to meet all operating

requirements which might be reasonably anticipated.

c) Return on Investment - Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

3. Prudent Person

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code §53600.3) and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. Maturity Limitations

a) The Investment Officers are authorized to invest ~~Agency~~ PV Water funds for terms set forth below except bond proceeds may be invested for a term no longer ~~then~~than the final maturity of the bond.

b) For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein.

5. Time Deposits

The Investment Officers may invest in certificates of deposit issued by bank, savings association, or federal association chartered by the United States of America (United States) or the State of California.

The following criteria will be used in evaluating financial institutions and form of collateral to determine eligibility for deposits:

a) The terms of investment shall not exceed five years.

b) The financial institution must have been in existence for at least five years.

c) Eligibility for deposits shall be limited to those financial institutions, which maintain a rating equivalent to the highest letter and number rating as provided by a nationally recognized statistical rating

organization (NRSRO)

d) The deposit shall not exceed the shareholders' equity of any depository bank. For the purposes of this constraint, shareholders' equity shall be deemed to include capital notes and debentures. (Government Code Section 53638(a))

e) The deposit shall not exceed the total net worth of any depository savings association or federal association. Deposits not exceeding a total of $500,000 may be made to a savings association or federal association without regard to the net worth of that depository, if such deposits are insured or secured as required by law (Government Code Section 53638 (b)).

f) The deposit to the share accounts of any regularly chartered credit union shall not exceed the total unimpaired capital and surplus of the credit union, as defined by rule of the Commissioner of Financial Institutions, except that the deposit to any credit union share account in an amount not exceeding $500,000 may be made if the share accounts of that credit union are insured or guaranteed pursuant to Section 14858 of the Financial Code or are secured as required by law. The deposit in investment certificates of a federally insured industrial loan company shall not exceed the total of the unimpaired capital and surplus of the insured industrial loan company. (Government Code Section 53638 (d).

g) To secure such deposits, the financial institution shall maintain in the collateral pool, marketable securities having a market value of at least 10 percent in excess of the total amount deposited. (Government Code Section 53652(a))

h) First trust deed real estate mortgages may be accepted as collateral providing they have a market value of at least 100 percent in excess of total amount deposited and comply with California Government Code Section 53651.2.

i) When other factors are equal, appropriate consideration will be given to a financial institution that contributes service or offers significant assistance to ~~the Agency~~PV Water.

6. Local Agency Investment Fund Deposits

Deposits for the purpose of investment in the Local Agency Investment Fund of the State Treasury may be made up to the maximum amount permitted by State Treasury policy.

7. Negotiable Certificates of Deposit

The Investment Officers may invest in negotiable certificates of deposit as follows:

a) Investment in negotiable certificates of deposit shall not exceed 30 percent of the total portfolio in effect immediately after any such investment is made.

b) To be eligible, a certificate of deposit must be issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed branch of a foreign bank as well as any state licensed foreign bank. (Government Code Section 53601(i).)

c) Eligibility for deposits shall be limited to those financial institutions, which maintain a rating equivalent to the highest ranking, or the highest letter and number rating, as provided by a nationally recognized statistical rating organization ("NRSRO").

d) The investment shall not exceed the shareholders' equity of any depository bank. For the purposes of this constraint, shareholders' equity shall be deemed to include capital notes and debentures. (Government Code Section 53638(a))

e) The investment shall not exceed 25 percent of the total net worth of any depository savings association or federal association.

f) The total investment in an eligible financial institution shall not exceed 25 percent of the total portfolio available for investment in this investment category.

j) The maximum maturity shall be limited to 5 years. All certificates of deposits must be collateralized by U.S. Treasury Obligations. Collateral must be held by a third-party trustee and valued on a monthly basis. The percentage of collateralization on repurchases and reverse repurchase agreements will adhere to the amount required under California Government Code §53601(j)(2).

8. Bankers' Acceptances

The Investment Officers may invest in bankers' acceptances as follows:

a) Investment in prime bankers' acceptance shall not exceed 40 percent of the portfolio in effect immediately after any such investment is made.

b) Eligibility shall be limited to those financial institutions which maintain a rating equivalent to the highest letter and number rating as provided by a nationally recognized statistical rating organization (NRSRO) and "III/III" for foreign banks if a rating service is utilized.

c) No more than 30 percent of this category of investments may be invested in any one commercial bank's acceptances.

d) The maximum maturity shall be limited to 180 days. (Government Code Section 53601 (g))

9. Commercial Paper

The Investment Officers may invest in commercial paper as follows:

a) Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided by the highest letter and number rating as provided by a nationally recognized statistical rating organization (NRSRO) may be purchased. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2) (Government Code Section 53601 (h)):

(1) The entity meets the following criteria:

(A) Is organized and operating within the United States as a general corporation;

(B) Has total assets in excess of Five Hundred Million Dollars ($500,000,000);

(C) Has debt other than commercial paper, if any, that is rated "A" or higher by an NRSRO.

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company;

(B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond;

(C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO.

b) Investments in commercial paper shall not exceed 20 percent of the portfolio.

c) No more than 10 percent of the outstanding commercial paper of an issuing corporation may be purchased. (Government Code Sections 53601 (h) and 53635 (a)(1))

d) The total investment in an eligible financial institution shall not exceed 10 percent of the total portfolio available for investment in this investment category.

e) The term shall not exceed 270 days. (Government Code Section 53601 (h))

10. U.S. Government and Agencies

The Investment Officers may invest in debts issued by governmental agencies as follows:

a) The concentration of investments in federal agency obligations shall not exceed 50 percent of all investments in effect immediately after any such investment is made.

b) Investments in U.S. Treasury obligations shall not be subject to any limitations.

c) Investments in direct obligations of the U.S. Government shall not be subject to any limitations.

11. Bond Funds

a) Notwithstanding anything to the contrary contained in these Guidelines, moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of ~~the Agency~~PV Water, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolutions, indenture, or agreement of ~~the Agency~~PV Water providing for the issuance, all in accordance with Section 53601 of the Government Code.

b) Investments may be made of bond proceeds and surplus funds in collateralized guaranteed investment agreements or contracts, fully secured by government securities or by obligations guaranteed by the U.S. Government provided, however, that (a) ~~the Agency~~PV Water or

its agent shall have received a perfected first security interest in the obligation securing such investment agreement or contract, (b) ~~the Agency~~PV Water or its agent shall hold the obligations securing such investment agreements or contracts, (c) ~~the Agency~~PV Water or its agent shall hold such obligations free and clear of the claims of third parties, and, (d) the investment agreements or contracts are collateralized at 104 percent by the government securities or obligations guaranteed by the U.S. Government and market valued at least monthly.

12. Exchange of Securities

An exchange of securities is a shift of assets from one instrument to another and may be done for a variety of reasons, such as to increase yield, lengthen or shorten maturities, to take a profit, or to increase investment quality. In no instance shall an exchange be used for speculative purposes. Any such exchange shall be simultaneous (same day execution of sale and purchase) and shall require the approval of the Investment Officers.

13. Safekeeping

a) All security transactions entered into by ~~the Pajaro Valley Water Management Agency~~PV Water shall be conducted on delivery-versus-payment ("DVP") basis. All securities purchased or acquired shall be delivered to ~~the Pajaro Valley Water Management Agency~~PV Water by book entry, physical delivery or by third party custodial agreement as required by California Government Code §53601.

b) All financial institutions shall be instructed to mail confirmation and safekeeping receipts directly to the ~~Agency's~~ PV Water's Investment Officers for audit.

14. Portfolio Adjustments

Any reference to portfolio shall mean the total of ~~the Agency's~~PV Water's cash and securities under management by the Investment Officers.

a) Should any investment percentage-of-portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses.

b) When no loss is indicated, the Investment Officers shall consider restructuring the portfolio basing their decision in part on the expected length of time the portfolio will be imbalanced.

15. Purchase and Sales of Securities

a) Information concerning investment opportunities and market developments may be gained by maintaining contact with the financial community together with information provided by ~~the Agency's~~PV Water's Board approved financial consultant.

b) The purchase of any investment other than those purchased directly from the issuer shall be, to the extent possible, from a firm designated as a Primary Dealer by the Federal Reserve Bank of New York.

c) When practicable, the Investment Officers shall solicit more than one quotation on each trade.

16. Reporting Requirements

In accordance with California Government Code §53607~~46(b)(1)~~, the Finance & Administrative Services Manager shall submit to each member of the Board of Directors a ~~quarterly~~ monthly investment report. The report shall include a complete listing of transactions. Also in accordance with California Government Code §53646(b)(1), the Finance & Administrative Services Manager shall submit to each member of the Board of Directors a quarterly investment report with a description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for ~~Pajaro Valley Water Management Agency~~PV Water by third party contracted managers. The report will also include the source of the portfolio valuation. As specified in California Government Code §53646(e), if all funds are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) ~~the Pajaro Valley Water Management Agency~~PV Water will meet its expenditure obligations for the next six months as required by California Government Code §53646 (b)(2) and (3) respectively. The Finance & Administrative Services Manager shall maintain a complete and timely record of all investment transactions.

17. Prohibited Investments

Under the provisions of California Government Code §53601.6, ~~the Pajaro Valley Water Management Agency~~PV Water shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero

interest accrual if held to maturity.

18. Investment Policy Administration

The Investment Officers may, at any time, further restrict the securities approved for investment as deemed appropriate. This policy shall be reviewed at least annually.

19. Ethics and Conflict of Interest

Directors and ~~Agency~~ PV Water employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

***

PAJARO VALLEY WATER MANAGEMENT AGENCY

Account Activity Report per Bank Statement

	Date	Deposits	Withdrawals	Balance
CLEARING ACCOUNT - Mechanics				
Beginning Balance	4/1/2025			$105,977
Cash Receipts		1,231		
Disbursements			627,239	
Transfers		600,647		
Bank Fees				
Ending Balance	4/30/2025			$80,616
GENERAL FUND10-MMA Mechanics				
Beginning Balance	4/1/2025			$1,896,147
Cash Receipts		26,540		
Transfers			7,847	
Interest Earned		6,895		
Bank Fees				
Ending Balance	4/30/2025			$1,921,735
GENERAL FUND 10 - LAIF				
Beginning Balance	4/1/2025			$2,422,127
Transfers				
Interest Earned				
Ending Balance	4/30/2025			$2,422,127
GENERAL FUND 20 - LAIF				
Beginning Balance	4/1/2025			$8,894,113
Transfers				
Interest Earned				
Ending Balance	4/30/2025			$8,894,113
SPECIAL REVENUE FUND 20-ACH Clearing Acct Mechanics				
Beginning Balance	4/1/2025			$0
Cash Receipts		1,138,233		
Sweep/Transfers			1,138,233	
Disbursments/ACH-Wire				
Bank Fees				
Ending Balance	4/30/2025			$0
SPECIAL REVENUE FUND 20-Operating Mechanics				
Beginning Balance	4/1/2025			$240,773
Cash Receipts		3,554,217		
Transfers		26,377	3,377,743	
Disbursments/ACH-Wire				
Bank Fees			1,394	
Interest Earned				
Ending Balance	4/30/2025			$442,230
SPECIAL REVENUE Fund 20 Cash Mgmt-FUND20MMN Mechanics				
Beginning Balance	4/1/2025			$10,167,387
Transfers		3,896,799		
Disbursments/ACH-Wire				
Bank Fees				
Interest Earned		41,740		
Ending Balance	4/30/2025			$14,105,927
Certificate of Deposit - DWR Loan Reserve Mechanics Fund 40				
Beginning Balance	4/1/2025			$279,643
Interest Earned		1,151.90		
Ending Balance	4/30/2025			$280,795
Certificate of Deposit - SRF-D1501023				
Beginning Balance	4/1/2025			$81,419
Transfers				
Interest Earned				
Ending Balance	4/30/2025			$81,419

Prior Month Ending Cash Balance:	Total Deposits:	Total Withdrawals:	Month End Cash Balance:
24,087,587	9,293,831	5,152,456	28,228,962
Cash Transfers	4,523,823	4,523,823	-
Actual Cash Receipts/Disbursements	4,770,008	628,633	

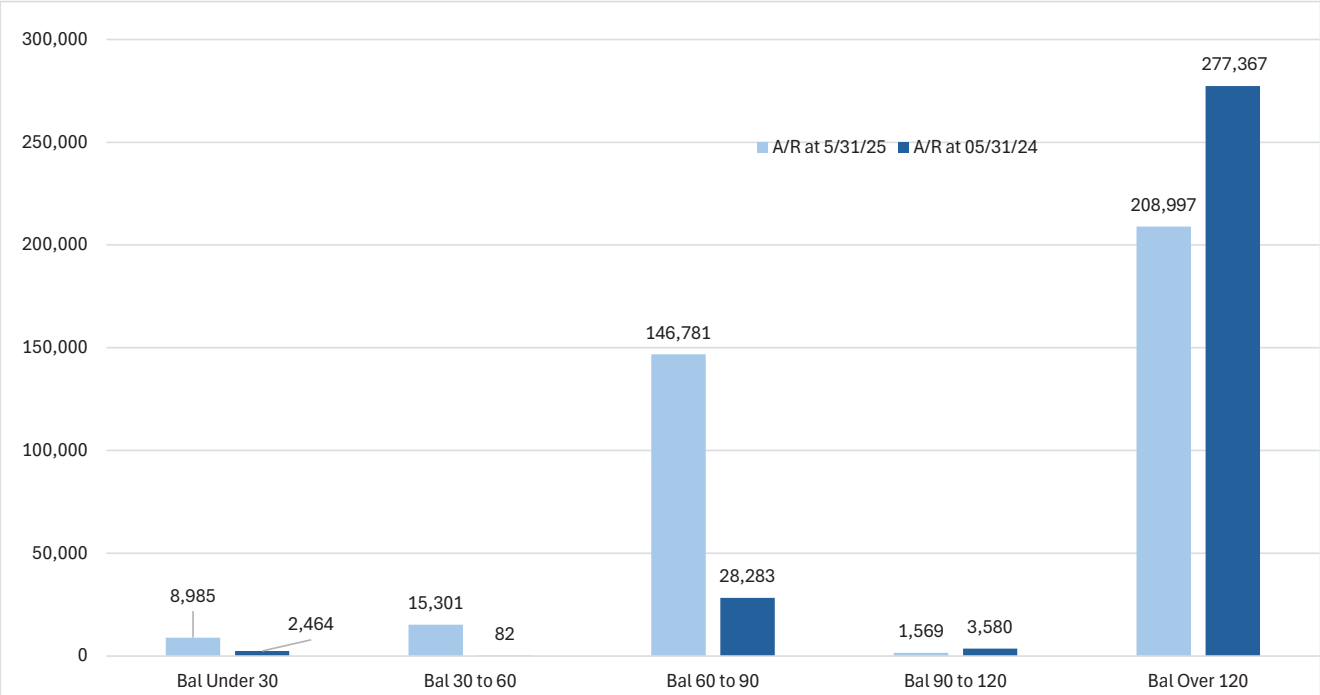
PAJARO VALLEY WATER MANAGEMENT AGENCY
INVESTMENT REPORT
ALL FUNDS
April 30, 2025

Description	Current Yield	Investment	% of Total Portfolio	Weighted Yield
Mechanics Clearing Account	0.00%	**$80,616**	0.29%	0.00%
General Fund 10				
Mechanics General Fund 10 Money Market Account	4.52%	1,921,735	6.81%	0.31%
Local Agency Investment Fund	4.48%	2,422,128	8.58%	0.38%
		$4,343,863		
Special Revenue Fund 20				
Mechanics Special Revenue Fund 20-ACH Clearing Account	0.00%	0	0.00%	0.00%
Mechanics Special Revenue Fund 20 Operating Account	0.00%	442,230	1.57%	0.00%
Mechanics Special Revenue Fund 20 Money Market Account	4.52%	14,105,927	49.97%	2.26%
Local Agency Investment Fund	4.48%	8,894,113	31.51%	1.41%
		$23,442,269		
Long Term Debt Fund 40				
Mechanics Certificate of Deposit DWR Loan Reserve	4.85%	$280,795	0.99%	0.05%
Mechanics Certificate of Deposit SRF-D1501023	4.00%	$81,419	0.29%	0.01%
		362,214		
	Total:	**$28,228,962**	**100.0%**	

Total Funds Reserved	362,214
Total Funds Invested	27,343,902
Total Funds Non-Interest Bearing	522,846
Total Funds	**$28,228,962**
Total Available Funds	27,866,748
Cash Reserve Policy Requirements (PV Water)	7,120,000
Surplus (Deficit) of Funds	**$20,746,748**

PV Water
Accounts Receivable Aging 3 Month Trend
As of 05/31/2025

	Balance Forward	Bal Under 30	Bal 30 to 60	Bal 60 to 90	Bal 90 to 120	Bal Over 120
Accounts Receivable before credits	381,632	8,985	15,301	146,781	1,569	208,997
Credits	(12,326)					
Total Accounts Receivable at 05/31/25	369,307					
Accounts Receivable before credits	311,776	2,464	82	28,283	3,580	277,367
Credits	(5,903)					
Total Accounts Receivable at 05/31/24	305,873					
Accounts Receivable before credits	592,383	15,301	324,776	2,417	250	249,639
Credits	-11,312					
Total Accounts Receivable at 04/30/25	581,070					
Accounts Receivable before credits	1,673,920	1,420,655	2,947	264	79,997	187,621
Credits	(17,563)					
Total Accounts Receivable at 03/31/25	1,656,356					



Accounts

Checks by Date - Detail by Check Date

User: Priscilla
Printed: 5/30/2025 10:59 AM

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
ACH	C1099	CAROLLO ENGINEERS INC	05/02/2025	
	FB64533	BMP Basin Mngmnt CL & WSR Plan report for 3/1 - 3/31/25		12,478.13
	FB65206	CL Integrated Resource Mgmt Design for 3/1 - 3/31/25		49,810.50
	FB65219	WSR & HSR System Projects Design thru 3/31/25		4,859.50
			Total for this ACH Check for Vendor C1099:	67,148.13
ACH	J301	JACOBS ENGINEERING GROUP INC.	05/02/2025	
	WBY08701-023	CL Pipeline Engineering Svcs during Const. for 3/1 - 3/28/25		7,371.35
			Total for this ACH Check for Vendor J301:	7,371.35
ACH	M1872	MICROSOFT	05/02/2025	
	E0400VTBBO	IT-Online Hydrology 365 Support for 3/17 - 4/16/25		12.50
			Total for this ACH Check for Vendor M1872:	12.50
ACH	S2865	SWCA ENVIRONMENTAL CONSULT. INC.	05/02/2025	
	217626	CL Integrated Resources Mgmt Project for 3/1 - 3/31/25		68,849.31
			Total for this ACH Check for Vendor S2865:	68,849.31
ACH	T111	TANNER PACIFIC, INC	05/02/2025	
	225-121	CL.Int. Res. Mgmt. Proj.582301.07 & 08 thru 3/31/25		216,161.59
			Total for this ACH Check for Vendor T111:	216,161.59
ACH	A1250	AFLAC- FLEX ONE	05/02/2025	
	EE Deferrals	EE PR Deferrals		661.52
			Total for this ACH Check for Vendor A1250:	661.52
ACH	A300	ACWA/JPIA	05/02/2025	
	Inv 0706014	EE PR Deferrals		36,861.07
			Total for this ACH Check for Vendor A300:	36,861.07
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	05/02/2025	
	EE Deferrals	EE PR Deferrals		5,260.00
			Total for this ACH Check for Vendor N125:	5,260.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	05/02/2025	
	EE Deferrals	ER/EE Retirement Contributions		11,777.72
	EE Retirement Contı	EE PR Deferrals		1,954.94
			Total for this ACH Check for Vendor P1300:	13,732.66
ACH	P555	PVWMA-Cafeteria Account	05/02/2025	
	EE Deferrals	EE PR Deferrals		1,086.68
			Total for this ACH Check for Vendor P555:	1,086.68
45988	A190	ACE HARDWARE OF WATSONVILLE INC	05/02/2025	
	11995	Field supplies /CDS/Meters/Hydro for 4/25		233.43
			Total for Check Number 45988:	233.43

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
45989	A910	ATCHINSON,BARISONE,CONDOTTI	05/02/2025	
	34751	General/WSR/BOD Legal Matters for 3/1 - 3/31/25		9,272.58
	34752	General Legal Matters for 3/1-3/31/25		836.39
			Total for Check Number 45989:	10,108.97
45990	B195	BALANCE HYDROLOGICS, INC	05/02/2025	
	225177-0425	WSR & HSR Slough Gaging WY24 - Billing thru 4/19/25		12,116.55
			Total for Check Number 45990:	12,116.55
45991	C103	CBEC ECO ENGINEERING	05/02/2025	
	50273	CL Fishway Tech Support/ Env for 2/22 to 3/28/25		6,946.75
			Total for Check Number 45991:	6,946.75
45992	C1580	SPECTRUM BUSINESS COMMUNICATIONS	05/02/2025	
	0124982042025	76 Holohan/Internet/communication for 4/20 to 5/19/25		176.23
			Total for Check Number 45992:	176.23
45993	C1617	CHEMTRADE CHEMICALS US LLC	05/02/2025	
	90231318	CLP Chemicals for Start up Alum for 4/25		4,582.41
			Total for Check Number 45993:	4,582.41
45994	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	05/02/2025	
	250408-115	Water Samples Groundwater for 4/8/25		366.00
	250409-107	Water Samples Groundwater for 4/9/25		122.00
			Total for Check Number 45994:	488.00
45995	M1650	MONTEREY COUNTY ASSESSOR	05/02/2025	
	409	Disclaimer Assessor Parcel/PVWMA Data Report for 4/25		300.00
			Total for Check Number 45995:	300.00
45996	O217	OFFICE AND HOME CLEANING SERVICES	05/02/2025	
	2818	36 Brennan Mo. Office housekeeping for 4/25		600.00
	2819	76 Holohan Mo. Housekeeping for 4/25		600.00
			Total for Check Number 45996:	1,200.00
45997	O250	ONSET COMPUTER CORP.	05/02/2025	
	300970	HOBO Water Level U20L Series for 3/25		872.88
			Total for Check Number 45997:	872.88
45998	P1160	MIKE PODLECH	05/02/2025	
	2631	CL Fisheries Support Prof. Services for 4/1 to 4/30/25		3,000.00
			Total for Check Number 45998:	3,000.00
45999	P180	PENINSULA MESSENGER LLC	05/02/2025	
	1476682	Monthly RaboBank Courier for 4/25		139.00
			Total for Check Number 45999:	139.00
46000	P300	PAJARO VALLEY CHAMBER OF COMMERCE	05/02/2025	
	541	Annual Membership Renewal Dues 5/25 thru 5/26		158.55
			Total for Check Number 46000:	158.55
46001	P629	PASILLAS TIRE SERVICES, INC	05/02/2025	
	47723	Veh. #11/Maint./break service for 4/25		225.00
			Total for Check Number 46001:	225.00

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
46002	P800	PG & E	05/02/2025	
	0688235687-3	Service at 76 Holohan Rd for 3/20 to 4/17/25		878.59
	2926809320-9	Service at 36 B Brennan St for 3/21 to 4/20/25		258.50
	3422109179-5	Service at 76 Holohan STE B Rd for 4/1 to 4/10/25		211.59
	4291054495-8	Service at 475 San Andreas Rd for 3/20 to 4/17/25		2,065.55
	5916054391-0	Service at 187C San Andreas Rd for 3/20 to 4/17/25		3,256.37
			Total for Check Number 46002:	6,670.60
46003	R999	CASH	05/02/2025	
	PETTYCASH	Office Supplies/Wellness Event/Staff Mtg for 3/25		155.25
			Total for Check Number 46003:	155.25
46004	T345	THE HOME DEPOT CREDIT SERVICES	05/02/2025	
	3/14 thru 4/11	Holohan Office & Field Supplies/Equip. for 4/25	ACC# 0011943357	484.95
			Total for Check Number 46004:	484.95
46005	U185	U.S. BANK EQUIPMENT FINANCE	05/02/2025	
	553805482	Contr#500-0626919 Upstairs copier for 4/14 to 5/14/25		79.55
			Total for Check Number 46005:	79.55
46006	U415	UNIVAR SOLUTIONS	05/02/2025	
	52936400	Chemicals for Start up: Sodium hypochlorite for 4/25		15,990.79
			Total for Check Number 46006:	15,990.79
46007	W362	WATSONVILLE PAJARONIAN	05/02/2025	
	141619	Prelim Budget FY25 Notice for 4/25		165.20
			Total for Check Number 46007:	165.20
46008	W400	CITY OF WATSONVILLE UTILITIES	05/02/2025	
	CUST#602389	Office Monthly Utilities for 3/11 to 4/15/25		185.73
			Total for Check Number 46008:	185.73
46009	W80	WAGEWORKS INC.	05/02/2025	
	INV7759232	Mo. Admin & Compliance fee for 4/25		14.52
	INV7759241	Mo. Admin & Compliance fee for 4/25		101.48
			Total for Check Number 46009:	116.00
46010	Z100	ZAG TECHNICAL SERVICES, INC.	05/02/2025	
	302068	IT-Professional Support Agreement for 4/25		1,534.10
			Total for Check Number 46010:	1,534.10
			Total for 5/2/2025:	483,074.75
ACH	A1250	AFLAC- FLEX ONE	05/16/2025	
	EE Deferrals	EE PR Deferrals		661.52
			Total for this ACH Check for Vendor A1250:	661.52
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	05/16/2025	
	EE Deferrals	EE PR Deferrals		5,260.00
			Total for this ACH Check for Vendor N125:	5,260.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	05/16/2025	
	EE Deferrals	ER/EE Retirement Contributions		11,777.76
	EE Retirement Contı	EE PR Deferrals		1,954.94
			Total for this ACH Check for Vendor P1300:	13,732.70

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
ACH	P555	PVWMA-Cafeteria Account	05/16/2025	
	EE Deferrals	EE PR Deferrals		1,086.68
			Total for this ACH Check for Vendor P555:	1,086.68
ACH	C1099	CAROLLO ENGINEERS INC	05/16/2025	
	FB66217	BMP Prog. Mgmt. Svcs. Monthly Report for 4/25		5,568.75
	FB66316	WSR & HSR System Projects Design thru 4/30/25		7,125.75
	FB66405	CL Integrated Resource Mgmt Design for 4/1 to 4/30		30,825.50
			Total for this ACH Check for Vendor C1099:	43,520.00
ACH	M1875	MICROSOFT AZURE	05/16/2025	
	E0600W451C	IT-Support/Pay as you go for 3/12 - 4/11/25		14.98
			Total for this ACH Check for Vendor M1875:	14.98
46011	A400	ACWA/JPIA WORKERS COMP	05/16/2025	
	1/1 thru 3/31/25	Worker's Compensation Ins. for 1/1 to 3/31/25		6,560.65
			Total for Check Number 46011:	6,560.65
46012	A850	AVAYA FINANCIAL SERVICES.	05/16/2025	
	47031929	Phone/VM Lease Agreement for 5/1 - 5/31/25		435.12
			Total for Check Number 46012:	435.12
46013	A910	ATCHINSON,BARISONE,CONDOTTI	05/16/2025	
	34777	WSR/General/BOD Legal Matters for 4/1 - 4/30/25		5,296.61
	34778	General Legal Matters for 4/1 - 4/30/25		4,200.54
			Total for Check Number 46013:	9,497.15
46014	B102	BKS LAW FIRM, PC	05/16/2025	
	8812-0001	WSR & CL Legal Matters for 4/25		1,890.00
			Total for Check Number 46014:	1,890.00
46015	C103	CBEC ECO ENGINEERING	05/16/2025	
	50322	CL Fishway Tech Support/ Env for 3/29 to 4/25/25		23,035.50
	50324	CL Hydrologic & Water Monitoring 2025 & 2026 for 3/29 to 4/25		14,531.50
			Total for Check Number 46015:	37,567.00
46016	F200	FEDERAL EXPRESS, INC.	05/16/2025	
	885674107	Meter Repair Shipments for 4/25		327.93
			Total for Check Number 46016:	327.93
46017	G190	GREEN RUBBER KENNEDY AG. INC.	05/16/2025	
	W-588508	CDS Turnout Supplies for 4/25		56.55
			Total for Check Number 46017:	56.55
46018	G195	GREENWASTE RECOVERY LLC	05/16/2025	
	ID#219557	76 Holohan Green Waste for 4/25		116.96
			Total for Check Number 46018:	116.96
46019	I226	INSTRUMENT TECHNOLOGY CORP	05/16/2025	
	25235	Utility Locating Equipment for 4/25		7,205.68
			Total for Check Number 46019:	7,205.68
46020	M1086	MILLER MAXFIELD, INC.	05/16/2025	
	0425PV	Ribbon Cutting & Planning/WTP Tour Social Media for 4/25		3,506.25
			Total for Check Number 46020:	3,506.25

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
46021	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	05/16/2025	
	250409-106	Water Samples ReNeM for 4/9/25		1,682.00
	250414-064	Water Samples Groundwater for 4/14/25		1,220.00
			Total for Check Number 46021:	2,902.00
46022	M1865	MONTGOMERY & ASSOCIATES INC	05/16/2025	
	9090-25-1C	PV Water Blend Well #4/Domestic CM PM for 1/1 - 1/31/25		7,996.96
	9090-25-3C	PV Water Blend Well #4/Domestic CM PM for 3/1 - 3/31/25		25,316.80
			Total for Check Number 46022:	33,313.76
46023	N245	AMY NEWELL	05/16/2025	
	REIMB-AMY	ACWA JPIA Monterey Conf. for 5/13/25		48.20
			Total for Check Number 46023:	48.20
46024	P800	PG & E	05/16/2025	
	1787734656-3	Service at 1859 Beach rd/BW-2 for 4/8 to 5/6/25		11,541.11
	9214983032-2	Service at 1931 Beach rd/BW-1 for 4/8 to 5/6/25		5,872.68
	9218085363-9	Service at 162 San Andreas Rd/HSP Pump for 4/8 to 5/6/25		11,201.26
	9968544374-1	Service at 36 Brennan St for 4/8 to 5/6/25		819.90
			Total for Check Number 46024:	29,434.95
46025	R40	CARDMEMBER SERVICE	05/16/2025	
	APR2025	Agency Credit Card Purchases		4,567.21
			Total for Check Number 46025:	4,567.21
46026	S1405	SC FUELS INC	05/16/2025	
	1038166	Agency Vehicles Fuel for 4/16 to 4/29/25		654.15
			Total for Check Number 46026:	654.15
46027	S1681	SHAMROCK OFFICE SOLUTIONS	05/16/2025	
	4362360-CAL	76 Holohan/Cont#CN32691-01 usage/BW & Cl for 4/2 - 5/1/25		44.23
	4362361-CAL	Upstairs/Cont#6839-01 printer usage/BW & Clr for 4/2 - 5/1/25		80.14
			Total for Check Number 46027:	124.37
46028	S2875	STRATEGY DRIVER, INC	05/16/2025	
	1039	SDI Professional Services for 4/25		9,747.50
			Total for Check Number 46028:	9,747.50
46029	U185	U.S. BANK EQUIPMENT FINANCE	05/16/2025	
	555137868	Contr#500-0703068 76 Holohan copier for 5/1 - 5/31/25		173.14
			Total for Check Number 46029:	173.14
46030	V369	VERIZON WIRELESS	05/16/2025	
	6112350863	Agency Personnel Cell Ph.& Equipt. for 4/2 - 5/1/25		573.29
			Total for Check Number 46030:	573.29
46031	W362	WATSONVILLE PAJARONIAN	05/16/2025	
	142534	Surplus Trucks for Sale - Public Posting for 5/25		163.00
			Total for Check Number 46031:	163.00
46032	Z100	ZAG TECHNICAL SERVICES, INC.	05/16/2025	
	301999	IT-Mo. Subs./base retention Agreement-Datto Cloud for 4/25		970.80
	302120	IT-Deploy Microsoft 365 apps for 4/25		362.00
	302180	IT-Professional Support Agreement for 4/25		2,595.50
	302276	IT-PS Managed Computer/Server for 5/25		2,100.00
	302292	IT-Monthly Agreement-KnowBe4 Security Awarness for 5/25		164.88
	302334	IT-Professional Support Holahan office for 4/25		900.00
	302384	IT-Mo. Subs./base retention Agreement-Datto Cloud for 5/25		970.80
	302438	IT-Professional Support Holahan office for 5/25		562.50
			Total for Check Number 46032:	8,626.48
			Total for 5/16/2025:	221,767.22

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
ACH	C571	CALIFORNIA BANK OF COMMERCE	05/22/2025	
	91602-22R	Escrow#1159045 Ret.CL Pro #30-39-501-for 2/1 - 2/28/25		37,594.25
			Total for this ACH Check for Vendor C571:	37,594.25
ACH	J301	JACOBS ENGINEERING GROUP INC.	05/22/2025	
	W8Y08701-024	CL Pipeline Engineering Svcs during Const. for 3/29 - 4/25/25		18,183.61
			Total for this ACH Check for Vendor J301:	18,183.61
ACH	M2213	MOUNTAIN CASCADE, INC.	05/22/2025	
	91602-22	CL/Contr$44,989,854 Project#30-39-501 for 2/1 - 2/28/25		714,290.75
			Total for this ACH Check for Vendor M2213:	714,290.75
ACH	M2214	MOUNTAIN CASCADE, INC.	05/22/2025	
	91601-22	CL/Contr$23,707,310 Project#30-39-502 for 2/25 - 2/28/25		108,843.77
			Total for this ACH Check for Vendor M2214:	108,843.77
ACH	R305	RINCON CONSULTANTS, INC	05/22/2025	
	65126	Proj#24-16204 River Watershed Resilience for 3/25		127,426.30
			Total for this ACH Check for Vendor R305:	127,426.30
ACH	T111	TANNER PACIFIC, INC	05/22/2025	
	225-165	CL Int. Res. Mgmt. Proj.582301.07 & 08 thru 4/30/25		227,343.24
			Total for this ACH Check for Vendor T111:	227,343.24
			Total for 5/22/2025:	1,233,681.92
ACH	T359	THE STANDARD INSURANCE COMPANY	05/27/2025	
	00-649299-0087	Long Term Disability Benefits		617.59
			Total for this ACH Check for Vendor T359:	617.59
			Total for 5/27/2025:	617.59
ACH	M1872	MICROSOFT	05/29/2025	
	E0400W3VUD	IT-Online Hydrology 365 Support for 4/17 - 5/16/25		12.50
			Total for this ACH Check for Vendor M1872:	12.50
46033	B200	MARY BANNISTER	05/29/2025	
	ACWA REIMB	ACWA Spring Conference/Miles Reimb. for 5/25		59.04
			Total for Check Number 46033:	59.04
46034	C960	CARDIFF PEST CONTROL INC	05/29/2025	
	0157200	36 Brennan Qtrly Pest Control		110.00
	0157328	76 Holohan Qtrly Pest Control		135.00
			Total for Check Number 46034:	245.00
46035	G199	GROUNDWATER RESOURCES ASSOC.OF CA.INC	05/29/2025	
	200002138	GM/2025 SGMA & Legislative Summit Speaker for 5/25		325.00
			Total for Check Number 46035:	325.00
46036	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	05/29/2025	
	250410-073	Water Samples CDS for 4/10/25		1,960.00
	250410-075	Water Samples CDS for 4/10/25		187.00
	250410-082	Water Samples Groundwater for 4/10/25		334.00
	250415-111	Water Samples Groundwater for 4/15/25		917.00
	250416-071	Water Samples Surface for 4/16/25		484.00
	250416-073	Water Samples Groundwater for 4/16/25		411.00
	250421-063	Water Samples Groundwater for 4/21/25		1,156.00
	250422-140	Water Samples Groundwater for 4/22/25		538.00
	250423-070	Water Samples CDS for 4/23/25		1,546.00
	250429-063	Water Samples Surface for 4/29/25		1,512.00
	250429-067	Water Samples Algae Monitoring for 4/29/25		2,451.00
			Total for Check Number 46036:	11,496.00

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
46037	M1865	MONTGOMERY & ASSOCIATES INC	05/29/2025	
	9090-25-4C	PV Water Blend Well #4 for 4/25		16,335.00
			Total for Check Number 46037:	16,335.00
46038	P629	PASILLAS TIRE SERVICES, INC	05/29/2025	
	47847	Veh. #9 Maint./flat tire service for 5/25		25.00
	47877	Veh. #2 Maint./TPMS Sensor service for 5/25		170.18
			Total for Check Number 46038:	195.18
46039	P800	PG & E	05/29/2025	
	0688235687-3	Service at 76 Holohan Rd for 4/18 to 5/18/25		621.76
	2926809320-9	Service at 36 B Brennan St for 4/21 to 5/19/25		317.42
	4291054495-8	Service at 475 San Andreas Rd for 4/18 to 5/18/25		3,492.92
	5916054391-0	Service at 187C San Andreas Rd for 4/18 to 5/18/25		6,109.34
	6238266992-7	Service at 32 Holohan Rear for 4/24 to 5/4/25		420.30
			Total for Check Number 46039:	10,961.74
46040	P950	PITNEY BOWES PURCHASE POWER, INC.	05/29/2025	
	8000-9000-0396-	Postage Machine Stamp Purchase for 5/25	8000-9000-0396-445	3,039.75
			Total for Check Number 46040:	3,039.75
46041	R440	REITER BERRY FARMS	05/29/2025	
	REBATE	AG Conservation Trial Rebates for 6 Ranches for 4/25		29,060.10
			Total for Check Number 46041:	29,060.10
46042	R605	ROTARY CLUB OF FREEDOM	05/29/2025	
	000238	Quarterly Dues-GM/Freedom Rotatry for Apr - Jun.2025		250.00
			Total for Check Number 46042:	250.00
46043	S1405	SC FUELS INC	05/29/2025	
	1045467	Agency Vehicles Fuel for 5/1 - 5/15/25		484.06
			Total for Check Number 46043:	484.06
46044	S1681	SHAMROCK OFFICE SOLUTIONS	05/29/2025	
	4371870	Toner Shipment/Printing Usage of BW & Color for 5/25		15.00
			Total for Check Number 46044:	15.00
46045	T225	T.M. IRRIGATION SPECIALTIES INC	05/29/2025	
	22169	Field Supplies/Turn out parts for for 4/25		39.98
			Total for Check Number 46045:	39.98
46046	T305	TELSTAR INSTRUMENTS, INC.	05/29/2025	
	126764	Job# 30-44430 SW-2 Meter replaced for 5/25		4,417.00
			Total for Check Number 46046:	4,417.00
46047	T345	THE HOME DEPOT CREDIT SERVICES	05/29/2025	
	5370890-621826	CL/Meter/Flashlights/SW-2/Telstar Supplies for 4/25		248.74
			Total for Check Number 46047:	248.74
46048	U185	U.S. BANK EQUIPMENT FINANCE	05/29/2025	
	555137868	Contr#500-0703068 76 Holohan copier for 6/1 - 6/30/25		173.14
	555772151	Contr#500-0592136 36 Brennan copier for 5/10 - 6/10/25		208.57
	556036085	CONTR#500-0626919-RICOH Upstairs copier		79.55
			Total for Check Number 46048:	461.26
46049	W400	CITY OF WATSONVILLE UTILITIES	05/29/2025	
	CUST#602389	Office Monthly Utilities for 4/15 to 5/14/25		185.73
			Total for Check Number 46049:	185.73
46050	W80	WAGEWORKS INC.	05/29/2025	
	INV7862915	Mo. Admin & Compliance fee for 5/25		116.00
			Total for Check Number 46050:	116.00

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
46051	Z100	ZAG TECHNICAL SERVICES, INC.	05/29/2025	
	302530	IT-Contract Mo.Subs/Agreement MS-365 Business P.for 5/25		362.00
	302581	IT-Professional Support Agreement for 5/25		168.75
			Total for Check Number 46051:	530.75
46052	Z125	ZANJERO, INC	05/29/2025	
	7186	Partner Outreach & Action Items for 4/25		1,045.00
			Total for Check Number 46052:	1,045.00
			Total for 5/29/2025:	79,522.83
ACH	A1250	AFLAC- FLEX ONE	05/30/2025	
	EE Deferrals	EE PR Deferrals		661.52
			Total for this ACH Check for Vendor A1250:	661.52
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	05/30/2025	
	EE Deferrals	EE PR Deferrals		5,260.00
			Total for this ACH Check for Vendor N125:	5,260.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	05/30/2025	
	EE Deferrals	ER/EE Retirement Contributions		11,908.61
	EE Retirement Conti	EE PR Deferrals		2,021.95
			Total for this ACH Check for Vendor P1300:	13,930.56
ACH	P555	PVWMA-Cafeteria Account	05/30/2025	
	EE Deferrals	EE PR Deferrals		1,086.68
			Total for this ACH Check for Vendor P555:	1,086.68
			Total for 5/30/2025:	20,938.76
			Report Total (93 checks):	2,039,603.07