PAJARO VALLEY WATER MANAGEMENT AGENCY

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

Board of Directors Meeting
December 21, 2022, 7:00 p.m. **Teleconference**

BOARD MEETING AGENDA

Due to COVID-19, Public access is limited to teleconference. See below for instructions.

Agenda Item

Note: The Board may take action on any item listed on the agenda.

1. **Call to Order**
2. **Swear in of Newly Elected and Re-Appointed Directors**
3. **Roll Call of the PV Water Directors:** Amy Newell (Chair), Stephen Rider (Vice-Chair), Javier Zamora, Bob Culbertson, Mary Bannister, Tom Broz, Abel Sanchez
4. **Pledge of Allegiance**
5. **Oral Communications**
   This time is set aside for members of the general public to address the Board of Directors on any item not on the Agenda, and that is within the subject matter jurisdiction of the Board of Directors. Each speaker is allotted up to 3 minutes. No action or discussion shall be taken on any item presented except that the Board may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters pertaining to the Board may be scheduled for discussion at a future meeting or referred to staff for clarification or a report, at the pleasure of the board.
6. **Director Comments**
7. **Counsel Report**
8. **General Manager Report**
9. **Consent Agenda**
   All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one consensus motion. Any items removed will be considered immediately after the consensus motion. The Board Chair will allow public input prior to the approval of the Consent Agenda.
   A. Adopt Resolution 2022-29, Re-Authorizing Remote Teleconference Meeting of the Legislative Bodies of the Pajaro Valley Water Management Agency Pursuant to Brown Act Provisions
   B. Approve November 16 , 2022 Minutes
   C. Approve Financial Reports
      1. Introduction by staff
      2. Questions from Board
      3. Public comment
      4. Board discussion and deliberations
      5. Board action

10. Informational Items

A. Receive Basin Management Plan Implementation Update
B. Agricultural Water Conservation Program Update

11. Discussion and/or Action Items

A. Consider Agreement with Gutierrez Consultants, Inc., Grant and Loan Support Services, in an amount not to exceed $250,000
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

B. Consider Recommendation of Ad Hoc Committee Formed to Explore Amending the Agency Act
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

C. Consider Election of Officers for 2023: Chair, Vice-Chair, Treasurer
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

D. Appoint Representatives to Serve on Standing Committees
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

E. Appoint Representatives to other Organizations
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

12. Monthly Reports/Presentations

A. Facility Operations Report
   1. Receive 2022 Supplemental Water Production Monthly Summary Report
B. Board Committee Reports available at www.pvwater.org
C. Public Outreach Update

13. Correspondence

14. Future Meetings

A. Administrative/Finance Committee, Tuesday, January 10 , 2023, 3:00 p.m., Teleconference

B. Board of Director's Meeting, Wednesday, January 18, 2023, 7:00 p.m., Teleconference
C. Special Board of Director's Meeting, Wednesday, January 25, 2023, Teleconference,Time TBD
D. Project & Facility Operations Committee, Wednesday, January 25, 2023, 3:00 p.m., Teleconference

Adjournment to Pajaro Valley Water Management Agency Corporation Annual Meeting

NOTES

The City Council Chambers is an accessible facility. If you wish to attend a meeting and you will require assistance in order to attend and /or participate, please call the Agency at (831) 722-9292 in advance of the meeting and every effort made to accommodate your attendance and participation.

This agenda is subject to revision and maybe amended prior to the scheduled meeting. If amended, a Final Agenda to be posted at PV Water, 36 Brennan Street, Watsonville and at the location where meeting will be held, 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 1900 (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 Board Secretary at (831) 722-9292 during regular business hours at least 24 hours prior to the time of the meeting.

Agenda documents are available for review, on the Monday following posting of the agenda, in person at PV Water, 36 Brennan St. Watsonville, or on the website: https://www.pvwater.org/board-and-committees/director-agendas.php

Translation Services/Servicios De Traduccion

Spanish language translation is available on an as needed basis. Please make advance arrangements with the PV Water Board Secretary, 36 Brennan St. Watsonville, CA or by telephone (831) 722-9292.
Se proven servicios de interpretacion segun se necesiten. Sirvase contactar a la secretaria de Directiva de la Agencia para hacer preparativos.

Public Access to Board of Directors Meeting

You can attend the meeting from your computer, tablet or smartphone (may require app).
By Computer:
https://www.gotomeet.me/PVWater/board-of-directors
By Phone:
United States (Toll Free): 1 (877) 309-2073 Access Code: 347-473-301#
Please Note: Meeting materials are posted at: https://www.pvwater.org/director-agendas

Resolution 2022-29

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

Re-authorizing Remote Teleconference Meeting of the Legislative Bodies of the Pajaro Valley Water Management Agency Pursuant to Brown Act Provisions

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

WHEREAS, the Pajaro Valley Water Management Agency is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and,

WHEREAS, all meetings of Pajaro Valley Water Management Agency's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Agency's legislative bodies conduct their business; and,

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and,

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic; and,

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government code Section 54950 et seq. (the "Brown Act"), provided certain requirements were met and followed; and,

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 that clarified the suspension of the teleconferencing rules set forth in the Brown Act, and further provided that those provisions would remain suspended through September 30, 2021; and,

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 which provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act, provided that a State of Emergency is declared by the Governor pursuant to Government Code section 8625, and either state or local officials have imposed or recommended measures to promote social distancing, or the legislative body determines that meeting in person would present imminent risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and,

WHEREAS, the State of Emergency proclaimed by the Governor on March 4, 2020 remains in effect; and,

DRAFT

WHEREAS, California Department of Public Health ("CDPH") and the federal Centers for Disease Control and Prevention ("CDC") caution that the Omicron variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may still cause illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations (https://www.cdc.gov/coronavirus/2019-ncov/variants/omicron-variant.html); and,

WHEREAS, other variants of COVID-19 exist, including the Omicron subvariant BA.2, which is currently causing an increase in positive cases in parts of the Country, and it is unknown at this time whether this variant or other variants may result in a new surge in COVID-19 cases; and,

WHEREAS, due to the seriousness of the current pandemic situation, the CDPH requires that all individuals, regardless of vaccination status, wear face coverings indoors in specified high-risk settings; and,

WHEREAS, the CDPH and the Health Officers of Monterey County and Santa Cruz County strongly recommend that all individuals continue to wear face coverings while in indoor public settings; and,

WHEREAS, the Board of Directors is empowered to take actions necessary to protect public, health, welfare and safety within the region; and,

WHEREAS, the Agency has an important governmental interest in protecting the health, safety and welfare of those who participate in meetings of the Board of Directors and other Agency committees; and,

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Board of Directors deems it necessary to find that meeting in person for meetings of the Board of Directors and Agency committees and subcommittees continues to present imminent risks to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing as provided in subdivision (e) of Government Code section 54953; and,

WHEREAS, all teleconferenced meetings of the Agency Board of Directors and related committees or subcommittees shall comply with the requirements to provide the public with access to meetings as prescribed in paragraph (2) of subdivision (e) of Government Code section 54953; and,

WHEREAS, State of California and County of Santa Cruz health officials recommend various social distancing measures, including wearing mask indoors and limiting occupancies at meeting locations; and,

WHEREAS, the Board of Directors does hereby find and determine that the above conditions continue to create an imminent risk to the health and safety of attendees; and,

WHEREAS, the Board of Directors previously adopted Resolution 2021-15 on October 20, 2021, Resolution 2021-16 on November 17, 2021, Resolution 2021-18 on December 22, 2021,

Resolution 2022-01 on January 19, 2022, Resolution 2022-04 on February 16, 2022, Resolution 2022-05 on March 16, 2022, Resolution 2022-09 on April 20, 2022, Resolution 2022-11 on May 18, 2022, Resolution 2022-13 on June 15, Resolution 2022-16 on July 20, Resolution 2022-19 on August 17, Resolution 2022-20 on September 21, Resolution 2022-23 on October 19, and Resolution 2022-25 on November 16 finding that the requisite conditions exist for the legislative bodies of the Agency to conduct remote teleconference meeting without compliance of paragraph (3) of subdivision (b) of section 54953; and,

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency and the Board of Directors has done so, as provided above.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Pajaro Valley Water Management Agency does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The Board of Directors finds that as a result of the ongoing proclaimed State of Emergency in California due to the COVID-19 pandemic, and COVID-19's continued spread, holding in person meetings of Agency legislative bodies continues to present imminent risks to the health or safety of attendees

Section 3. The General Manager and legislative bodies of Pajaro Valley Water Management Agency are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 4. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) thirty days from its adoption, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of Pajaro Valley Water Management Agency may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the **21st** day of **December 2022**, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Amy Newell, Chair

Attest:

_____
Laura R. Taay, Board Secretary

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Board of Directors Meeting **Teleconference**
November 16, 2022, 6:00 p.m.

DRAFT BOARD MEETING MINUTES

1. **Call to Order:** The Regular Board Meeting of Pajaro Valley Water Management Agency was called to order at 6:03 p.m. by Chair Newell, via teleconference

2. **Roll call of the PV WATER Directors:**

Board Members Present:	Newell, Rider, Culbertson (7:00 p.m.), Bannister, Broz, Sanchez
Board Members Absent:	Zamora
Staff Members Present:	Brian Lockwood, General Manager (GM) Laura R. Taay, Board Secretary Nancy Trevino, Interim Admin/Finance Manager (IAFM) Marcus Mendiola, Water Conservation and Outreach Specialist (WCOS)
Others Present:	Tony Condotti, Agency Counsel (AC) Victoria Thompson, Associate Agency Counsel (AAC) (Closed session only) Ellen Cross, Consultant, Strategy Driver, Inc. Kim Hein, Consultant, Jacobs Engineering Tom Rider, Public

3. **Pledge of Allegiance**

4. **Closed Session - 2 Item:**
   a. **Conference with Real Property Negotiators – (Cal. Gov't Code §54954.5 & 54956.8)**
   Property APN's and Owners: College Lake
   1) 051-101-19 & 18, De Sieyes Brothers LLC;
   2) 051-101-13, 15, 20 & 22, Taurino Gomez and Maria Gomez, Husband and Wife;
   3) 051-101-11, 24, Janet B. Banovac, Trustee of the Janet Braycovich Banovac Separate Property Trust;
   4) 051-101-50, Diffenbaugh Family Farms LLC;
   5) 051-441-27 & 28, The Roman Catholic Bishop of Monterey, California, A Corporation;
   6) 051-651-05 & 01, Janice C. Harryman, a Married Woman as Her Sole and Separate Property
   Pipeline :
   1) 018-341-25, Harvest Drive Properties, LLC
   2) 051-221-02, Jorge Olivarez and Maria C. Olivarez, Husband and wife as Community Property with Right of Survivorship

3) 051-221-26, 30, Ag Land, Inc., A California Corporation
4) 051-221-32, Coast Cooling, Inc., A California Corporation
5) 051-221-33, Taurino Gomez and Maria Gomez, Husband and Wife, as Joint Tenants
6) 051-221-34, Del Mar Farms, A California General Partnership
7) 051-741-01, V. R. Walker Co., An Illinois Corporation
8) 051-741-03, Shikuma Properties, LLC
9) 051-741-05, Richard J. Peixoto, A Married Man, as His Sole and Separate Property
10) 051-741-06, Brian F. Maridon, As Trustee of the Brian F. Maridon Trust Dated April 1994 As To An undivided 66.97% Interest and Russel J. Maridon and Stephanie Maridon, As Trustees for the Russel and Stephanie Maridon Family Trust Dated April 1994 As To An Undivided 33.03% Interest
11) 051-741-07, Randolph K. Repass and Sally-Christine Rodgers 1996 Revocable Trust Dated 6/26/96, Randolph K. Repass and Sally-Christine Rodgers as Trustees, an Undivided 55% Interest and Randolph K. Repass and Sally-Christine Rodgers, Trustees of the Kent-Harris Repass 2020 Irrevocable Trust Dated November 20, 2020, an Undivided 45% Interest
12) 052-243-01,053-371-01, 02, JAL Berry Farms, LLC, A California Limited Liability Company, Subject to Exceptions in Preliminary Title Report
13) 052-243-10, Lakeside Organic Gardens, LLC, A California Limited Liability Company
14) 052-243-15, 16, Watsonville Exchange, Inc., A California Corporation
15) 052-243-17, 18, Lakeside Organic Gardens, LLC., A California Limited Liability Company
16) 052-243-20, 21, West Coast Pre-Cooling – Watsonville, LLC
17) 052-272-01, 02, John Martin Colendich, A Married Man, AS His Sole and Separate Property; Kara Therese Colendich, A Single Woman, As Her Sole and Separate Property; Connie A. Vukasovich-Haines and Jeanne L. Vukasovich, Trustee of Trust B Under the John M. Vukasovich and Virginia Vukasovich Revocable Living Trust Under Agreement Dated June 5, 1992, Dianna V. Hersch, A Married Woman, As Her Sole and Separate Property; Martin John Vukasovich, A Single Man, As His Sole and Separate Property; Jeanne Vukasovich, Trustee, or Her Successor(s) of the Jeanne Vukasovich 2016 Revocable Trust Dated 12/14/2016; and George W. Haines and Connie A. Vukasovich-Haines, Trustees, or Their Successor(s), of the Haines 2020 Revocable Trust Dated October 28, 2020, all As Their Respective Interests Appear of Record
18) 052-581-04, Martin Kulish, Trustee of the Domacin Family Trust Dated September 3, 2012, An Undivided Ninety-Two and A Half (92.5%) Interest and Martin Kulish, Trustee of the Luce Domacin Qualified Domestic Trust, Established January 8, 2015, An Undivided Seven and A Half Percent (7.5%) Interest
19) 052-581-06, 07, Arnold (CA) LLC, A Delaware Limited Liability Company
20) 052-581-09. David Frederick Willoughby, Successor Trustee of the Jeannette F. Willoughby 1999 Trust Dated 12/30/1999, As To An Undivided 7.54% Interest, Subject to Exception from Preliminary Title Report, Christopher Michael Willoughby, As To An Undivided 46.23% Interest and David Frederick Willoughby, As To An Undivided 46.23% Interest

Agency Negotiators: Brian Lockwood
Under Negotiation: Price, terms of payment or both

b. Removed from Closed Session agenda – placed in error

Open Session (resumed at 7:05 p.m.)

Report on Closed Session – AC Condotti reported Board met to discuss those items listed on posted Agenda, Item 4a. Conference with Real Property Negotiators. No reportable action.

5. **Oral Communications:** None

6. **Director Comments:** Director Rider reported on his attendance at the Water Education Foundation: Water Summit, October 27, 2022, Sacramento. Very interesting meeting and among a take away is that PV Water is in a better position than others as we are able to determine our own fate.

   Director Culbertson shared some Election results. Measure Q passed. This measure will continue for the farmland/open space around the City of Watsonville. Zone 7/Flood Control measure passed. Ensures $400M Federal money for flood protection for the Pajaro River. Residents in the Zone 7 voted to tax themselves for continued maintenance.

   Chair Newell reported she attended, for the 1st time, a Pajaro Compass group meeting on November 2, 2022, This group is made up of all volunteers and primarily supports conservation goals for the Pajaro River Watershed. Was worth attending.

7. **Counsel Report:** AC Condotti reported on Governor Newsom's amendment to the State's Emergency Declaration and new regulations adopted by Legislature regarding remote meetings.

8. **General Manager Report:** GM Lockwood reported on the ACWA Conference, including meetings and sessions he attended.

9. **Consent Agenda**
   A. Resolution 2022-25, Re-Authorizing Remote Teleconference Meeting of the Legislative Bodies of the Pajaro Valley Water Management Agency Pursuant to Brown Act Provisions
   B. Approval of October 16, 2022 Minutes
   C. Approval of Financial Reports
   D. Approval of End of Year Schedule
   E. Approval of 2023 Board and Committee Meeting Dates
   F. Resolution 2022-26, Amending the Procurement Policy
   G. Resolution 2022-27, Updating the Policy on Travel and Expense Reimbursement
   H. Resolution 2022-28, Designating General Manager, or Designee, as the Authorized Representative to file an Application and Execute Agreements with the California Department of Water Resources for a 2021 Sustainable Groundwater Management (SGM) Grant Program Implementation Grant

   Action: Director Rider moved to approve the Consent Agenda; seconded by Director Culbertson.

   Motion carried by the following voice vote:

   AYES: Newell, Rider, Culbertson, Bannister, Broz, Sanchez
   NOES: None
   ABSENT: Zamora
   ABSTAIN: None

10. **Informational Items**
    A. Received Basin Management Plan Implementation Update from GM Lockwood

11. **Discussion and/or Action Items**

A. Consider Authorizing and Directing the General Manager to Call for Public Competitive Sealed Bids for the Construction of the College Lake Integrated Resources Management Project, and to Give Notice Inviting or Advertising for such Sealed Bids in the Time, Form, and Manner provided by Law

GM Lockwood presented a brief summary of the history of the College Lake Project along with an overview of project components and the bid period schedule. The presentation is posted at https://www.pvwater.org/director-agendas.

Action: Director Bannister moved for the Board to authorize the General Manager to call for public competitive sealed bids for the construction of the College Lake Integrated Resources Management Project, and to give notice inviting or advertising for such sealed bids in the time, form, and manner provided by law; seconded by Director Rider.

Motion carried by the following voice vote:

AYES: Newell, Rider, Culbertson, Bannister, Broz, Sanchez
NOES: None
ABSENT: Zamora
ABSTAIN: None

B Consider Forming Ad Hoc Proposal Review Committee to Evaluate Proposals Submitted for College Lake Integrated Resources Management Project Construction Management Services and Environmental Compliance Services

GM Lockwood described the purpose of the Committee, noting how it is proposed to be similar to prior ad hoc proposal review committees the Board formed previously. He also summarized the proposal review schedule.

Action: Director Rider moved for the Board to form an Ad Hoc Proposal Review Committee to evaluate proposals submitted for College Lake Integrated Resources Management Project Construction Management Services and Environmental Compliance Services; seconded by Director Broz.

Motion carried by the following voice vote:

AYES: Newell, Rider, Culbertson, Bannister, Broz, Sanchez
NOES: None
ABSENT: Zamora
ABSTAIN: None

Action: Director Rider moved for the Board to accept Director Culbertson and Director Broz, alternate Chair Newell, to serve as Board representatives to the Ad Hoc Proposal Review Committee; seconded by Director Bannister.

Motion carried by the following voice vote:

AYES: Newell, Rider, Culbertson, Bannister, Broz, Sanchez
NOES: None
ABSENT: Zamora
ABSTAIN: None

C. Consider Awarding Contract to Maggiora Bros. Drilling, Inc., in the amount of $378,980 for the Harkins Slough Facility 2022 Recovery Wells Project

GM Lockwood summarized the purpose of project along with the bid review process. The Projects and Facility Operations Committee reviewed this item on October 26 and voted in favor of recommending the Board award the contract. The Administration and Finance Committee reviewed the fiscal impact of the project on November 8, and voted in favor of recommending the Board award the contract.

Action: Director Culbertson moved for the Board to authorize the General Manager to execute a contract, in substantially the same form as the version attached, with Maggiora Bros. Drilling, Inc., in the amount of $378,980, and authorize the General Manager to approve change orders in an amount not to exceed 10% of the contract amount; seconded by Director Rider.

Motion carried by the following voice vote:

AYES:	Newell, Rider, Culbertson, Bannister, Broz, Sanchez
NOES:	None
ABSENT:	Zamora
ABSTAIN:	None

D. Consider Agreement for Strategic Plan Development with Strategy Driver, Inc., in an amount not to exceed $60,000

GM Lockwood described the purpose and need for a Strategic Plan. He introduced Ellen Cross of Strategy Driver, Inc., who responded to questions and comments from the Board.

Action: Director Rider moved for the Board to approve the agreement, in substantially the same form as the version attached, for Strategic Plan Development with Strategy Driver, Inc., in an amount not to exceed $60,000; seconded by Director Bannister.

Motion carried by the following voice vote:

AYES:	Newell, Rider, Culbertson, Bannister, Broz, Sanchez
NOES:	None
ABSENT:	Zamora
ABSTAIN:	None

12. Monthly Reports/Presentations

A. Facility Operations Report
   1. Received 2022 Supplemental Water Production Monthly Summary Report
B. Board Committee Reports available at www.pvwater.org
C. Public Outreach Update

13. Correspondence

14. Future Meetings

A. Project & Facility Operations Committee, No November Meeting
B. Administrative/Finance Committee, Tuesday, December 13, 2022, 3:00 p.m., Teleconference
C. Project & Facility Operations Committee, Wednesday, December 14 , 2022, 3:00 p.m., Teleconference
D. Board of Directors, Wednesday, December 21, 2022 ,7:00 p.m., Teleconference

Adjourned at 8:54 p.m.

_____ _____

Laura R. Taay, Board Secretary **Date Approved**

PAJARO VALLEY WATER MANAGEMENT AGENCY

Account Activity Report per Bank Statement

	Date	Deposits	Withdrawals	Balance
CLEARING ACCOUNT - Mechanics				
Beginning Balance	10/1/2022			$351,878
Cash Receipts				
Disbursements			1,159,756	
Transfers		1,124,366		
Bank Fees				
Ending Balance	10/31/2022			$316,488
GENERAL FUND10-MMA Mechanics				
Beginning Balance	10/1/2022			$1,277,844
Cash Receipts				
Transfers		41	13,376	
Interest Earned		43		
Bank Fees				
Ending Balance	10/31/2022			$1,264,552
GENERAL FUND 10 - LAIF				
Beginning Balance	10/1/2022			$2,195,408
Transfers				
Interest Earned		7,470		
Ending Balance	10/31/2022			$2,202,878
GENERAL FUND 20 - LAIF				
Beginning Balance	10/1/2022			$8,061,595
Transfers				
Interest Earned		27,431		
Ending Balance	10/31/2022			$8,089,026
SPECIAL REVENUE FUND 20-ACH Clearing Acct Mechanics				
Beginning Balance	10/1/2022			$0
Cash Receipts				
Transfers			9,000	
Disbursments/ACH-Wire		9,000		
Bank Fees				
Ending Balance	10/31/2022			$0
SPECIAL REVENUE FUND 20-Operating Mechanics				
Beginning Balance	10/1/2022			$13,717
Cash Receipts		4,005,861		
Transfers			2,440,990	
Disbursments/ACH-Wire				
Bank Fees			1,410	
Interest Earned				
Ending Balance	10/31/2022			$1,577,179
SPECIAL REVENUE Fund 20 Cash Mgmt-FUND20MMN Mechanics				
Beginning Balance	10/1/2022			$4,852,802
Transfers		1,500,000	170,000	
Disbursments/ACH-Wire				
Bank Fees				
Interest Earned		170		
Ending Balance	10/31/2022			$6,182,972
Certificate of Deposit - DWR Loan Reserve Mechanics Fund 40				
Beginning Balance	10/1/2022			$254,364
Interest Earned		68.03		
Ending Balance	10/31/2022			$254,432
Certificate of Deposit - SRF-D1501023				
Beginning Balance	10/1/2022			$75,000
Transfers				
Interest Earned				
Ending Balance	10/31/2022			$75,000

Prior Month Ending Cash Balance:	Total Deposits:	Total Withdrawals:	Month End Cash Balance:
17,082,608	$6,674,450	$3,794,532	19,962,527
Cash Transfers	2,624,366	2,624,366	-
Actual Cash Receipts/Disbursements	4,050,084	1,170,166	

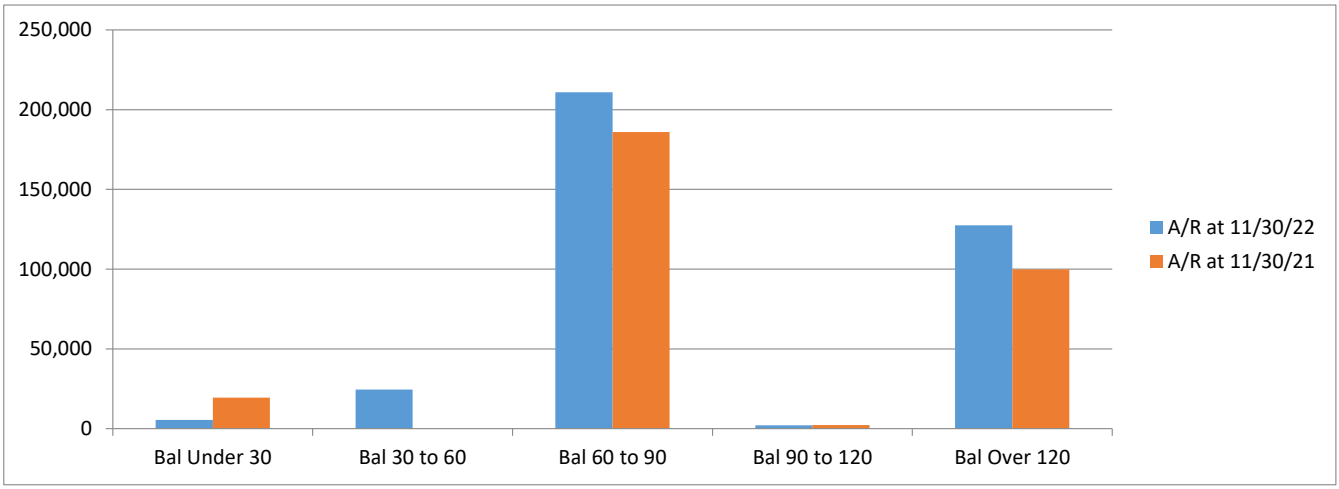
PAJARO VALLEY WATER MANAGEMENT AGENCY
INVESTMENT REPORT
ALL FUNDS
October 31, 2022

Description	Current Yield	Investment	% of Total Portfolio	Weighted Yield
MechanicsClearing Account	0.00%	**$316,488**	1.59%	0.00%
General Fund 10				
Mechanics General Fund 10 Money Market Account	0.04%	1,264,552	6.33%	0.00%
Local Agency Investment Fund	1.35%	2,202,878	11.04%	0.15%
		$3,467,430		
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%	1,577,179	7.90%	0.00%
Mechanics Special Revenue Fund 20 Money Market Account	0.04%	6,182,972	30.97%	0.01%
Local Agency Investment Fund	1.35%	8,089,026	40.52%	0.55%
		$15,849,177		
Long Term Debt Fund 40				
Mechanics Certificate of Deposit DWR Loan Reserve	0.08%	$254,432	1.27%	0.00%
Mechanics Certificate of Deposit SRF-D1501023	0.08%	$75,000	0.38%	0.00%
		329,432		
	Total:	**$19,962,527**	**100.0%**	

Total Funds Reserved	329,432
Total Funds Invested	17,739,428
Total Funds Non-interest Bearing	1,893,666.92
Total Funds	**$19,962,527**
Total Available Funds	19,633,095
Cash Reserve Policy Requirements (PV Water)	6,330,000
Surplus (Deficit) of Funds	**$13,303,095**

PV Water
Accounts Receivable Aging 3 Month Trend
As of 11/30/2022

	Balance Forward	Bal Under 30	Bal 30 to 60	Bal 60 to 90	Bal 90 to 120	Bal Over 120
Accounts Receivable before credits	370,245	5,451	24,449	210,829	2,034	127,482
Credits	(53,358)					
Total Accounts Receivable at 11/30/22	316,887					
Accounts Receivable before credits	307,396	19,484	0	185,926	2,215	99,771
Credits	(30,296)					
Total Accounts Receivable at 11/30/21	277,099					
Accounts Receivable before credits	2,644,870	26,900	2,468,708	2,559	94	146,609
Credits	(1,032)					
Total Accounts Receivable at 10/31/22	2,643,838					
Accounts Receivable before credits	6,627,569	6,441,747	3,755	94	68,221	113,752
Credits	(585)					
Total Accounts Receivable at 09/30/22	6,626,984					



Accounts Payable

Checks by Date - Detail by Check Date

User: nancy
Printed: 12/7/22

Check No	Vendor No / Invoice No	Vendor / Description	Check Date / Reference	Check Amount
ACH	A1250	AFLAC- FLEX ONE	11/04/2022	
	EEDeferrals	EE PR Deferrals		647.04
Total for this ACH Check for Vendor A1250:				647.04
ACH	A300	ACWA/JPIA	11/04/2022	
	0695400	EE PR Deferrals		26,869.88
Total for this ACH Check for Vendor A300:				26,869.88
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	11/04/2022	
	EEDeferrals	EE PR Deferrals		2,100.00
Total for this ACH Check for Vendor N125:				2,100.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	11/04/2022	
	EEDeferrals	ER/EE Retirement Contributions		9,479.63
	EEDeferrals	EE PR Deferrals		840.00
Total for this ACH Check for Vendor P1300:				10,319.63
ACH	P555	PVWMA-Cafeteria Account	11/04/2022	
	EEDeferrals	EE PR Deferrals		1,131.40
Total for this ACH Check for Vendor P555:				1,131.40
44088	B195	BALANCE HYDROLOGICS, INC	11/04/2022	
	222177-1022	Watsonville Slough Gaging WSR-WY22-23 Billing thru 10/15/22		4,988.50
Total for Check Number 44088:				4,988.50
44089	C1099	CAROLLO ENGINEERS INC	11/04/2022	
	FB28738	BMP Program Mngmnt CL Planning Prog. report for 9/22		25,073.19
Total for Check Number 44089:				25,073.19
44090	R999	CASH	11/04/2022	
	OCT2022PETTY	bday card staff for 10/22		157.97
Total for Check Number 44090:				157.97
44091	W400	CITY OF WATSONVILLE UTILITIES	11/04/2022	
	AC#01662-OFFICE	Office Monthly Utilities for 9/12 to 10/11/22		168.08
Total for Check Number 44091:				168.08
44092	E355	EKI ENVIRONMENT & WATER INC	11/04/2022	
		HS. Professional Services for 8/20 to 9/30/22		9,835.73
Total for Check Number 44092:				9,835.73
44093	E500	ESA Water	11/04/2022	
	179131	Updating CL Pipeline Project for 9/1-9/30/22		10,810.00
Total for Check Number 44093:				10,810.00
44094	E108	EVANS MOBILE NOTARY SERVICE	11/04/2022	
	CL/MARAGONI	Notary Services-Maragoni/CL for 10/22		145.00
Total for Check Number 44094:				145.00
44095	F485	FORESTRY SUPPLIERS	11/04/2022	
	311049-00	Field Supplies for 10/22		400.13

Check No	Vendor No / Invoice No	Vendor / Description	Check Date / Reference	Check Amount
Total for Check Number 44095:				400.13
44096	G170	GRAINGER	11/04/2022	
	9106236905	Field supplies. for 10/22		136.05
Total for Check Number 44096:				136.05
44097	UB*00541	WILLIAM & MARGARET HENRY, TTEE	11/04/2022	
		Refund Check 013125-000, 682 BUENA VISTA-Reissu	Re-Issue due to Ch	115.00
Total for Check Number 44097:				115.00
44098	M1060	MCE-MID COAST ENGINEERS, INC	11/04/2022	
	4287	PS CL services rendered for 9/22		1,800.00
Total for Check Number 44098:				1,800.00
44099	M996	MELGOZA FARMS	11/04/2022	
	CROP LOSS	F-1 Crop Loss/Land Cost (Mayeda) for 12/20: Reissued u	Re-Issue due to Ch	2,217.49
Total for Check Number 44099:				2,217.49
44100	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	11/04/2022	
	220923-24	Water Samples Groundwater for 9/23/22		810.00
	220928-43	Water Samples Groundwater for 9/28/22		980.00
	220930-44	Water Samples Groundwater for 9/30/22		900.00
	221003-50	Water Samples Surfacewater for 10/3/22		570.00
	221003-52	Water Samples CDS for 10/3/22		305.00
	221003-53	Water Samples Groundwater for 10/3/22		270.00
	221005-66	Water Samples Surfacewater for 10/5/22		1,070.00
	221005-68	Water Samples Surface for 10/5/22		760.00
	221005-69	Water Samples Groundwater for 10/5/22		90.00
Total for Check Number 44100:				5,755.00
44101	O217	OFFICE AND HOME CLEANING SERVICES	11/04/2022	
	2018	Monthly Office housekeeping for 10/1 to 10/31/22		600.00
Total for Check Number 44101:				600.00
44102	O411	O'REILLY AUTO PARTS	11/04/2022	
	2912-224162	Vehicle #9 parts for 10/22		161.57
Total for Check Number 44102:				161.57
44103	P180	PENINSULA MESSENGER LLC	11/04/2022	
	394312	Monthly RaboBank Courier for 10/22		120.00
Total for Check Number 44103:				120.00
44104	P800	PG & E	11/04/2022	
	0688235687-3	Service at 76 Holohan Rd for 9/22 to 10/20/22		14.07
	0688235687-3	Service at 76 Holohan Rd for 9/22 to 10/20/22		4.69
	2926809320-9	Service at 36 B Brennan St for 9/22 to 10/20/22		63.88
	2926809320-9	Service at 36 B Brennan St for 9/22 to 10/20/22		21.29
	5916054391-0	Service at 187 C San Andreas R		1,455.82
Total for Check Number 44104:				1,559.75
44105	P400	PVI PAJARO VALLEY IRRIGATION, INC.	11/04/2022	
	INV200063271	RET101150/ CD's Field Supplies for 10/22		237.59
	INV200063417	Meter replacement Well#1110/ Field Supplies for 10/22		60.00
	INV200063442	CD's Field Supplies for 10/22		8.30
Total for Check Number 44105:				305.89
44106	G300	ROCIO GUERRERO	11/04/2022	
	REIMB-NOTARY	Santa Cruz Co. Recoders fee/Notary Rnwal for 10/22		71.88
Total for Check Number 44106:				71.88
44107	R605	ROTARY CLUB OF FREEDOM	11/04/2022	
	2022-074	2022-2023 Quarter 2 Dues -GM. Lockwood		250.00

Check No	Vendor No / Invoice No	Vendor / Description	Check Date / Reference	Check Amount
Total for Check Number 44107:				250.00
44108	S1405	SC FUELS INC	11/04/2022	
	0625760	Agency Vehicles Fuel for 10/19 to 10/31/22		652.75
	10/3- to 10/14/22	Agency Vehicles Fuel for 10/3 to 10/14/22		859.71
Total for Check Number 44108:				1,512.46
44109	C1580	SPECTRUM BUSINESS COMMUNICATIONS	11/04/2022	
	0495564102322	LandLine & Internet services for 10/23 to 11/22/22		664.43
Total for Check Number 44109:				664.43
44110	T345	THE HOME DEPOT CREDIT SERVICES	11/04/2022	
	1524395/9932872	Holohan CD's and Shop supplies for 09/22		869.19
Total for Check Number 44110:				869.19
44111	U185	U.S. BANK EQUIPMENT FINANCE	11/04/2022	
	484861232	RICOH Office Copier for 10/22		207.62
	485252381	RICOH Office Copier (upstairs) for 10/22		79.19
Total for Check Number 44111:				286.81
44112	W80	WAGEWORKS INC.	11/04/2022	
	INV4355849	Mo. Admin & Compliance fee for 10/22		104.00
Total for Check Number 44112:				104.00
44113	UB*00544	WAYNE WEBER	11/04/2022	
		Refund Check 012901-000, 560 CHANDLER LN-Reiss	Re-Issue due to CI	115.00
Total for Check Number 44113:				115.00
44114	Z100	ZAG TECHNICAL SERVICES, INC.	11/04/2022	
	126652	IT-Agreement DR/IR Plan for 9/22		48.75
	128766	IT-Professional Support Agreement for 10/22		146.25
Total for Check Number 44114:				195.00
Total for 11/4/2022:				109,486.07
ACH	S2455	State Treasurer Office STATE OF CALIFORNIA	11/10/2022	
	22CV01634_Gomez	CL_Gomez_Condemnation Deposit		64,800.00
Total for this ACH Check for Vendor S2455:				64,800.00
Total for 11/10/2022:				64,800.00
44115	A1005	A.L. LEASE CO. WHOLE SALE PLUMBING SU	11/17/2022	
	155643	Field supplies for 11/22		15.04
Total for Check Number 44115:				15.04
44116	A850	AVAYA FINANCIAL SERVICES.	11/17/2022	
	41122102	Phone/VM Lease Agreement for 11/1-12/1/22		433.14
Total for Check Number 44116:				433.14
44117	F475	BEATRIZ VASQUEZ-FLORES	11/17/2022	
	2502	CL Outreach Guide for 10/22		1,062.75
	2502	English/Spanish News letters for 6/22		387.75
Total for Check Number 44117:				1,450.50
44118	L563	BRIAN LOCKWOOD	11/17/2022	
	9/14 to 10/13/22	GM. Cell reimb. For 9/14-10/13/22		80.00
	REIMB	Travel Reimb-for Seminar Water Ed foundation for 10/22		226.38
Total for Check Number 44118:				306.38
44119	R40	CARDMEMBER SERVICE	11/17/2022	
	OCT2022	NOI Cert. Mail for 10/22		13.43

Check No	Vendor No / Invoice No	Vendor / Description	Check Date / Reference	Check Amount
	OCT2022	GM ACWA Registration fee for 10/22		369.02
	OCT2022	Water Summit GM. for 10/22		286.30
	OCT2022	Bill Stuffing mtg for 10/22		71.43
	OCT2022	Dir.Rider ACWA & Water Summit Reg fee for 10/22		1,135.00
	OCT2022	Go to Mtg conference for 10/22		24.28
	OCT2022	Returned Office Supplies for 10/22		-71.46
	OCT2022	Dir Rider Hotel to Water Summmit Conference for 10/22		259.30
	OCT2022	Office Supplies for 10/22		403.59
	OCT2022	Maint. Veh. #11 for 10/22		119.36
Total for Check Number 44119:				2,610.25
44120	C1849	CCS CREDIT CONSULTING SERVICES, INC	11/17/2022	
	PVW631-6	Paid for acc# xxxx for 10/22		44.92
Total for Check Number 44120:				44.92
44121	F199	FEDAK & BROWN LLP	11/17/2022	
	221078	Progress Billing on Audit for FS. For 10/22		6,671.00
Total for Check Number 44121:				6,671.00
44122	G190	GREEN RUBBER KENNEDY AG. INC.	11/17/2022	
	W-570547	Field Supplies/Ball Valve for 10/22		238.78
Total for Check Number 44122:				238.78
44123	G330	GUTIERREZ CONSULTANTS, INC.	11/17/2022	
	1723	Grant Support-Funding Oppor. for 9/1-9/30/22		8,385.00
Total for Check Number 44123:				8,385.00
44124	J301	JACOBS ENGINEERING GROUP INC.	11/17/2022	
	W8Y08700-026	PS/ Integrated Project/CL Design for 10/1 to 10/28/22		74,303.28
Total for Check Number 44124:				74,303.28
44125	J313	JAIME RAMIREZ	11/17/2022	
	404581	Vehicle #11/2011 Ford windshield repair for 11/22		210.00
Total for Check Number 44125:				210.00
44126	M2300	McCROMETER, INC.	11/17/2022	
	586907	2021-23 Telemetry Grant Kits/Part/It for 10/22		17,848.48
	586908	2021-23 Telemetry Grant Kits/Part/It for 10/22		21,065.14
	586913	2021-23 Telemetry Grant Kits/Part/It for 10/22		17,848.48
	587006	2021-23 Telemetry Grant Kits/Part/It for 10/22		22,685.64
	587045	2021-23 Telemetry Grant Kits/Part/It for 10/22		14,960.40
Total for Check Number 44126:				94,408.14
44127	P1160	MIKE PODLECH	11/17/2022	
	2396	CL Fisheries Support Prof. Services for 10/1 to 10/31/22		1,350.00
Total for Check Number 44127:				1,350.00
44128	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	11/17/2022	
	221014-10	Water Samples Surface for 10/14/22		450.00
	221019-79	Water Samples CDS for10/19/22		170.00
	221021-24	Water Samples CDS for10/21/22		540.00
Total for Check Number 44128:				1,160.00
44129	N255	NHA ADVISORS	11/17/2022	
	00826	PS. PVWMS 2022-23 Consulting (WIFIA Loan) for 10/22		3,137.50
Total for Check Number 44129:				3,137.50
44130	P800	PG & E	11/17/2022	
	1787734656-3	Service at 1859 Beach rd for 10/10 to 11/7/22		3,673.09
	9214983032-2	Service at 1931 Beach rd for 10/10 to 11/7/22		418.52
	9218085363-9	Service at 162 San Andreas Rd for 10/10 to 11/7/22		249.74
	9968544374-1	Service at 36 Brennan St for 10/10 to 11/7/22		145.18
	9968544374-1	Service at 36 Brennan St for 10/10 to 11/7/22		435.55

Check No	Vendor No / Invoice No	Vendor / Description	Check Date / Reference	Check Amount
Total for Check Number 44130:				4,922.08
44131	S1255	SANTA CRUZ Co. DEPT. OF PUBLIC WORKS	11/17/2022	
	DPWAC-P63256	Labor for 5/30 thru 8/31/22		2,294.39
Total for Check Number 44131:				2,294.39
44132	S1681	SHAMROCK OFFICE SOLUTIONS	11/17/2022	
	596970	Toner shipment/Printing Usage of BW & Color for 7/22		12.50
	599951	Toner shipment/Printing Usage of BW & Color for 8/22		12.50
Total for Check Number 44132:				25.00
44133	S1900	SOIL CONTROL LAB, INC.	11/17/2022	
	2110099	Soil Monitoring Lab for 11/22		1,350.00
Total for Check Number 44133:				1,350.00
44134	S2400	STAPLES CREDIT PLAN	11/17/2022	
	45620/46116	Office Supplies for 10/22		188.57
Total for Check Number 44134:				188.57
44135	T305	TELSTAR INSTRUMENTS, INC.	11/17/2022	
	114262	PS.Services performed PVWMA for 10/22		808.00
Total for Check Number 44135:				808.00
44136	V369	VERIZON WIRELESS	11/17/2022	
	9919439539	Agency Personnel Cell Phones & equipt. for 10/2 - 11/1/22		488.97
Total for Check Number 44136:				488.97
44137	Z100	ZAG TECHNICAL SERVICES, INC.	11/17/2022	
	128950	IT-Agreement RMM-Patching & AV Managed for 11/22		1,452.00
	128969	IT-Professional Support Agreement for 11/22		390.00
	128970	IT-Monthly Agreement-KnowBe4 managed services for 11/22		164.88
	129063	IT-Professional Prefered Support Agreement for 10/22		195.00
	129190	IT-Monthly Subs./base retention Agreement-Datto for 11/22		970.80
	129324	IT-Professional Prefered Support Agreement for 11/22		195.00
Total for Check Number 44137:				3,367.68
Total for 11/17/2022:				208,168.62
ACH	A1250	AFLAC- FLEX ONE	11/18/2022	
	EE Deferrals	EE PR Deferrals		740.76
Total for this ACH Check for Vendor A1250:				740.76
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	11/18/2022	
	EE Deferrals	EE PR Deferrals		2,100.00
Total for this ACH Check for Vendor N125:				2,100.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	11/18/2022	
	EE Deferrals	EE PR Deferrals		840.00
	EE Deferrals	ER/EE Retirement Contributions		9,412.26
Total for this ACH Check for Vendor P1300:				10,252.26
ACH	P555	PVWMA-Cafeteria Account	11/18/2022	
	EE Deferrals	EE PR Deferrals		1,256.87
Total for this ACH Check for Vendor P555:				1,256.87
Total for 11/18/2022:				14,349.89
		Report Total (59 checks):		396,804.58

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **INFORMATIONAL ITEM 10A:** Basin Management Plan Implementation Update

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BACKGROUND

Staff prepares the following update monthly with the intent of keeping the Board and public up-to-date with respect to capital projects planning, funding, and when applicable, construction.

DISCUSSION

- Funding
  - Submitted Water Infrastructure Finance and Innovation Act (WIFIA) Letter of Interest to the Environmental Protection Agency (EPA) on December 12; next step would be to prepare a formal application, if invited to do so.
  - Submitted an application to the California Department of Water Resources (DWR) for a 2021 Sustainable Groundwater Management (SGM) Grant Program Implementation Grant in the amount of $20 million to support the construction of the College Lake Integrated Resources Management Project on December 15.
  - Held meeting with the staff from the United States Bureau of Reclamation on December 14 to explore funding opportunities.
  - Entered into Cost Sharing Agreement, not to exceed $11,914, with San Benito County Water District to complete and submit the Round 2 Integrated Regional Water Management Implementation Grant Application.
- Recycled Water Facility Optimization
  - Reliability, Operations, and Condition Assessment Project continues; preparation of final report is underway.
- College Lake Integrated Resources Management Project
  - Construction: Following Board direction on November 16, staff began advertising for bids on November 17; held a mandatory pre-bid meeting on December 7 for the Weir Structure and Water Treatment Plant Project, and on December 8 for the College Lake Pipeline Project; over 50 people, representing contractors, construction managers, and suppliers attended the two meetings.
  - Environmental: Continued working with permitting agencies.
  - Other Ongoing Activities: Outreach and Engagement is ongoing and included recent meetings with City of Watsonville staff, including City Manager Mendez.
- Watsonville Slough System Managed Aquifer Recharge & Recovery Projects
  - Permitting: Ongoing.
  - Issued contract for Harkins Slough Recharge Basin Recovery Wells 2022 Project.
  - Design: Held project kick-off meeting and conducted a site visit.

FISCAL IMPACT
There is no fiscal impact associated with this monthly update.

STAFF RECOMMENDATION
The Board receives the update.

ATTACHMENTS
- Cost Sharing Agreement, not to exceed $11,914, with San Benito County Water District.

Cost Sharing Agreement
Round 2 Integrated Regional Water Management
Implementation Grant Application

This Reimbursement Agreement (Agreement) is made this 2nd day of December, 2022 by and between the San Benito County Water District (District), the Pajaro Valley Water Management Agency, and the Resource Conservation District of Santa Cruz County (collectively, Parties) (all Parties other than the District shall also be collectively referred to herein as Agencies).

WITNESS OF:

WHEREAS, the Parties have an interest in developing an Integrated Regional Water Management Program Round 2 Implementation Grant Application (Application); and

WHEREAS, the District, as the lead agency for the Pajaro River Watershed Regional Water Management Group (RWMG) per the RWMG's Memorandum of Understanding, will enter into an Agreement for Professional Services with Gutierrez Consultants, Inc. (Consultant) to develop the Application; and

WHEREAS, the Application is to include information regarding projects being implemented by the Agencies; and

WHEREAS, staff of all Agencies agree that Consultant is qualified to do the work; and

WHEREAS, the District and Agencies intend to prepare project specific application materials independent of this cost sharing agreement including the following grant application materials:

- Agency and Project Eligibility Certifications
- Attachment 1 Authorization and Eligibility Requirements
- Attachment 2 Work Plan
- Attachment 3 Budget
- Attachment 4 Schedule
- Attachment 5 Disadvantaged Community
- Attachment 6 Climate Change

WHEREAS, failure by the District or Agencies to provide the project specific information consistent with the Round 2 Proposal Solicitation Package may result in exclusion from the grant application; and

WHEREAS, all Parties agree to pay their proportionate share for the preparation and submittal of the overall Application including the integration of all project information as required by the Round 2 Proposal Solicitation Package; and

WHEREAS, the cost to prepare the Application is estimated to be $29,785 or not to exceed $11,914 each for the District and PV Water and $5,957 for the RCDSCC.

NOW, THEREFORE, it is hereby mutually agreed by Parties as follows:

1. In accordance with the Agreement for Professional Services, Agencies will timely provide all information necessary for Consultant to support an adequate Application and will participate in the technical review of Consultant's work.

2. District will direct Consultant to track grant application efforts and invoice accordingly.

3. Agencies shall pay to the District for their cost share within 30 days of District's invoice for said efforts. Total invoices per Agency shall not exceed the estimated cost share. Interest will accrue at the rate of 1% of the invoice amount per month for amounts that remain unpaid for more than 30 days after the invoice date. In addition, should it become necessary for District to resort to legal action to collect any sum due under this Agreement, the prevailing party in such action shall be entitled to reasonable attorney fees.

4. This Agreement shall not be changed or modified except upon mutual written consent of the Parties.

5. This Agreement is intended by the Parties as a final expression of their understanding with respect to the matters contained herein and is a complete and exclusive statement of the terms and conditions thereof.

IN WITNESS WHEREOF, Parties have executed this Agreement with the approval of its governing body.

San Benito County Water District

By: _____ Date: 12-2-2022

Pajaro Valley Water Management Agency

By: _____ Date: 12/14/2022

Resource Conservation District of Santa Cruz County

By: _____ Date: _____

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **INFORMATIONAL ITEM 10B:** Receive Agricultural Water Conservation Program Update

INTRODUCTION

The Basin Management Plan: Groundwater Sustainability Update 2022 (GSU22) describes a three-pronged approach to solving groundwater overdraft and seawater intrusion problems facing the Pajaro Valley Groundwater Basin: 1) Conservation of existing water supplies (ongoing), 2) Optimization of existing supplemental water supplies (complete), and 3) Development of new water supplies (in-progress). The conservation goal makes up over 40% of the solution described in the GSU22 or 5,000 acre-feet per year. The goal was intended to be accomplished through voluntary water conservation activities within the agricultural sector by 2023.

During this item, staff, along with colleagues from the Resource Conservation District of Santa Cruz County (RCD), will provide an update on the status of the water conservation program.

BACKGROUND

Implementation of the BMP Conservation Program commenced in 2014, in pilot form. Based on stakeholder and expert feedback, the Irrigation Efficiency component of the program provides technical and financial assistance to participating growers throughout approximately three growing seasons to maximize the adoption of improved water management practices and habits. The Agricultural Conservation Program also includes grower and farm staff workshops with a high-level of engagement with local partners and stakeholders to streamline individual conservation programs and leverage resources to optimize basin-wide progress toward the BMP Conservation goals. A summary of the Conservation Program in its current adapted form is below:

- **Conservation Outreach and Education:** Perform outreach to raise community awareness of groundwater issues, value of groundwater, and the 5,000-acre-feet/year conservation goal. Recruit participants in irrigation efficiency services. Coordinate and deliver group workshops and trainings to growers and/or irrigators in both Spanish and English (i.e. CropManage workshops & group irrigator trainings). Facilitate grower access to conservation resources. Include conservation information in published media such as newsletters and websites.

- **Partner and stakeholder engagement:** Facilitate adaptive management of conservation programs driven by community engagement. Maintain communication and collaboration with partners and stakeholders to ensure that conservation

initiatives in the Pajaro Valley are aligned, coordinated, reflective of the needs and interests of stakeholders, and leverage resources when possible (e.g., coordination/engagement with landowner groups, Farm Bureau; alignment with and leverage NRCS, UC, and other RCD programs).

- **Irrigation Efficiency Technical Assistance:** Provide technical assistance and training to growers, ranch managers, and irrigators to optimize irrigation efficiency. Services offered may include but are not limited to:
  - Irrigation system efficiency evaluations and recommendations
  - In-situ training for irrigators on tools and practices that help improve system performance
  - Assistance with irrigation scheduling and CropManage software
  - Water use monitoring and periodic reporting to growers
  - Installation and training on soil moisture monitoring
  - Implementation and monitoring of irrigation trials
  - Technical assistance to successfully implement recommendations

- **Rebates for Implementation of Recommended Practices and Actions**: RCD staff along with UCCE experts, after evaluation of irrigation system communicate with farmers about purchasing the equipment recommendations and give the recommendations to PV Water Staff. With endorsement from the technical experts and commitment from the grower, recommended parts are purchased and installed through PV Water rebate program approved in 2020.

- **Program Development and Evaluation:** Coordinate with PV Water staff, Board of Directors and Committee members, UCCE, partners, and stakeholders to improve the existing program and to identify and develop new conservation strategies (e.g., land fallowing incentives). Build local capacity and seek additional resources and/or grants to support water conservation in the Pajaro Valley. Evaluate the effectiveness of the irrigation efficiency program in achieving water conservation on individual ranches where technical assistance and financial assistance is provided. Work with PV Water staff to evaluate conservation progress on a basin-wide scale.

- **Program Administration and Reporting:** Manage the administration of contracts and agreements, grower rebates, data plans associated with remote water use monitoring, invoicing, and reporting. Provide quarterly progress reports to PV Water staff and annual updates to the PV Water Board of Directors or Committees. Coordinate with and manage sub-contracted technical service providers (e.g., UCCE). Coordinate with PV Water staff, partners, and growers to provide financial assistance (rebates) to eligible growers by purchasing equipment and/or processing rebates for implementing recommendations made by the technical team.

DISCUSSION

Implementation of the Basin Management Plan (BMP) Conservation Program commenced in 2014, in pilot form. The Program received a boost in Funding in July 2015 when PV Water was awarded the Proposition 84 Drought Emergency Grant. The Grant provided approximately $300,000 in funding for a Drought Response Irrigation Program (DRIP), which augmented the existing Pilot Program. In August of 2015, the Board of Directors approved implementation of the BMP Conservation Program and have since been funding it. In December 2020, the Board approved a 3-year agreement, through December 2023, with the Resource Conservation District of Santa Cruz County and the University of California Cooperative extension for $1.25 million.

FISCAL IMPACT

There is no fiscal impact associated with this update.

STAFF RECOMMENDATION

The Board receive the update.

ATTACHMENTS

- None

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 11A:** Consider Agreement with Gutierrez Consultants, Inc., for Grant and Loan Support Services in an amount not to exceed $250,000

BACKGROUND

The water resources of the critically overdrafted Pajaro Valley Groundwater Basin remain at risk due to long-term groundwater overdraft, seawater intrusion, and groundwater quality degradation. The Pajaro Valley Water Management Agency (PV Water) continues to work on identifying and securing grants and loans to help fund the planning, design, and construction of projects to support the implementation of PV Water's Groundwater Sustainability Plan Alternative. PV Water is presently advertising for bids to construct the College Lake Integrated Resources Management Project (College Lake Project), and for proposals to provide construction management, environmental monitoring, and permit compliance services. In addition, PV Water is beginning the final design phase of the Watsonville Slough System Managed Aquifer Recharge and Recovery (WSS-MARR) Project.

To support these efforts, PV Water is currently managing and or acting on the following funding efforts:

- **SGMA Implementation Grant (Round 1):** DWR awarded PV Water a $7.6 million grant to fund College Lake Project pre-construction activities.
- **SGMA Implementation Grant (Round 2):** Staff and consultants have prepared a proposal for DWR's consideration for up to $20 million to support College Lake Project construction and related activities.
- **US EPA Water Infrastructure Finance and Innovation Act (WIFIA):** Staff and consultants have prepared a Letter of Interest (LOI) for the EPA's consideration for a ~$62 million loan to support both College Lake Project construction and related activities, and WSS-MARR design, construction, and related activities.
- **USBR Title XVI Grant Application:** Staff and consultants have prepared a feasibility study to be eligible for this funding opportunity and are in the process of scheduling meetings with the USBR to discuss PV Water's projects.
- **IRWM Implementation Grant (Round 2):** Staff and consultants are preparing a regional grant application, which includes a $1.8 million grant to support WSS-MARR design.

Staff is requesting a new agreement with Gutierrez Consultants, Inc. for continued grant support services for the listed grants and any additional funding opportunities that may become available during the term of the agreement. The grant services include grant invoicing, reporting, and general

grant support work as described in the attached Scope of Services through December 31, 2024 (two years). Gutierrez Consultants, Inc., has helped PV Water bring in over $60 million in grants and loans over the last 20 years and has also assisted with all aspects of grant administration, including audits.

FISCAL IMPACT
$250,000; some fees may be reimbursable dependent on the terms of the funding agreements.

STAFF RECOMMENDATION
The Board approve the agreement with Gutierrez Consultants, Inc., in substantially the same form as the version attached, for Grant and Loan Support Services through December 31, 2024, in an amount not to exceed $250,000.

The Administration & Finance Committee voted in favor of recommending that the Board approve the agreement during its December 13, 2022 meeting.

ATTACHMENT
- Professional Services Agreement with Exhibits

Exhibit "A"
Scope of Services
PV Water Grant and Loan Support Services

This Scope of Services describes the consulting services to be provided by Gutierrez Consultants, Inc. (CONSULTANT) for the Pajaro Valley Water Management Agency (PV Water) for a period beginning December 1, 2022 and continuing through December 31, 2024. These services are to assist PV Water in securing and administering funding for PV Water projects and programs. While the scope is focused on the College Lake Integrated Resources Management Project (College Lake Project), and the Watsonville Slough System Managed Aquifer Recharge and Recovery Project (WSS-MARR Project), additional services may be provided to secure funding for all PV Water programs and the scope can be adjusted, as needed to maximize funding opportunities for PV Water's priorities.

Task 1. SGMA Implementation Grant (Round 1) Administration

In June 2022, PV Water was awarded a $7.6 million grant from the Department of Water Resources (DWR) Sustainable Groundwater Management Act Grant Program for the College Lake Project planning, design, and land acquisition. CONSULTANT will provide grant administration support to PV Water staff, including quarterly grant invoicing and reporting. CONSULTANT will compile and review all project invoices, verify eligible project costs, allocate costs to appropriate eligible grant and match tasks, and prepare quarterly reimbursement invoices. CONSULTANT will also prepare the quarterly progress reports summarizing the costs for the reporting period, tasks completed during the reporting period, schedule and budget status, and other reporting and deliverable requirements. CONSULTANT will support the ongoing coordination with DWR during the term of the grant agreement. CONSULTANT will coordinate with DWR, as needed, for site visits and topic specific technical and management meetings. CONSULTANT will also support the documentation and processing of any grant amendments, and grant closeout materials, as required.

Task 2. SGMA Implementation Grant (Round 2) Application and Administration

PV Water is preparing a SGMA Round 2 Grant Application for submittal to DWR in December 2022. The application is for a $20 million grant to support the construction of the College Lake Project. CONSULTANT shall support the development of the grant application and supporting documentation. If awarded, CONSULTANT shall support development of contract documents and negotiation of the grant agreement, as requested. Following execution of the grant agreement, CONSULTANT shall support compliance with the terms of the agreement and invoicing and reporting, consistent with the grant agreement.

Task 3. US EPA Water Infrastructure Finance and Innovation Act (WIFIA) Application

PV Water is preparing a WIFIA Letter of Interest (LOI) for submittal to EPA in December 2022. The LOI is for a ~$62 million low interest loan for the design and construction of the College Lake and WSS-MARR projects. CONSULTANT shall support the development of the LOI and supporting documentation. If accepted, the EPA will invite PV Water to submit a full application and CONSULTANT shall support the development of the full application and supporting documentation in collaboration with PV Water's financial advisors (NHA). If awarded, CONSULTANT will support contract negotiations, preparation and submittal of required loan agreement documents including technical and environmental supporting documents, scopes of work, budgets and schedules.

CONSULTANT will help identify and compile the funding requirements, and coordinate with the team to guide implementation of the project consistent with the Federal funding conditions including procurement, auditing, reporting, notifications, etc. CONSULTANT will identify compliance conditions that require analysis, review or actions from other team members including environmental monitoring and reporting, financial auditing and reporting, etc. These compliance conditions are anticipated to be different, in some cases, from the State conditions. CONSULTANT will compile and review all project invoices, allocate WIFIA costs to appropriate eligible tasks, ensure consistency with other funding sources, and prepare monthly or quarterly reimbursement invoices, as directed. CONSULTANT will also prepare the progress reports summarizing the costs for the reporting period, tasks completed during the reporting period, schedule and budget status, and other reporting requirements.

Task 4. USBR Title XVI Grant Application

PV Water has submitted a Feasibility Study to the US Bureau of Reclamation (USBR) to establish Title XVI funding eligibility for the College Lake Project. CONSULTANT shall support coordination with USBR to receive approval of the Feasibility Study and establish funding eligibility. CONSULTANT shall support the preparation and submittal of additional documentation, as needed or requested by USBR, for approval of the Feasibility Study. Following approval of the study, CONSULTANT shall support the development of the Title XVI grant application and supporting documentation. If awarded, CONSULTANT shall support development of contract documents and negotiation of the grant agreement, as requested. Following execution of the grant agreement, CONSULTANT shall support compliance with the terms of the agreement and invoicing and reporting, consistent with the grant agreement.

Task 5. Pajaro River Watershed IRWM Grant

The Pajaro River Watershed IRWM region is submitting a grant application to DWR for the final round of IRWM funding. The application includes a funding request of $1.8 million for the planning and design of the WSS-MARR Project. The application is due February 1, 2023 and will be submitted by San Benito County Water District (SBCWD) on behalf of the region. PV Water and the IRWM project sponsors will be sharing the costs for preparation of the grant application. However, PV Water is responsible for the development of the project specific grant application documents. CONSULTANT shall support the development of grant application documents for incorporation into the IRWM Grant Application. Following award, grant administration activities will be performed by SBCWD and reimbursed by the grant, so additional grant administration services are not anticipated.

Task 6. SWRCB SRF Grant and Loan Support

CONSULTANT shall support PV Water staff to maintain constant and constructive coordination with the State Water Resources Control Board (SWRCB) for future grant and loan opportunities. Typically, SWRCB applications are due by December 31 of each year, and PV Water anticipates the submittal of an application for the WSS-MARR Project in 2024. CONSULTANT shall coordinate with PV Water to schedule meetings with SWRCB staff to communicate project status and funding needs. CONSULTANT shall support the coordination of these meetings, the development of meeting materials, and shall attend these meetings, as requested.

Task 7. Other Funding Support

CONSULTANT shall monitor funding opportunities and participate in funding webinars/meetings and provide regular updates to PV Water staff, as needed, and develop recommended strategies for enhanced funding opportunities. Additionally, CONSULTANT shall identify new State and Federal

funding opportunities for PV Water staff consideration and participate in funding workshops as requested.

Task 8. General Grant Support Services

CONSULTANT shall support PV Water staff, as requested, on grant related items including Board and Board Committee updates, PV Water annual budgeting and auditing, and PV Water record keeping and filing maintenance.

Exhibit "B"
Fee Estimate
PV Water Grant and Loan Support Services

CONSULTANT services will be provided to PV Water on an as-needed basis up to a Not-to-Exceed (NTE) amount of $250,000. The fee estimate is based on an estimate of approximately 36 hours per month for the 25-month duration of the contract. The CONSULTANT Billing Rates are shown in the table below. Sub-consultants will be billed at actual cost plus 10%. Other Direct Costs (ODCs) such as reproduction, delivery, and travel expenses will be billed at actual cost plus 10%. Mileage rates will be those allowed by current IRS guidelines.

Gutierrez Consultants Rates

Classification	2023	2024
Principal	$267	$276
Engineer/Planner	$183	$189
Project Assistant	$153	$158

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 11B:** Consider Recommendation of Ad Hoc Committee Formed to Explore Amending the Agency Act

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INTRODUCTION

On August 17, 2022, the Pajaro Valley Water Management Agency (PV Water) Board of Directors (Board) voted in favor of forming an Ad Hoc Committee to Explore Amending the Agency Act (Committee), and appointed Chair Newell, Director Bannister, and Director Broz to serve on the Committee. The Committee met on December 7, 2022, deliberated on potential revisions to the Agency Act, and voted in favor of amending a single paragraph: 402. Membership of Board of Directors as described below.

DISCUSSION

Amending the Act requires a legislative process. Chair Newell and GM Lockwood spoke with Assemblymember Rivas's chief of staff and legislative director on August 11 to understand what the process entails. They stated that legislation is typically introduced in January of each year. If the Board desired to proceed with proposing amendments to the Act, it would need to have the proposed amendments complete and ready to submit to the legislative counsel by January. The next step is that an assemblymember (e.g. ASM Rivas) would need to sponsor the legislation by the end of February.

The Ad Hoc Committee to Explore Amending the Agency Act has prepared the following proposed revision for the consideration of the Board:

§ 402. Membership of board of directors; Eligibility

The agency shall be governed by the board of directors. The board shall consist of seven members selected in accordance with this act. Each member of the board shall be a voter of and a resident within the agency. Four members of the board shall be elected as provided in Section 403. Three members of the board shall be appointed. The appointed members of the board shall reside within the jurisdiction of the appointing power~~, shall derive at least 51 percent of their net income from the production of agricultural products, as certified by affidavit,~~ and shall be appointed by the following agencies: one member each by the Board of Supervisors of Monterey County, the Board of Supervisors of Santa Cruz County, and the City of Watsonville. The appointees of the Board of Supervisors of Monterey and Santa Cruz counties shall derive at least 51 percent of their net income from the production of agricultural products, as certified by affidavit. The appointee of the City of Watsonville shall be one whose primary income involves (or, in the case of a retiree, did involve) a close and continuing relationship with the Pajaro Valley agricultural industry. The appointments may be made from lists of not less than three nor more than five persons submitted to the appointing power for each vacancy by the Santa Cruz County Farm Bureau and the Monterey County Farm Bureau.

FISCAL IMPACT
There is no significant fiscal impact associated with this item.

STAFF RECOMMENDATION
The Board consider the recommendations of the Ad Hoc Committee to Explore Amending the Agency Act and provide direction to staff.

ATTACHMENTS
- Agency Act excerpt with proposed revisions redlined.

THE PAJARO VALLEY
WATER MANAGEMENT AGENCY ACT

ACT 760. Pajaro Valley Water Management Agency (1984 ch 257)
Cal Uncod Water Deer Act 760 (2008)

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WATER -- UNCODIFIED ACTS

ACT 760. Pajaro Valley Water Management Agency (1984 ch 257)

Act 760 Note

AN ACT to create the Pajaro Valley Water Management Agency, prescribing its boundaries, organization, operation, management, financing, and other powers and duties, and declaring the urgency thereof, to take effect immediately.

ARTICLE 1.

LEGISLATIVE FINDINGS

§ 101. Public interest

The Legislature hereby finds and declares that the management of the water resources within the Pajaro Valley Water Management Agency for agricultural, municipal, industrial, and other beneficial uses is in the public interest and that the creation of a water agency pursuant to this act is for the common benefit of all water users within the agency.

§ 102. Water resource management activity objectives

Water resource management activities carried out under this act in the public interest shall recognize the following objectives:

(a) Local groundwater resources should be managed toward the avoidance and eventual prevention of conditions of long-term overdraft, land subsidence, and water quality degradation.

(b) Local economies should be built and sustained on reliable, long-term supplies and not long-term overdraft as a source of water supply.

(c) Water management programs should include reasonable measures to prevent further increases in the amount of long-term overdraft and to accomplish continuing reduction in long-term overdraft, realizing that an immediate reduction in long-term overdraft may cause severe economic loss and hardship.

(d) Conservation and economically efficient management of water resources are necessary to meet the needs of agriculture, industry, and urban communities. Economic efficiency requires that water users pay their full proportionate share of the costs of developing and delivering water. Property taxes shall not be used for payment of these costs. Agricultural uses shall have priority over other uses under this act within the constraints of state law.

(e) Water conservation programs appropriately include the ability of a water management agency to recognize existing beneficial uses, and to acquire, buy, and transfer water and water rights in the furtherance of its purposes.

(f) The purpose of this agency is 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.

(g) 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.

ARTICLE 2.

BOUNDARIES

§ 201. Agency boundaries

For the purposes of this act, the boundaries of the Pajaro Valley Water Management Agency are as follows:

(a) The northern boundary of the agency is as follows:

Commencing at the Pacific Ocean and the most southerly boundary of the Soquel Creek County Water District and beginning at a point at the intersection of the south boundary of county road by deed recorded in Volume 294 of Official Records, Page 211, Santa Cruz County Records; that point being also at the mean high water line as shown and delineated on Record of Survey filed in Book 33 of Maps, Page 81, Santa Cruz County Records; thence from that point of beginning along the south boundary of that county road N. 77 degrees 46' 50" E. 179.76 to Station One as shown on that map; thence S. 29 degrees 29' 44" E. 946.39 feet to the northwest corner of Tract 295, Place De Mer, Unit No. 1, as shown on the map filed for record in Volume 37 of Maps, Page 52, Santa Cruz Records; thence along the north. boundary of that tract North 86 degrees 33' 26" E. 537.60 feet to a station; thence along a curve to the left having a radius of 100.00 feet, through a central angle of 65 degrees 05', an arc distance of 113.59 feet; thence N. 21 degrees 28' 26" E. 247.42 feet to a station; thence along a curve to the left having a radius of 20.00 feet, through a central angle of 84 degrees 54' 06" an arc distance of 29.64 feet to a point on the south boundary of San Andreas Road; thence northeasterly 70.00 fee t more or less to the southeast corner of the lands of Bruce McBain by deed recorded in Volume 1787 of Official Records, Page 374, Santa Cruz County Records; thence along the east boundary of those lands of McBain produced N. 21 degrees 30' 40" E. 480 feet (scaled) to a station on the north boundary of the Southern Pacific Railroad; thence along the northerly boundary of the Southern Pacific Railroad in a northwesterly direction to its intersection with a line, from which Station No. 28 on the centerline of San Andreas Road, as shown on the Map of Tract No. 1, La Selva Beach, filed January 26, 1936, in Map Book 26, Page 2, Santa Cruz County Records, bears N. 6 degrees 45'

E.; thence N. 6 degrees 45' E. 1100' (scaled) to Station No. 28; thence N. 3 degrees 15' E. 511.50 feet to Station No. 29; thence N. 46 degrees 30' E. 259.38 feet; thence leaving the San Andreas Road S. 80 degrees 30' E. 198.00 feet; thence N. 61 degrees 30' E. 591.36 feet to a station; thence N. 89 degrees E. 353.10 feet to a gate post; thence N. 52 degrees 15' E. 755.04 feet to a stake from which an oak tree bears N. 12 degrees E. 40.92 feet distant; thence N. 18 degrees W. 233.64 feet to a station; thence N. 48 degrees 30' W. 264.00 feet to a station; thence N. 44 degrees E. 2072.40 feet to a station; thence S. 51 degrees E. 842.16 feet to a station in the Watertank Road; thence northeasterly along Watertank Road to and across State Highway Route 56-D (Highway 1) to the northeasterly line of State Highway Route 56-D; thence along the northeasterly line of State Highway Route 56-D to its intersection near Freedom Boulevard with the southerly boundary of the Central Water District (formerly called the Central Santa Cruz County Water District); thence easterly along the southerly boundary of the Central Water District to and across Freedom Boulevard to Pleasant Valley Road; thence along Pleasant Valley Road and the boundary of the Central Water District to the point where the Central Water District boundary leaves Pleasant Valley Road in an easterly direction; thence following the Central Water District boundary easterly, northerly, and westerly to Pleasant Valley Road; thence northerly along the easterly line of Pleasant Valley Road to the southwest corner of land of Billye L. Heath as described in the deed recorded on December 21, 1965, in Volume 1736, Page 155 Official Records of Santa Cruz County; thence easterly along the southerly boundary of the land of Billye L. Heath, which is also a boundary of the Central Water District, and continuing along the easterly boundary of Central Water District to most northeasterly point (Y) of the Central Water District; thence continuing on the extension of the easterly course of the boundary of the Central Water District which passes through point Y to the point of its intersection with the southerly line of Section 2, T. *11 S. R. 1* E., M. D. B. & M.; thence easterly along the south line of Section 2 to the east line of Section 2, then north along the east line of Section 2 and of Section 36, T. 10 S, R. 1 E., M. D. B. & M., to the north line of Section 36; thence east along the north line of Section 36, and 31 and 32, T. 10 S., R. 2 E., M. D. B. & M.; thence southerly along the easterly line of Section 32 to the south line of Section 32; thence east along the projection of the south line of Section 32 to Hazel Dell Road; thence southerly along Hazel Dell Road to Gaffey Road; thence southeasterly along Gaffey Road to Hecker Pass Road (State Route 152); thence northerly along Hecker Pass Road to the Santa Cruz County line; thence southerly along the Santa Cruz County line to the intersection of the Santa Cruz County line with the San Benito County line; thence northwesterly along the Santa Cruz County line to Carpenteria Road.

(b) The southern and eastern boundary of the agency is as follows:

Beginning at a point on the high water line of Monterey Bay, Monterey County, California, that point being also the most southwesterly corner of Lot 1, Block 261, Book 133, Page 26, Assessor's Map, County of Monterey, thence along the southerly line of that Lot 1 easterly to the southeasterly corner of that Lot 1; thence in a direct line easterly to the Lot 3, Block 23 as shown in Book 413, Page 2, Assessors Map, County of Monterey; along the southerly line of that Lot 3 easterly to the southeasterly corner of that Lot 3, that corner being also the westerly right-of-way boundary line of State Highway No. 1; thence crossing that state highway easterly to the most southwesterly corner of Lot 4, Block 23 as shown in Book 413, Page 2, Assessors Map, County of Monterey, that corner being also the easterly right-of-way of that state highway; thence along

the southerly boundary line of that Lot 4, northeasterly to the most southeasterly corner of that Lot 4, that corner being also the most southwesterly corner of Lot 2, Block 41, Book 413, Page 4, Assessors Map, County of Monterey; thence along the southeasterly boundary line of that Lot 2 northeasterly to the most northeasterly corner of that Lot 2, that corner being also a point on the southerly boundary of Lot 13, Block 14, Book 413, Page 1, Assessors Map, County of Monterey; thence northwesterly to the southeast corner of Lot 14, Block 14, Book 413, Page 1, Assessors Map, County of Monterey; thence along the easterly boundary of said Lot 14 northerly to the northeasterly corner of that Lot 14, that corner being also the most southeasterly corner of Lot 4, Block 23, Book 412, Page 2, Assessors Map, County of Monterey, that corner also being the westerly bank of Elkhorn Slough; thence along the westerly bank of Elkhorn Slough northwesterly and northeasterly to the intersection of that westerly bank with the westerly right-of-way line of Elkhorn Road, a county road; thence crossing that county road along a direct line easterly to the easterly right-of-way of that County Road; thence along the easterly line of that county road southeasterly to the intersection of that county road right-of-way line and the southerly boundary of Lot 5, Block 22, Book 412, Page 2, Assessors Map, County of Monterey; thence along the southerly boundary of that Lot 5 easterly to the most southeasterly corner of that Lot 5, that corner being also a point on the southwesterly boundary of Lot 19, Block 11, Book 181, Page 1, Assessors Map, County of Monterey; thence along the southerly boundary line of that Lot 19 easterly to the most southeasterly corner of that Lot 19, that corner being also a point on the westerly line of Lot 4, Block 11, Book 181, Page 1, Assessors Map, County of Monterey; thence along the northerly boundary of Lot 4 and westerly boundary of Lot 5, Book 181, Page 1, Assessors Map, County of Monterey, northerly and southeasterly to the southeasterly corner of that Lot 5; thence along a direct line southeasterly to the most southwesterly corner of Lot 12, Block 11, Book 181, Page 1, Assessors Map, County of Monterey; thence along the southerly boundary of Lots 12 and 13, Block 11, Book 181, Page 1, of that map; southeasterly to the most southeasterly corner of that Lot 13, that corner being also the most westerly corner of Lot 14, Block 151, Book 129, Page 15, Assessors Map, County of Monterey; thence along the southerly boundary of Lots 14 and 15, Block 151, of that map southeasterly to the most southeasterly corner of that Lot 15, that corner being also the most northwesterly corner of Lot 1, Block 161, Book 129, Page 16, Assessors Map, County of Monterey; thence along the northerly boundary line of Lots 1, 2, 31, 37, 38, 5, 22, 23, 34, 35, 36, 28, and 30 southeasterly to the most northeasterly corner of that Lot 30; thence in a direct line southeasterly to a point on the easterly right-of-way line of San Miguel Canyon Road, a county road, that point being also the most southerly corner of Lot 19, Block 252, Book 127, Page 25, Assessors Map, County of Monterey; thence along the easterly boundary line of Lots 19, 82, and 83 of that map northeasterly to the most northeasterly corner of that Lot 83, that corner being also the southerly right-of-way line of Maher Road, a county road; thence in a direct line northeasterly to a point on the northerly right-of-way line of that Maher Road, that point being also the most southwesterly corner of Lot 10, Block 101, Book 181, Page 10, Assessors Map, County of Monterey; thence along the southerly boundary line of Lots 10 and 1 of that map westerly to the most easterly corner of that Lot 1, that corner being also a point on the westerly boundary of Lot 1, Block 22, Book 181, Page 22, Assessors Map, County of Monterey; thence along the westerly boundary of that Lot 1 northerly to the most northerly corner of that Lot 1, that corner being also the southwesterly corner of Lot 6, Block 131, Book 181, Page 13, Assessors Map, County of Monterey; thence along the westerly boundary of Lots 6 and 5 of that map northwesterly to the most northwesterly corner of that Lot 5, that corner being also the most southwesterly corner of Lot 15, Block 121, Book 181,

Page 12, Assessors Map, County of Monterey; thence northerly along the westerly boundary of that Lot 15 to the northwesterly corner of that Lot 15, that corner being the most southwesterly corner of Lot 1 of that map, thence along the southerly boundary of that Lot 1 easterly to the southeasterly corner of that Lot 1; thence along the easterly boundary of that Lot 1 northerly to the intersection of that easterly boundary with the centerline of San Juan Road, a county road; thence along the centerline of that county road northeasterly to the intersection with the centerline Carpenteria Road, a county road; thence along the centerline of that county road northeasterly to the intersection of that centerline with the southerly boundary of the Aromas Water District; thence along the boundary of that district northeasterly and westerly to its intersection with the centerline of Carpenteria Road; thence along the centerline of that road northerly to the intersection of that road with the Santa Cruz County line.

ARTICLE 3.

DEFINITIONS

§ 301. Construction of act

Unless the context otherwise requires, the definitions in this article govern the construction of this act.

§ 302. "Agency"

"Agency" means the Pajaro Valley Water Management Agency.

§ 303. "Available supply"

"Available supply" means the quantity of groundwater which can be withdrawn annually from the groundwater basin without resulting in or materially aggravating conditions of long-term overdraft, subsidence, or groundwater quality degradation. Available supply of the groundwater basin includes the average annual natural water supply, any temporary surplus, imported water or other water which has been spread to the basin or otherwise added to the basin, and return flows to the basin attributable to these sources reaching the groundwater basin in the course of use.

§ 304. "Board of directors"; "Board"

"Board of directors" or "board" means the governing body of the agency as provided in Section 402.

§ 305. "Extraction"

"Extraction" means the act of obtaining groundwater by pumping or other controlled means.

§ 306. "Extraction facility"

"Extraction facility" means any device or method for the extraction of groundwater within the groundwater basin.

§ 307. "Groundwater"

"Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water. "Groundwater" does not include any water which, on the effective date of this act, is subject to appropriation under Part 2 (commencing with *Section 1200) of Division 2 of the Water Code*.

§ 308. "Groundwater basin"

"Groundwater basin" means the groundwater basin within the boundaries of the agency and any subbasins located therein.

§ 309. "Groundwater management plan"

"Groundwater management plan" means a plan which identifies groundwater management objectives and recommends measures to implement those objectives toward the efficient, economic, and equitable use of groundwater resources within the basin. The plan shall consider the characteristics of the groundwater basin, groundwater conditions and problems, existing natural and supplemental water supplies, present and anticipated water use within the basin, and the land use policies of applicable city and county general plans.

§ 310. "Groundwater rights adjudication"

"Groundwater rights adjudication" means the determination of substantially all rights in the groundwater basin or the area subject to the adjudication.

§ 311. "Operator"

"Operator" means the person who operates an extraction facility. "Operator" also means the person to whom the extraction facility is assessed by the county assessor or, if not separately assessed, the person who owns the land upon which an extraction facility is located.

§ 312. "Overdraft"

"Overdraft" means the condition of the groundwater basin where the average annual amount of water extracted exceeds the average annual supply of fresh water to the basin, plus any temporary surplus.

§ 313. "Person"

"Person" includes any state or local governmental agency, private corporation, firm, partnership, limited liability company, individual, group of individuals, or, to the extent authorized by law, any federal agency.

§ 314. "Program"

"Program" means a groundwater management program prepared by the agency pursuant to this act.

§ 315. "Replenishment"

"Replenishment" means spreading water over a permeable area for the purpose of allowing it to percolate to the groundwater basin, or otherwise adding water to the groundwater basin, which without that effort would not augment the groundwater supply.

§ 316. "Supplemental water"

"Supplemental water" means surface water or groundwater imported from outside the watershed or watersheds of the groundwater basin, flood waters that are conserved and saved within the watershed or watersheds which would otherwise have been lost or would not have reached the groundwater basin, and recycled water.

§ 317. "Temporary surplus"

"Temporary surplus" means the amount of water than can be extracted from the groundwater basin, without adversely affecting the available supply of the groundwater basin, to provide storage space for natural recharge that would be lost during wet years if it could not be stored in the groundwater basin.

§ 318. "Water year"

"Water year" means the period from October 1 of one calendar year to September 30 of the following calendar year.

§ 319. "Well interference"

"Well interference" means a substantial reduction in the production of an existing facility due to a substantial non seasonal water level decline in a localized area caused by pumping from extraction facilities in close proximity to one another.

ARTICLE 4.

GENERAL PROVISION

§ 401. Submission of ballot proposition to voters

(a) There shall be submitted to the registered voters within the agency at the general election, to be held throughout the state on the sixth day of November 1984, the question of whether the agency shall be organized and shall exercise its power in accordance with the provisions of this act.

(b) There shall be printed on the ballot at the election the following question:

"Shall the Pajaro Valley Water Management Agency be organized and exercise its powers in accordance with the provisions of the Pajaro Valley Water Management Agency Law?"

Following the question shall be the words "Yes" and "No" on separate lines with a voting square at the right of each, in which the voter shall indicate by stamping a cross (+) his or her vote for or against the proposition.

(c) If a majority of the voters voting on the proposition vote in its favor, the agency shall begin to function and to exercise its powers upon the organization of the board of directors as provided in Section 402.

(d) If a majority of the voters voting on the proposition do not vote in its favor, another election on the proposition shall be held within the agency upon the petition of 10 percent of the voters within the proposed agency boundaries. Petitions may be circulated for that purpose not earlier than six months after the previous election.

§ 402. Membership of board of directors; Eligibility

The agency shall be governed by the board of directors. The board shall consist of seven members selected in accordance with this act. Each member of the board shall be a voter of and a resident within the agency. Four members of the board shall be elected as provided in Section 403. Three members of the board shall be appointed. The appointed members of the board shall reside within the jurisdiction of the appointing power~~, shall derive at least 51 percent of their net income from the production of agricultural products, as certified by affidavit,~~ and shall be appointed by the following agencies: one member each by the Board of Supervisors of Monterey County, the Board of Supervisors of Santa Cruz County, and the City of Watsonville. The appointees of the Board of Supervisors of Monterey and Santa Cruz counties shall derive at least 51 percent of their net income from the production of agricultural products, as certified by affidavit. The appointee of the City of Watsonville shall be one whose primary income involves (or, in the case of a retiree, did involve) a close and continuing relationship with the Pajaro Valley agricultural industry. The appointments may be made from lists of not less than three nor more than five persons submitted to the appointing power for each vacancy by the Santa Cruz County Farm Bureau and the Monterey County Farm Bureau.

§ 403. Initial elected board members

The initial elected members of the board shall be elected at large by the voters of the agency at the November 6, 1984, formation elections. The elected members shall thereafter be elected by division as provided in this act.

§ 404. Term of office; Vacancies; Election procedure

The term of office of each elected member of the board shall be four years, except that after the initial election, the two directors receiving the highest number of votes shall serve for four years, and the other two directors shall serve two years. Thereafter, all elected directors shall serve for four years. The term of office for an appointed member of the board shall be two years. A vacancy in the office of a member of the board shall be filled pursuant to *Section 1780 of the Government Code*, and a vacancy in the term of office of an appointed member shall be filled by the appointing power. The qualification of voters and the election of the members of the board shall be in accordance with the provisions of the Uniform District Elections Law (Part 3 (commencing with *Section 23500) of Division 14 of the Elections Code*) except as otherwise provided in this act.

§ 405. Election of members by division; Residence requirement

The agency shall, by resolution adopted by a majority of the members of the board at least 140 days before the next general district election, be divided into four divisions. All directors thereafter elected by division shall be residents of their division and shall be registered voters at the time of their election and during their term of office.

§ 406. Division boundaries; Modification

(a) After the adoption of the resolution by the board to establish divisions in the agency, the board of directors shall establish the boundaries of the divisions.

(b) The board of directors shall, by resolution, adjust the boundaries of any divisions pursuant to Chapter 8 (commencing with *Section 22000) of Division 21 of the Elections Code.*

§ 407. Election of directors following adoption of divisions

At the first election of directors following the adoption of the resolution by the board establishing divisions, the number of directors to be elected shall correspond with the number of directors whose terms expire. The directors whose terms have not expired shall serve their unexpired terms under the qualifications to hold office that existed prior to the adoption of the resolution establishing divisions. The division in which elections shall be held two years after the formation of the district shall be selected from those divisions which are not represented by the

directors who were elected to four-year terms. In that first election and in all subsequent elections, the form of the ballot and the conduct of the election shall be governed by the Uniform District Election Law for resident voting districts.

§ 408. First meeting of board; Election of chairman; Time and place of subsequent meetings; Manner of public notice

The board shall hold its first meeting as soon as possible after the election of the first members of the board. The board shall elect one of its members chairman, and shall thereupon provide for the time and place of holding its meetings and the manner in which special meetings may be called upon adequate notice to the public. At the first meeting in the month of January of each year, or at the next meeting following the creation of a vacancy in the office of chairman, the board shall choose one of its members to be chairman and one of its members to be vice chairman.

§ 409. Chairman to preside at meetings; Temporary chairmen

The chairman of the board shall preside at all meetings of the board. In the case of the absence or inability to act of the chairman or vice chairman, the members present shall by a resolution entered in the records of the board, select one of their number to act as temporary chairman.

§ 410. Quorum; Voice vote; Roll call vote; Majority vote requirement

A majority of the members of the board shall constitute a quorum for the transaction of business. On all ordinances, the roll shall be called and the ayes and noes recorded in the records of the board. Resolutions and motions may be adopted by voice vote, but on demand of any member, the roll shall be called. Except as otherwise provided in this act, no ordinance, resolution, or motion shall be passed nor become effective without the affirmative vote of the majority of the members of the board.

§ 411. Compensation; Expenses

Each director may receive compensation in an amount not to exceed one hundred dollars ($100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of two days in any calendar month, together with any expenses incurred in the performance of his or her duties required or authorized by the board.

§ 412. Depository of funds

The board shall designate a depository or depositories to have the custody of funds of the district. All funds of the district deposited with any depository shall be secured as required by law.

§ 413. Status of agency as "district" for annexing or detaching territory

Notwithstanding *Section 56039 of the Government Code*, the agency shall be deemed to be a "district" within the provisions of the District Reorganization Act of 1965 (Division 1 (commencing with *Section 56000) of Title 6 of the Government Code*), and all proceedings for the annexation or detachment of territory to or from the district shall be conducted in the manner therein provided and all the provisions of that act shall apply to the district.

§ 414. Exemption for persons who extract or consume minimum amount of water

The agency may exclude from any of the requirements of this act any class of persons who extract or consume a minimum amount of water. Any such exemption shall be subject to periodic review.

§ 415. County counsels' analysis of pertinent ballot measures

Notwithstanding any other provision of law, whenever any agency measure pertaining exclusively to the Pajaro Valley Water Management Agency qualifies for a place on the ballot, the county counsels of Monterey County, San Benito County, and Santa Cruz County shall jointly prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure. The analysis shall be printed preceding the arguments for and against the measure. The analysis shall not exceed 500 words in length.

ARTICLE 5.

POWERS OF THE AGENCY

§ 501. Express and implied powers

The agency shall exercise the powers granted by this act for the purposes of water management within the boundaries of the agency, together with any powers as may be reasonably implied, necessary, and proper to carry out the objectives and purposes of the agency.

§ 502. Adoption of regulations; Finding of public necessity

The agency, before adopting any regulation, shall make a finding that the public necessity requires the action, and the resolution or ordinance enacted shall state the ultimate facts upon which the finding is based.

§ 503. Investigations; Right of access to property

The agency may carry on technical and other necessary investigations of all kinds and collect data necessary to carry out the provisions of this act. The agency shall have the right of access to all properties within the agency to the extent permitted by the United States Constitution and the California Constitution.

§ 504. Cooperation and contracting with other governmental agencies

The agency may cooperate and contract with federal, state, and local governmental agencies in the conduct and performance of all investigations, studies, and data collection.

§ 505. Authorized personnel to conduct investigations and studies; Programs not to be implemented until receipt of recommendations

All investigations and studies carried out by or on behalf of the agency shall be conducted by licensed engineers or experts in groundwater geology or hydrology. The agency shall not implement groundwater management programs until the board of directors has received the recommendations of its engineers, consultants, and staff.

§ 506. Annual report

The agency shall prepare annually a report on groundwater supplies and conditions in the district, including groundwater management objectives and a plan of implementation of those objectives. If restrictions on operators of extraction facilities have been imposed during the previous year, the annual report shall also include specific findings which state all of the following:

(a) Any changes in static groundwater levels during the prior 12 months.

(b) The factual reasons why those restrictions should continue into the following year.

§ 507. Power of eminent domain; Exception; Acquisition of property outside boundaries for specified purpose

(a) The agency shall have the power of eminent domain to acquire property within the boundaries of the agency necessary for carrying out the powers and purposes of the agency, except that the agency shall not have power to acquire by eminent domain publicly owned property held or used for the development, storage, or distribution of water for public use.

(b) (1) Notwithstanding subdivision (a), the agency shall have the power to acquire by eminent domain property outside the boundaries of the agency, other than property of another public agency, for the purposes of constructing a pipeline and related appurtenant facilities to deliver supplemental water to the agency by way of the San Felipe Division of the Central Valley Project.

(2) The agency shall not exercise the authority granted by paragraph (1) without the approval, by resolution, of the board of supervisors of the county in which the affected property is situated. A board of supervisors that grants approval under this paragraph may require, as a condition of approval, that the agency defend, indemnify, and hold harmless the county from any claim, action, or proceeding against the county or its agents, officers, or employees arising out of the board's decision to grant approval or the agency's exercise of eminent domain power pursuant to this subdivision.

§ 508. Right to apply for and administer grants and programs

The agency shall be an appropriate body to apply for and administer any public or private grants and programs which affect the water resources of the agency.

§ 509. Right to sue and be sued

The agency may sue and be sued.

§ 510. Contractual powers; Establishment of offices and positions

The agency may do any of the following:

(a) Enter into contracts and employ and retain personal services. The board may cause construction or other work to be performed or carried out by contracts or by the agency under its own supervision.

(b) Contract for and perform contracts with public entities for the performance of administration of the agency and perform or contract for the performance of tests, studies, and investigations as necessary and proper to carry out the objects and purposes of the agency.

(c) All contracts for the construction of any unit of work estimated to cost over ten thousand dollars ($10,000) shall be let to the lowest responsible bidder in accordance with Chapter 2 (commencing with *Section 22000) of Part 3 of Division 2 of the Public Contract Code.* If the cost of the project will not exceed ten thousand dollars ($10,000) the agency may have the work done by force account. The agency may purchase in the open market, without advertising for bids, materials, supplies, and professional services for use in any work either under contract or by force account.

(d) Create, establish, and maintain offices and positions that the board determines are necessary and convenient for the transaction of the business of the agency.

§ 511. Issuance of promissory notes; Maximum interest and principal

The agency may, by resolution adopted by the board, issue negotiable promissory notes to acquire funds for any agency purpose or purposes. Any issue of promissory notes shall bear interest at a rate not exceeding 10 percent per year and shall mature over a period not exceeding five years from the date thereof. The aggregate principal amount of such notes outstanding at any one time shall not exceed three hundred thousand dollars ($300,000).

§ 512. Notification by city or county of proposed water use

Any city or county having land use jurisdiction over a development project which proposes to use water that has been extracted from aquifers underlying the agency or diverted from surface sources within the boundaries of the agency shall notify the agency of the proposed project.

§ 513. Notification to land use agencies of recommended management techniques

After adoption of a groundwater management plan, the agency shall notify appropriate land use agencies of the management techniques recommended by the groundwater management plan.

§ 514. Land use projects; Submission of permit to land use agencies

If a land use project requires a permit from the agency, the agency shall submit the permit and any conditions of the permit to the appropriate land use agencies.

§ 515. Finding that "project" is consistent with local general plans

Prior to approving any project, as defined in *Section 21065 of the Public Resources Code*, the agency directors shall make a finding that the project is consistent with applicable city and county general plans.

§ 516. Agency to have prevailing authority over special districts within its boundaries

The agency shall have prevailing authority over any special district within the boundaries of the agency which exercises any of the powers enumerated in this act.

ARTICLE 6.

REGISTRATION OF GROUNDWATER EXTRACTION FACILITIES

§ 601. Authority to require registration

The agency may, by ordinance, require extraction facilities to be registered with the agency and, if required by the board of directors, measured with a water flow measuring device installed and calibrated by the agency or, at its option, by the extraction facility operator. The agency may also require any new extraction facility which is constructed, existing extraction facility which is deepened, or abandoned extraction facility which is reactivated to be registered with the agency within 30 days of completion of construction, deepening, or reactivation, and, if required by the board of directors, equipped with a water flow measuring device.

§ 602. Information which may be required for registered facilities

In addition to other information which the agency may require, the agency may require for each registered extraction facility information as to the operator of each extraction facility, the owner of the land upon which each extraction facility is located, and a general description of the equipment associated with each extraction facility and the location of each water extraction facility.

§ 603. Annual groundwater extraction statement; Contents

The agency may, by ordinance, require the operator of each extraction facility to file annually with the agency an annual groundwater extraction statement that contains, but is not limited to, the following information:

(a) Total extraction in acre-feet of water from the extraction facility for the preceding year.

(b) The static groundwater level for the extraction facility.

(c) A description of the location of the extraction facility.

(d) The soil and crop types for agricultural uses. The acreage served by the extraction facility.

(e) The method of measuring or computing groundwater extraction.

Each groundwater extraction statement shall be verified by a written declaration under penalty of perjury that the information contained in the statement is true and correct. The operator of an extraction facility which has been permanently abandoned after the effective date of this act shall give written notice of the abandonment to the agency.

§ 604. Alternate method of calculating groundwater extraction

The board may, by ordinance, establish reasonable methods to be used in computing the amount of water extracted by extraction facilities other than by a water flow meter. These methods may be based upon any or all or a combination of the following criteria:

(a) The size of water-producing facility discharge opening.

(b) The area served by the water-producing facility.

(c) The number of persons served by the water-producing facility.

(d) The use of land served by the water-producing facility.

(e) The crops grown on land served by the water-producing facility.

(f) Any other criteria which may be used to determine with reasonable accuracy the amount of water produced from a water-producing facility.

ARTICLE 7.

GROUNDWATER MANAGEMENT

§ 701. Groundwater basin study; Notice of public meeting; Necessity of study

Within six months after the formation of the agency, the board of directors shall give notice and hold a public hearing to receive evidence of the need to perform a groundwater basin study. Upon conclusion of the hearing and after consideration of any relevant comments, the board of directors may determine that the performance of a groundwater basin study is necessary to meet the purposes, goals, and objectives of the agency.

§ 702. Need for groundwater management activities; Public hearing; Enactment of plan

If, upon receipt of the recommendations of its engineers, consultants, and staff, the board of directors determines that groundwater management activities may be necessary, the board of directors shall give notice of and hold a hearing to receive evidence on the need for a management plan and on the form and scope of the proposed management activities.

If, upon conclusion of the hearing, and consideration of any relevant investigations, studies, or results, the board of directors determines that management in the form proposed is necessary for the sound management of the groundwater within the groundwater basin, the agency may, by ordinance, exercise any of the powers set forth in this act, subject to subdivisions (d), (f), and (g) of Section 102.

§ 703. Regulation of groundwater replenishment programs; Recapture of supplemental groundwater; Allocation of groundwater basin storage space

The agency may regulate groundwater replenishment programs and recapture supplemental groundwater resulting from these programs within the agency as provided by this act, subject to subdivisions (d), (f), and (g) of Section 102. The agency shall have the power to determine the amount of groundwater basin storage space available and to allocate groundwater basin storage space within the groundwater basin after completion of the groundwater basin study.

§ 704. Right to store, recapture, distribute, and sell supplemental water

The agency or other persons pursuant to an agreement with the agency shall have the sole right to store, recapture, distribute, and sell supplemental water in the groundwater basin, subject to subdivisions (d), (f), and (g) of Section 102.

§ 705. Right to enjoin unreasonable uses of water

The agency may commence and prosecute actions to enjoin unreasonable uses or methods of use of water within the agency or outside of the agency to the extent those uses or methods of use affect the groundwater supply within the agency.

§ 706. New facility spacing requirements

The agency may impose spacing requirements on new extraction facility construction to minimize well interference.

§ 707. Determination of well interference by adjacent operator; Procedure

The agency may, at the request of an operator of an extraction facility, and after notice to all affected persons, convene a hearing to ascertain if the legal rights of a complaining operator have been infringed through well interference by the extractions of an adjacent operator within the agency.

§ 708. Imposition of operating regulations after finding interference exists

If the board finds at the hearing that well interference exists, the board may impose reasonable operating regulations on extraction facilities to minimize well interference. The regulations may, where feasible, require pumpers to operate on a rotation basis. Rotations shall not be deemed feasible if they would require an overlying owner to construct a new well to irrigate the acreage being irrigated by a single existing well.

§ 709. Agency use of surface reservoirs or groundwater basins

The agency may store water in and recapture water from surface reservoirs or groundwater basins within the agency.

§ 710. Purchase and importation of water; Limitations

The agency may purchase and import water into the agency subject to subdivisions (d), (f), and (g) of Section 102, except that no water shall be imported into the agency for other than agricultural purposes. This limitation to agricultural use of imported water shall not apply to lands within the Aromas County Water District.

§ 711. Improvement and protection of water quality; Right to control extractions

The agency, in order to improve and protect the quality of water supplies may treat, inject, extract, or otherwise control water, including, but not limited to, control of extractions, and construction of wells and drainage facilities. These powers shall include the right to regulate, limit, or suspend extractions from extraction facilities, the construction of new extraction facilities, the enlarging of existing facilities, or the reactivation of abandoned extraction facilities.

Limitation, control, or prohibition related to extraction shall be instituted only after the board has made factual findings that the limitation, control, or prohibition is necessary.

§ 712. Allocation of groundwater following limitation or suspension of extractions; Factors; Necessity for groundwater management plan

(a) If the agency limits or suspends extractions within the basin or within a subbasin by operators of extraction facilities, rights to the use of the available supply of groundwater shall be allocated primarily on the basis of the amount of water used by the operator as a percentage of

the total amount of water being used within the agency. The agency may adjust any figure so arrived at up or down for any of the following factors:

(1) The number of acres actually irrigated compared to the number of acres owned or leased, for a period of three years.

(2) Water used in relation to best management practices for the use being made of the water.

(3) Wasteful or inefficient use.

(4) Reasonable need.

(5) Any other factor that the agency reasonably feels it should consider in order to reach an equitable distribution.

(b) Notwithstanding any other provision of this act, the agency shall not regulate existing extraction or physically import water into the basin until the agency has adopted a groundwater management plan. However, the board may reserve water to be imported from a state or federal water development project, or express an intent to import water, prior to the preparation of a groundwater management plan. The board may also restrict existing extractors prior to the adoption of a management plan, anytime after the end of the first full water year after the formation of the agency, if it has determined at a noticed public hearing that a substantial reduction in the water quantity or quality has taken place within the preceding water year which creates a substantial threat to the water supply of the entire basin.

§ 713. Permit required to extract increased amounts following limitation or suspension of extraction; Criteria for issuance

(a) If the agency limits or suspends extraction by operators of extraction facilities, no operator may extract increased amounts of groundwater from an existing, new, enlarged, or reactivated extraction facility, until the operator has applied for and received a permit from the agency.

(b) The agency shall grant, at the earliest date possible, the permit upon a showing by the applicant that the applicant has acquired from existing permitted extractors, water entitlement equivalent to the amount of water the applicant seeks to extract in the permit application.

(c) This section shall not be construed as preventing an operator of an extraction facility from replacing an extraction facility with another extraction facility so long as the amount of water used is not increased.

§ 714. Power to replenish and augment water supply

The agency shall have the power to take all affirmative steps necessary to replenish and augment the water supply within its territory. In the event the agency imposes restrictions on the

operation of extraction facilities, the agency shall purchase, or capture, and distribute supplemental water at the earliest date possible, subject to subdivisions (d), (f), and (g) of Section 102.

ARTICLE 8.

BONDS AND ZONES OF BENEFIT

§ 801. Authority to issue bonds

The agency may use, and may issue bonds in accordance with, the Improvement Act of 1911 (Division 7 (commencing with *Section 5000) of the Streets and Highways Code*), the Municipal Improvement Act of 1913 (Division 12 (commencing with *Section 10000) of the Streets and Highways Code*), the Improvement Bond Act of 1915 (Division 10 (commencing with *Section 8500) of the Streets and Highways Code*), or the Revenue Bond Law of 1941 (Chapter 6 (commencing with *Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code*) for the construction of any facilities authorized to be constructed by the agency under the provisions of this act.

§ 802. "Zones of benefit"; Establishment; Notice and hearing; Amendment of boundaries

(a) "Zone of benefit" means an area, including, but not limited to, subbasins, within the agency which will benefit from planning, studies, or any management program undertaken by the agency in a manner different from other areas or subbasins within the district.

(b) The board may establish zones of benefit within the agency for purposes of Section 801 and to institute works or projects for any purpose authorized by this act. The zones shall be established by a resolution of the board which shall fix a time and place for a public hearing on the resolution and shall prescribe the boundaries of the zones. Notice of the hearing shall be given by publication pursuant to *Section 6066 of the Government Code* in a newspaper of general circulation published or circulated within the agency.

(c) The board of directors may amend zone of benefit boundaries by annexing property to or by withdrawing property from a zone, or may divide a zone into two or more zones. Resolutions of the board of directors shall describe the boundaries of the amended or divided zones.

§ 803. Objections to project, financing, or boundaries of zone; Changes in project; Exclusion of property not benefited

(a) At the time and place fixed for the hearing, or at any time to which the hearing may be continued, the board shall consider all written and oral objections to the proposed work or

project, to the proposed methods and amounts of financing the work or project, and to the inclusion or exclusion of property within the proposed zone or participating zones.

(b) If, in the judgment of the board, evidence given at the public hearing indicates that changes in the proposed work or project or the methods and amounts of financing the work or project are necessary or desirable, the board may, at the conclusion of the hearing, adopt a resolution making changes in the proposed work or project and the methods and amounts of financing the work or project.

(c) At the conclusion of the hearing, unless the board abandons the proposed work or project, it shall exclude from the zone or participating zones all property which, in the judgment of the board, will not be benefited by the proposed work or project.

§ 804. Written protests; Termination of project and holding of new hearing

If, prior to the conclusion of the hearing, a written protest is filed with the board against the proposed work or project which is signed by a majority in number of the holders of title to real property, or assessable rights therein, or evidence of title thereto, within the zone or within any of the participating zones for which the work or project was initiated, or by the holders of title to a majority of the assessed valuation of the real property within the zone or any of the participating zones, the proceedings relating to the work or project shall be terminated and a new hearing shall be conducted before the board may proceed with the work or project. The new hearing may not be held until at least six months following the termination.

ARTICLE 9.

FINANCIAL PROVISIONS

§ 901. Fees; Determination of amount; Collection; Use

Any person who seeks to install, activate, or expand the production of a water extraction facility within the agency shall pay to the agency a fee set by the board of directors, by ordinance, representing the person's share of the agency's contribution to the maintenance of a basin supply sufficient to meet the new or expanded demand. This impact fee shall be collected only after the agency has implemented its management plan and is in addition to any other agency's service, connection, or extraction permit fee. The fees collected under this section may be used for any valid purpose as determined by the board of directors.

§ 902. Charges upon land within agency

The agency may, by ordinance, fix charges upon land within the agency for the purpose of paying the costs of initiating, carrying on, and completing any of the powers, projects, and purposes for which the agency is organized. The charge may be imposed on landowners within the district for benefits received by landowners from improved water management and planning.

§ 903. Determination of need for charges upon land; Notice and hearing; Maximum charge

(a) Before fixing the charges, the board shall, after notice and hearing, find and determine the need for the charges for the purpose of paying the costs of these activities, and the amount of the charges for the purpose of paying the costs of these activities, and the amount of the charges to be imposed. The charges shall not exceed twenty dollars ($20) per acre per year for each acre of land, or twenty dollars ($20) per year for each parcel of land less than one acre. In addition, the charge may include an amount not to exceed ten dollars ($10) per dwelling unit per parcel per year. However, the agency may vary the minimum charges collected on the basis of benefit accruing to the land as a result of the actions of the agency, but shall distribute the charges on a fair and equitable basis.

(b) Notwithstanding the maximum allowable charge provided for in subdivision (a), the amount collected in the 1988-89 fiscal year by means of the charge shall not exceed three hundred thirty thousand dollars ($330,000).

(c) For the 1989-90 fiscal year and each fiscal year thereafter, the agency may increase the actual charge imposed in the prior fiscal year to reflect increases in the costs of the service for which the charge is imposed, except that the amount collected in any fiscal year shall not exceed five hundred thousand dollars ($500,000). Any increase in the charge proposed pursuant to this subdivision shall be subject to the procedural requirements of Section 904.

§ 904. Schedule of charges; Amendment

The board of directors may establish schedules varying the charge according to the likelihood that the land will benefit from improved water management and planning charges. The initial schedule of charges may be amended only after a public hearing by a five-sevenths vote of the board of directors.

§ 905. Commencement of collection of charges

Charges may be collected pursuant to this article commencing with the 1984-85 fiscal year.

§ 906. Penalty on unpaid charges

A penalty of 7 percent of any charge shall accrue where any charge remains unpaid on the first day of the month before the month in which the board of supervisors of the county in which the agency or any part thereof is located is required by law to levy the amount of taxes required for county purposes.

§ 907. Addition of unpaid charges and penalties to land taxes; Lien on land

The amount of the unpaid charge plus the penalty shall be added to the tax levied annually upon the land subject to the charge. The amount of the unpaid charge plus the penalty shall

constitute a lien on that land as of the same time and in the same manner as does the tax lien securing annual property taxes.

§ 908. Notification to county officials of unpaid charges and penalties

At least 15 days before the first day of the month in which the board of supervisors of each affected county is required by law to levy the amount of taxes required for county purposes, the board of directors shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the agency upon which a charge remains unpaid, together with the amount of the unpaid charge plus penalty.

§ 908.5. Collection of charges through county tax rolls

In lieu of Sections 906, 907, and 908, charges imposed on landowners pursuant to this article may, at the option of the agency, be collected on the tax rolls of the counties in which the agency is situated in the same manner, by the same persons, and at the same time as, together with and not separately from, county ad valorem property taxes.

§ 909. Adoption of preliminary budget

On or before the 15th day of May of each year, the board shall estimate and determine the annual amount of money required for the agency and shall adopt a preliminary budget which shall be detailed in conformity with the Uniform Accounting Procedures for the districts set forth in the California Administrative Code.

§ 910. Final budget; Notice and hearing

On or before the 15th day of May of each year the board shall publish a notice stating the following:

(a) The preliminary budget has been adopted and is available at a time and at a place within the agency, specified in the notice, for inspection by the voters.

(b) On a specified date and at a specified time and place, the board shall meet for the purpose of fixing the final budget, and that any taxpayer may appear and be heard regarding the increase, decrease, or omission of any item of the budget or for the inclusion of additional items.

§ 911. Publication and posting of notice; Governing statute and procedure

The notice required by Section 910 shall be published pursuant to *Section 6066 of the Government Code* in at least one newspaper published in the agency. The first publication shall be at least two weeks prior to the date specified for the meeting of the board. The notice shall be posted in three public places in the territory of the agency not less than two weeks prior to the date specified for the meeting of the board. No other notice of the meeting need be given.

§ 912. Right to appear and be heard

At the time and place designated in the published notice for the meeting, any person may appear and be heard regarding the increase, decrease, or omission of any item of the budget or for the inclusion of any additional items.

§ 913. Expenditure of funds

All moneys collected by the agency pursuant to this act shall be placed in an account and shall be available without regard to fiscal year for expenditure by the agency in carrying out its water management functions pursuant to this act.

ARTICLE 10.

GROUNDWATER AUGMENTATION CHARGES

§ 1001. Authority to levy charges

The agency may, by ordinance, levy groundwater augmentation charges on the extraction of groundwater from all extraction facilities within the agency for the purposes of paying the costs of purchasing, capturing, storing, and distributing supplemental water for use within the boundaries of the agency.

§ 1002. Required finding and determination prior to levy of charges

(a) Before the levy of groundwater augmentation charges, the board of directors shall, after notice and hearings, find and determine the amount of water which is required for the replenishment or enhancement of groundwater supplies in the agency and the sum of money necessary for that purpose, and the activities required to prepare or implement any groundwater management program for the agency. The finding shall include all of the findings enumerated in *Section 75574 of the Water Code*.

(b) That determination shall be made on the basis of the hearing record, any relevant reports, and the agency's engineering investigation. The investigation shall include all of the following:

(1) Information for the consideration of the board in its determination of the annual overdraft.

(2) Information for the consideration of the board in its determination of the accumulated overdraft as of the last day of the preceding water year.

(3) A report as to the total production of water from the groundwater supplies for the preceding water year.

(4) An estimate of the annual overdraft for the current water year and for the ensuing water year.

(5) The amount of water the agency is obligated to purchase during the ensuing water year, and a recommendation as to the quantity of water needed for surface delivery and for replenishment of the groundwater supplies for the ensuing year.

(6) Such other information as the board desires.

§ 1003. Maximum charge

The groundwater augmentation charges shall not exceed 15 percent of the highest charges for water levied by any multiple water supply system with more than 5,000 service connections in the agency.

§ 1004. Interest on unpaid balance; Collection procedures

If any person fails to pay the applicable groundwater augmentation charge when due, the agency shall charge and collect interest at the rate of 11/2 percent each month on the delinquent amount of the groundwater augmentation charge. In addition, the agency may exercise any of the provisions of Article 5 (commencing with *Section 75630) of Chapter 3 of Part 9 of Division 21 of the Water Code* for the purpose of collecting delinquent groundwater charges.

ARTICLE 11.

ENFORCEMENT POWERS

§ 1101. Injunctive relief

Upon the failure of any person to comply with any of the provisions of this act, including, but not limited to, registration of extraction facilities and installation of measuring devices, filing of statements, payment of augmentation charges, or payment of management charges, or upon failure of any person to comply with any ordinance duly adopted by the board of directors pursuant to this act, the agency may petition the superior court of a county in which the territory of the agency lies for a temporary restraining order or preliminary or permanent injunction prohibiting the person from operating an extraction facility or for such other injunctive relief as may be appropriate.

§ 1102. Right to seek injunction in addition to other available remedies; Undertaking or bond not required

The right to proceed for injunctive relief is an additional right to those which may be provided elsewhere in this act or otherwise allowed by law. The agency shall not be required to provide an undertaking or bond as a condition of a grant of injunctive relief.

§ 1103. Irreparable damage and inadequate remedy at law allegations not required

In any action brought pursuant to this act in which a temporary restraining order, preliminary injunction, or permanent injunction is sought, it shall not be necessary to allege or prove at any

stage of proceeding that irreparable damage will occur should the temporary restraining order, preliminary injunction, or permanent injunction not be issued, or that the remedy at law is inadequate, and the temporary restraining order, preliminary injunction, or permanent injunction shall issue without those allegations and without that proof.

§ 1104. Right to petition superior court to recover sums due; Notice and hearing

The agency may petition the superior court of a county in which the territory of the agency lies to recover any sums due to the agency pursuant to any provision of this act. The agency shall make that request only after a hearing with due notice of the hearing given to all affected persons.

§ 1105. Other remedies not limited or superseded

Remedies under this article are in addition to, and do not supersede or limit, any and all other remedies, civil or criminal.

§ 1106. Powers of agency regarding surface and groundwater litigation

In order to preserve and manage the groundwater resources within the agency, the agency may also commence, maintain, intervene in, defend, compromise, and assume the costs and expenses of legal actions and administrative proceedings now or hereafter begun involving surface and groundwater, including, but not limited to, a groundwater rights adjudication.

§ 1107. Adjudication of groundwater basin; Judgment to be determined primarily on amount of water used; Factors to determine equitable distribution

If any court is petitioned to adjudicate the groundwater basin or any part thereof, whether the petition is filed by the agency or by any person, the court shall base judgment, ruling, or findings of fact primarily on the amount of water used by the operator as a percentage of the total amount of water available for use in the basin or sub-basin. In order to reach an equitable distribution, the court may adjust any amounts so arrived at for any of the following factors:

(a) Wasteful or inefficient use.

(b) Reasonable need.

(c) Reduction or suspension of extractions required within the boundaries of the agency.

(d) Any other factor that the court feels it should consider in order to reach an equitable distribution.

§ 1108. Penalty for intentional violation of act

Any person who intentionally violates any provision of this act or any agency ordinance may also be liable civilly to the agency for a sum not to exceed one thousand dollars ($1,000) per day for each day of that violation, in addition to any other penalties that may be prescribed by law.

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 11C:** Election of Officers for 2023: Chair, Vice Chair, and Treasurer

---

BACKGROUND

The Pajaro Valley Water Management Agency (PV Water) Board of Directors (Board) elects new officers each year. The Board has three officers: Chair, Vice Chair, and Treasurer. Amy Newell is currently serving as Chair. Stephen Rider is serving as Vice Chair. Bob Culbertson is serving as Treasurer. Laura Taay, Administrative Analyst serves as Board Secretary.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

That the Board elect Officers for 2023.

ATTACHMENTS

- None

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 11D:** Appoint Representatives to Serve on Standing Committees

---

BACKGROUND

The Pajaro Valley Water Management Agency (PV Water) currently has two standing committees: the Administration & Finance Committee, which provides oversight of PV Water's administration and financial matters, and the Projects & Facility Operations Committee, which is to advise the Board and staff on capital projects and programs related to water supply, quality and operations of facilities identified in the Basin Management Plan, including any new technologies that might become available. The Projects & Facility Operations Committee also serves to communicate issues and concerns regarding water quality and facility operations between the Agency, landowners and growers within PV Water's service area.

DISCUSSION

Current committee members and schedules are described below.

Administration & Finance Committee

Current Members (Three Directors):
Bob Culbertson (Chair), Abel Sanchez (Vice Chair), Amy Newell
Officers:
Chair selected by the Committee after new appointments are made.
Schedule:
Monthly
Date and time:
2nd Tuesday at 3:00 pm
Location:
PV Water Warren Koenig Conference Room

Projects & Facility Operations Committee

Members:
Per the Bylaws established by Ordinance 2015-30, members of the Projects & Facility Operations Committee shall include: Three members of the Board of Directors, two growers in the Delivered Water Zone, one grower from outside the Delivered Water Zone, and one Member-at-large.
Current Members:
Directors (3): Mary Bannister (Chair), Stephen Rider, Abel Sanchez
Growers in the Delivered Water Zone (2): Frank Capurro, Rosemarie Imazio
Grower outside the Delivered Water Zone (1): Sam Cooley
Member-at-large (1): Jonathan Pilch
Officers:
Chair and Vice Chair. Either the Chair or Vice Chair shall be selected from one of the Directors serving on the Committee.

Schedule:
Monthly
Date and time:
Last Wednesday of each month at 3:00 pm, unless otherwise noted.
Location:
Water Resources Center at Recycled Water Facility or PV Water Warren Koenig Conference Room (as noticed).

The Projects & Facility Operations Committee discussed membership for 2023 during its December 14 meeting. Committee members Cooley, Imazio, and Pilch have all offered to continue serving in the 2023, and the Committee voted in favor recommending that Board reappoint them. Committee member Capurro is resigning from the Committee, and a replacement member will need to be identified and then reappointed.

FISCAL IMPACT

Any change in the number of meetings would entail proportional cost impacts. Barring major changes, these impacts could be accommodated within the PV Water's existing budget.

STAFF RECOMMENDATION

That the Board designates committee memberships (three directors per committee).

- Administration & Finance Committee

Current members:
Director Culbertson
Director Rider
Director Newell

- Projects & Facility Operations Committee

Current members:
Director Bannister
Director Newell
Director Rider
Committee Member Cooley
Committee Member Imazio
Committee Member Capurro
Committee Member Pilch

ATTACHMENTS

- None

MEMORANDUM

DATE: December 15, 2022
MEETING OF: December 21, 2022
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 11E:** Appoint Board Representatives to other Organizations

BACKGROUND

The Pajaro Valley Water Management Agency (PV Water) Board of Directors (Board) has the following designated representatives to other organizations.

1. **Joint Powers Insurance Authority (JPIA) – Stephen Rider**
   JPIA is PV Water's insurance carrier through the Association of California Water Agencies, and the appointee to this position may vote on JPIA matters that come before the general membership.

2. **Santa Cruz County Zone 7 Flood Control – Bob Culbertson**
   The Santa Cruz County Zone 7 Flood Control appointee is a voting member of the Zone 7 Board, which includes the Santa Cruz County Board of Supervisors, and a representative from the City of Watsonville and PV Water.

STAFF RECOMMENDATION

That the Board consider appointments as noted.

FISCAL IMPACT

None.

ATTACHMENTS

- None

Production Monthly Summary as of November, 2022*

All totals are in Acre Feet

	January	February	March	April	May	June	July	August	September	October	November	December	Individual Totals
Harkins Slough Project:													
Effluent FW to Basin	223.34	222.51	84.84	1.13	0.56								**532.37**
Coastal Distribution System (CDS):													
Recovery Wells Sub Total	11.85	18.27	26.90	30.31	39.10	42.43	38.98	21.56	6.71	4.56	4.00	0.00	**244.66**
Blend Wells													
SW #1	0.00	0.80	0.00	0.00	45.74	84.52	46.36	57.17	13.07	0.00	0.00	0.00	**247.66**
SW #2	0.04	1.19	0.00	22.21	118.92	167.77	200.59	142.12	78.09	11.78	29.96	0.00	**772.68**
Blend Wells Subtotal	0.04	1.99	0.00	22.21	164.66	252.29	246.95	199.29	91.16	11.78	29.96	0.00	**1020.33**
RWF Blend (See Breakdown Below)	111.53	181.95	219.49	281.13	440.09	454.91	471.51	442.37	312.00	273.05	211.74	0.00	**3399.77**
CDS Total	123.42	202.20	246.39	333.64	643.85	749.62	757.44	663.22	409.88	289.39	245.70	0.00	**4664.76**

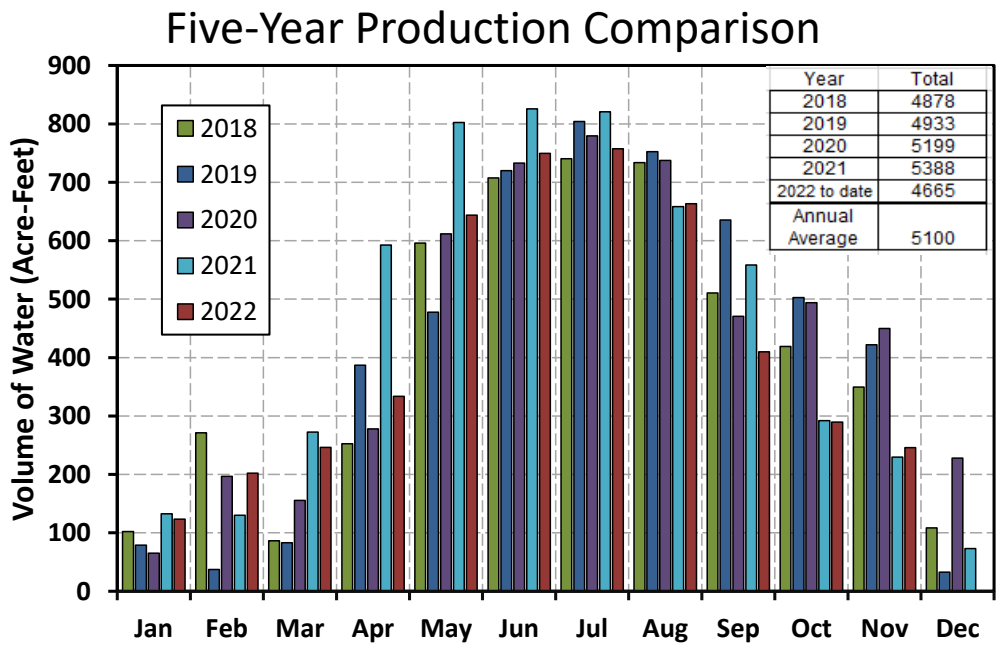
Approximate Recycled Water Blend Breakdown:

Estimated Recycled Water	99.38	175.74	202.46	243.27	350.28	364.71	381.66	350.71	249.70	254.14	172.24	0.00	2844.30
RWF No_1 (potable)	12.15	6.20	17.03	37.86	89.81	90.20	89.85	91.66	62.31	18.91	39.49	0.00	555.46

* Recycled Water Blend Breakdown is Approximate because there is always some water in the tank that may be recycled water or RWF No-1 Water, "Est Recycled Water" is the RWF Blend total, (which is measured by the RWF Distribution meter after the tanks,) MINUS the RWF No_1 total, which is measure before the No_1 water goes into the tanks to blend.

Well 860 (Harvest Dr.)	0.000	0.000											0.00

2022 Production Percentages:			
Recovery Wells	**Supplemental Wells**	**Recycled Water**	**Potable Water**
5%	**22%**	**61%**	**12%**



*Preliminary, Subject to Revision

DECEMBER 2022 MEETING			
RECEIVED			
DATE	TO	FROM	SUBJECT
12/1/2022	PV Water	ACWA/JPIA	Safety Award Certificates
12/14/2022	PV Water	LAFCO	Upcoming Vacancy for Regular Member Seat on LAFCO

YOUR BEST PROTECTION

NOV 30 2022

11/28/2022

ACWA JPIA

P. O. Box 619082
Roseville, CA 95661-9082

phone
916.786.5742
800.231.5742

www.acwajpia.com

President
E.G. "Jerry" Gladbach

Vice President
Melody A. McDonald

Chief Executive Officer
Walter "Andy" Sells

Executive Committee
Fred Bockmiller
David Drake
E.G. "Jerry" Gladbach
Cathy Green
Brent Hastey
Chris Kapheim
Melody A. McDonald
Randall Reed
J. Bruce Rupp

Core Values
- *People*
- *Service*
- *Integrity*
- *Innovation*

Pajaro Valley Water Management Agency (P025)
36 Brennan St.
Watsonville, CA 95076-4303

General Manager:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the **"President's Special Recognition Award"** certificate for each Program that they qualify in.

The JPIA is extremely pleased to present Pajaro Valley Water Management Agency (P025) with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2023.

Sincerely,

Melody McDonald
President

Enclosure: President's Special Recognition Award(s)

President's Special Recognition Award

The President of the

ACWA JPIA

hereby gives Special Recognition to

Pajaro Valley Water Management Agency

for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Workers' Compensation Program for the period 07/01/2018 - 06/30/2021
announced at the Board of Directors' Meeting in Indian Wells.

Melody McDonald

Melody McDonald, President

ACWA JPIA

November 28, 2022

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President's Special Recognition Award

The President of the

ACWA JPIA

hereby gives Special Recognition to

Pajaro Valley Water Management Agency

for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Liability Program for the period 10/01/2018 - 09/30/2021
announced at the Board of Directors' Meeting in Indian Wells.

Melody McDonald

Melody McDonald, President

November 28, 2022

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Santa Cruz Local Agency Formation Commission
701 Ocean Street # 318D
Santa Cruz CA 95060
Phone: (831) 454-2055

Email: info@santacruzlafco.org

December 14, 2022

Brian Lockwood, General Manager
Pajaro Valley Water Management Agency
36 Brennan St.
Watsonville, CA 95076

SUBJECT: UPCOMING VACANCY FOR THE REGULAR MEMBER SEAT ON LAFCO

Dear Mr. Lockwood:

The purpose of this letter is to solicit applications for the regular member seat on the Local Agency Formation Commission ("LAFCO"). The independent special districts in Santa Cruz County get three seats on LAFCO. The two regular member seats are currently held by Jim Anderson (Felton Fire Protection District) with a term ending in May 2025, and Rachél Lather (Soquel Creek Water District) with a term ending in May 2023. The alternate member seat is currently held by Ed Banks (Pajaro Valley Public Cemetery District) with a term ending in May 2025. The term limit for one of the two regular member seats is set to expire in the coming months, and as a result, the independent special districts in Santa Cruz County must address the vacancy through an election process before May 2023.

Nomination Process

LAFCO's Independent Special District Selection Committee Policy (refer to ***Attachment 1*****)** indicates that the two regular members cannot be from the same type of district (fire, water, recreation, miscellaneous). Since the regular member currently in the middle of a term is from a fire district, the regular position being filled cannot be from another fire district. Therefore, the pool of people eligible to apply for the regular member seat in question is anyone who is on the board of an independent special district in Santa Cruz County, except for fire districts in accordance with the adopted policy. The term of office for the newly appointed regular member will begin May 3, 2023 and will end on May 3, 2027.

Nomination Deadline

Please share this letter with your board members. The deadline for returning completed applications is **Friday, February 3, 2023 at 4:00pm**. A complete overview of the selection process timeline is shown in ***Attachment 2***. I have also attached a form by which any interested and eligible board member may apply for the regular member seat (refer to ***Attachment 3***).

Feel free to contact me if you have any questions about the selection process. After February 3rd, each independent special district will be sent a subsequent letter with information about the proposed candidate(s) and an explanation on how each district will cast their vote to appoint the district representative on LAFCO.

Sincerely,

Joe A. Serrano
Executive Officer

Attachments:

1) Independent Special District Selection Committee Policy
2) Selection Process Timeline
3) Application Form

LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY

INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY

Adopted on September 7, 1994 (Resolution No. 801-B)
Last Revision on May 6, 2020 (Resolution No. 2020-11)

1. OVERVIEW

The purpose of the Independent Special District Selection Committee shall be to appoint the regular and alternate special district members of the Local Agency Formation Commission (LAFCO) and to fill unexpired terms when vacancies occur. It is important to note that nothing in these Rules of Procedure shall supersede Government Code Section 56332, which governs the establishment of the Independent Special District Selection Committee.

2. MEMBERSHIP

Membership of the Independent Special District Selection Committee shall be composed of the presiding officer or designated board member of the legislative body of each independent special district either located wholly within Santa Cruz County or containing territory within the county that represents 50% or more of the assessed value of taxable property of the district.

3. MEETINGS

3.1 Notification and Solicitation of Nominations

The Executive Officer of the Commission shall give written notice to all eligible independent special districts of any meeting of the Independent Special District Selection Committee, specifying the date, time, and place.

Any person qualified to serve as an Independent Special District representative to LAFCO shall be qualified to submit a nomination which shall be accompanied by a brief resume on the form provided by LAFCO. Each district shall be encouraged to submit nominations.

3.2 Registration

Each member of the Selection Committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer.

In the event that the presiding officer is unable to attend a meeting of the Committee, the legislative body may appoint one of its members to attend in the presiding officer's place. Such a designated member shall submit written authorization at the time of registration.

Each voting member shall register and complete a declaration of qualification. The voting member will then be given the required number of ballots and other voting materials.

3.3 Quorum

Members representing a majority of the eligible districts shall constitute a quorum for the conduct of Committee business. No meeting shall be called to order earlier than the time specified in the notice and until a quorum has been declared to be present.

Before calling the meeting to order, the Executive Officer shall announce that a quorum is present and request that any voting member who has not yet registered do so at that time. Only those eligible members registered and present shall be allowed to vote.

3.4 Sequential Balloting

If there is more than one position to fill, sequential balloting will be held in the following order using a ballot with names of all eligible nominees: (1) Full term, regular member; (2) Partial term, regular member; and (3) Alternate member.

If a candidate is elected to a position, his or her name will be crossed out on the subsequent ballots.

3.5 Majority to Win

In order for a candidate to be elected, that candidate must receive a majority of the votes being cast.

If no candidate receives a majority, a subsequent round of voting shall be conducted with the eligible candidates limited to the two candidates who received the most votes in the previous round and any candidates who received the same number of votes as the second candidate.

4. COMPOSITION OF SPECIAL DISTRICT REPRESENTATION ON LAFCO

It is desirable that the special district members on LAFCO have a broad cross-section of duties and experience in district matters. Therefore, the following four classes of districts are established:

Class 1: Fire Protection Districts

- ~~Aptos/La Selva Fire Protection District~~[1]
- Ben Lomond Fire Protection District
- Boulder Creek Fire Protection District
- Branciforte Fire Protection District
- Central Fire Protection District
- Felton Fire Protection District
- Pajaro Valley Fire Protection District[2]
- Scotts Valley FPD
- Zayante FPD

[1] Aptos/La Selva Fire Protection District and Central Fire Protection District were consolidated into the "Central Fire District"

[2] Freedom Fire Protection District and the Salsipuedes Fire Protection District were consolidated into the "Pajaro Valley Fire Protection District"

Class 2: Water Districts
- Central Water District
- San Lorenzo Valley Water District[3]
- Scotts Valley Water District
- Soquel Creek Water District

Class 3: Recreation and Park Districts
- Alba Recreation and Park District
- Boulder Creek Recreation and Park District
- La Selva Beach Recreation and Park District
- ~~Opal Cliffs Recreation and Park District~~[4]

Class 4: Miscellaneous Districts
- Pajaro Valley Cemetery District
- Pajaro Valley Water Management Agency
- Reclamation District No. 2049 (College Lake)
- Salsipuedes Sanitary District
- Santa Cruz County Resource Conservation District
- Santa Cruz Port District

4.1 Overlapping Classes
At no time shall the two regular special district members on LAFCO come from the same class of districts.

4.2 Class Diversity
Where feasible, nominations for vacancies on LAFCO may not come from the class that already has a regular member sitting on LAFCO.

4.3 Conflicting Classes
Any election that would result in the two regular special district members being from the same class of district shall be immediately deemed invalid, and a subsequent ballot will be prepared excluding the conflicting class of candidates and voted upon.

5. MAILED-BALLOT ELECTIONS

5.1 Authority
A mailed-ballot election may be conducted if the Executive Officer has determined that a meeting of the Special District Selection Committee is not feasible.

5.2 Notification and Solicitation of Nominations
The Executive Officer of the Commission shall give written notice to all eligible independent special districts of the intention to conduct a mailed-ballot election. Each district shall acknowledge receipt of the Executive Officer's notice.
Each district shall be encouraged to submit nominations, accompanied by a brief resume on the form provided by LAFCO. All nominations must be received by a specified date that shall be at least six weeks from the date of notification. Emailed

[3] Lompico County Water District was dissolved and annexed into the San Lorenzo Valley Water District.
[4] Opal Cliffs Recreation and Park District was dissolved and annexed into County Service Area 11

copies of nominations may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

5.3 Distribution and Return of Ballots
All eligible districts shall be sent, by certified mail, return receipt requested, the following materials: (1) copies of all nominations received by the deadline, (2) ballot(s) as required to vote for Commission members, and (3) voting instructions.

The following outlines the necessary information and steps to submit a complete ballot:

1. The ballots shall include the names of all nominees.

2. Each ballot shall be accompanied by a certification sheet to be completed by the presiding officer or designated alternate who cast that district's vote.

3. A specified period of time, not less than six weeks, shall be allowed for the districts to cast their votes and return their ballots.

4. Ballots shall be sent by certified mail, return receipt requested.

5. Emailed copies of ballots may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

6. All ballots received by the deadline shall be counted and the results announced within seven days.

7. Certified ballots representing a simple majority of the eligible districts must be returned for a valid election.

5.4 Appointment by Majority Vote
A candidate for a regular or alternate member of the Commission must receive at least a majority of the votes cast in order to be selected. Results of the election will be reviewed and adopted by the Commission during an open session of a regularly scheduled LAFCO Meeting.

In the event that no candidate receives the required number of votes, a run-off election shall be conducted, either by a second mailed ballot or a meeting of the Independent Special District Selection Committee, at the discretion of the Executive Officer.

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

LAFCO'S DISTRICT REGULAR MEMBER SEAT VACANCY

(Independent Special District Selection Committee Election Process)

Action	Deadline	Notes
Request for Applications	Wednesday, December 14, 2022	LAFCO will send out letters to the independent special districts to solicit applications from eligible board members
Application due back to LAFCO	Friday, February 3, 2023	Applications are due no later than 4:00pm
Election Process Begins	Monday, February 6, 2023	LAFCO will send out letters with ballots and information about the candidates
Election Process Ends	Friday, March 24, 2023	Ballots due no later than 4:00pm
LAFCO Meeting (Certify Results)	Wednesday, April 5, 2023	LAFCO will consider adopting a resolution certifying the election results
LAFCO Meeting (Oath of Office)	Wednesday, May 3, 2023	LAFCO will officially introduce the newly elected district representative

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

APPLICATION FOR LAFCO'S DISTRICT REGULAR MEMBER SEAT
(TERM BEGINNING MAY 2023 AND ENDING IN MAY 2027)

INSTRUCTIONS:
If you are interested in serving as a special district regular member on LAFCO, please complete and sign the following application. The complete application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafco.org (email).

Applications must be submitted to LAFCO no later than
4:00 p.m. on February 3, 2023

Note that fire district board members are NOT eligible for the proposed regular member position because a fire district board member currently occupies the other regular seat.

NAME: _____

MAILING ADDRESS: _____

PHONE(s): Home:_____ Cell/Business:_____

EMAIL:_____

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE:_____

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

_____

_____

_____

_____

_____

_____

STATEMENT OF INTEREST:
You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO.

CERTIFICATION:
I certify that the above information is true and correct and I authorize the verification of the information in the application.

_____ _____
Signature of Board Member Interested in Serving on LAFCO Date