



PAJARO VALLEY WATER MANAGEMENT AGENCY

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

Board of Directors Meeting
April 19, 2023, 7:00 p.m.

City Council Chambers
275 Main Street, 4th Floor
Watsonville, CA 95076

BOARD MEETING MINUTES

1. **Call to Order:** The Regular Board Meeting of Pajaro Valley Water Management Agency was called to order at 7:07 p.m. by Chair Newell, at the City Council Chambers, 275 Main Street, 4th Floor, Watsonville, CA.

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

Board Members Present: Newell, Rider, Culbertson, Bannister, Broz, Sanchez

Board Members Absent: Zamora

Staff Members Present: Brian Lockwood, General Manager (GM)
Laura R. Taay, Board Secretary
Marcus Mendiola, Water Conservation and Outreach Specialist (WCOS)
Nancy Trevino, Admin/Finance Services Manager (AFSM)

Others Present: Tony Condotti, Agency Counsel (AC)
Craig Hill, Consultant, NHA Advisors
Brian Haroldson, Consultant, Jones Hall
Robert Johnson, General Manager, Aromas Water District
Mr. Kang, Public
Thomas Rider, Public
Patrick Hughes, Public

3. **Pledge of Allegiance**

4. **Oral Communications:** None

5. **Director Comments:** Director Rider reminded Directors to register for of the upcoming ACWA Spring Conference, May 9 - 11, Monterey, CA.
Chair Newell reported on a webinar presented by Department of Water Resources regarding the Governor's executive order that streamlined permitting for recharge opportunities due to pending Sierra snowmelt and the associated risk of flooding within the Central Valley.

6. **Counsel Report:** No Report

7. **General Manager Report:** GM Lockwood reported on that Santa Cruz County Farm Bureau Annual Spring Luncheon will be held on Wednesday, April 26, 2023, Santa Cruz County Fairgrounds.

8. **Consent Agenda**

- A. Approval of March 15, 2023 Minutes
- B. Approval of March 22, 2023, Special Board Meeting Minutes
- C. Approval of Financial Reports

Action: Director Bannister 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

9. **Informational Items**

- A. Received Basin Management Plan Implementation Update from GM Lockwood

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

A. Consider Adopting Resolution 2023-09, Authorizing the Execution, Delivery and Sale of Water Revenue Certificates of Participation to Finance Capital Improvement Projects of the Pajaro Valley Water Management Agency in an Amount Not to Exceed \$50 million and Approving Related Documents and Actions; and Consider approving Agreements with NHA Advisors and Jones Hall
 GM Lockwood introduced this agenda item as it is related to the issuance of obligations to fund a portion of the College Lake Project. The financing will be captioned the “Pajaro Valley Water Management Agency 2023 Water Revenue Certificates of Participation” (“2023 COPs”), and is expected to raise up to \$44.5 million to cover a portion of the cost of College Lake Project. The 2023 COPs will be sold through the public bond markets through a municipal underwriter and will require the approval of certain legal, disclosure, and sale documents, all as discussed further below. There are two authorizing resolutions, one for the Agency Board and one for the Agency Board acting as the Board of Directors of the Corporation. These Authorizing Resolutions approve the financing plan, authorize execution and delivery of the 2023 COPs, and approve the other documents.

Action: Director Rider moved for the Board to adopt Resolution 2023-09 authorizing the execution, delivery, and sale of water revenue certificates of participation to finance capital improvement projects, and approved related documents and actions; and that The Board of Directors approve agreements with NHA Advisors and Jones Hall, in substantially the same form as the versions that are attached; seconded by Director Bannister.

Motion carried by the following voice vote:

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

B. Consider Agreement Authorizing Aromas Water District to Annex and Extend Services to APN: 012-090-026-000 (“Kang Property”), 940 Rocks Road, San Benito County Annexation Service Extension Requests

GM Lockwood reported on the history of Aromas Water District requests to annex and extend services to property owners along Cole Road and Rocks Road for health and safety reasons. These properties led to annexations which were approved by the Board and by Local Area Formation Commission (LAFCO). The “Kang Property” is on Rocks Road currently purchases water from the neighboring water hydrant because his well does not produce safe drinking water and not always even produces water. GM Johnson was introduced and spoke of the same health and safety issues of the “Kang Property” water. Mr. Kang was present.

Action: Director Rider moved for the board to approve the Agreement, in substantially the same form as the version that is attached, authorizing Aromas Water District to annex and extend Service to APN: 012-090-026-000 (“Kang Property”): 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 Adopting Resolution 2023-10, Establishing Policy on Aromas Water District Annexation Service Requests

GM Lockwood reported that during the March meeting of the Board of Directors, the Board requested that staff develop a formal policy on Aromas Water District (AWD) annexation service requests. Staff prepared a draft policy, provided a copy to AWD General Manager Rob Johnson for review, and presented it to the Administration and Finance Committee for consideration. The Committee made some revisions, including incorporating revisions provided by AWD, to the draft policy before voting to recommend the Board approve the policy as revised.

Action: Director Rider moved to adopt Resolution 2023-10, Establishing Policy on Aromas Water District Annexation Service Extension Requests and to add Monterey County as part of the policy; seconded by Director Broz.

Motion carried by the following voice vote:

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

D. Consider Approval of Proposed Preliminary Budget for Fiscal Year Ending June 30, 2024

GM Lockwood presented the Preliminary Budget for Fiscal Year 2023-2024 to the Board. Projected revenues are \$64,400,000, and projected expenditures \$95,216,604. Capital projects include the College Lake Integrated Resources Management Project, Harkins Slough Recharge Facility Upgrades, Struve Slough with Recharge Basins and Basin Monitoring Improvements.

Staff will publish the required Notice of Availability on April 28, 2023. The Board will hold a public hearing on May 17, 2023, and consider adoption of the final budget on June 21, 2023.

Action: Director Rider moved for the Board to approve the Preliminary Budget for Fiscal Year Ending June 30, 2024; seconded by Director Bannister.

Motion carried by the following voice vote:

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

E. Consider Approving Easement Deed to PG&E in connection with College Lake Integrated Resources Management Project

GM Lockwood explained the need for PG&E to relocate the existing power pole for electrical services near the future weir structure and to do so PG&E is required to receive easements from the Agency, Vasquez Property and Church Property.

Action: Director Rider moved for the Board to approve the PG&E Easement and authorize General Manager to execute and deliver same to PG&E; seconded by Director Bannister.

Motion carried by the following voice vote:

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

F. Consider Adopting Resolution 2023-11, Proclaiming May 2023: “Water Awareness Month”

WCOS Mendiola spoke about Water Awareness Month. Each May, water utilities, local agencies, government and non-governmental organizations throughout California declare May as “Water Awareness Month.” Statewide, this month-long focus on water is intended to increase the understanding of the inherent complexities of water resource issues, the value of water and to make *water conservation a way of life* for all residents of California. PV Water takes part in the Water Conservation Coalition of Santa Cruz County and continues to implement an adaptive conservation program collaborating with the RCD and the U C Cooperative Extension. A campaign will reach the public in the venues where they reside via radio, television, social media and online platforms, in both English and Spanish.

At the state level, with the heavy winter rains, the U.S. Drought Monitor reports that only 9% of the California is in moderate drought compared to 94% experiencing severe to extreme drought conditions as of last April (Fig. 1). The Pajaro Valley and Pajaro River watershed are currently not experiencing drought conditions. At 33.9 inches of recorded rainfall, the current water year has received significantly more rainfall than the previous three years and is well above the long-term average of ~22 inches.

Action: Director Rider moved for the Board to adopt Resolution 2023-11, Proclaiming May 2023 “Water Awareness Month”; seconded by Director Sanchez.

Motion carried by the following voice vote:

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

11. Monthly Reports/Presentations

- A. Facility Operations Report
 - 1. Received 2023 Supplemental Water Production Monthly Summary Report
- B. Board Committee Reports available at www.pvwater.org
- C. Public Outreach Update

12. Correspondence

13. Future Meetings

- A. Special Board of Directors Meeting: Strategic Plan Workshop, March 22, 2023, 5:00 p.m., Location to be determined
- B. Project & Facility Operations Committee, Wednesday, March 29, 2023, 3:00 p.m. Warren Koenig Conference Room, 36 Brennan Street, Watsonville
- C. Administrative/Finance Committee, Tuesday, April 11, 2023, 3:00 p.m., Warren Koenig Conference Room, 36 Brennan Street, Watsonville
- D. Board of Directors, Wednesday, April 19, 2023,,7:00 p.m., Watsonville City Council Chambers, 275 Main Street, 4th Floor, Watsonville
- E. Project & Facility Operations Committee, Wednesday, April 26, 2023, 3:00 p.m., Warren Koenig Conference Room, 36 Brennan Street, Watsonville

14. Future Agenda Items

Adjourned at 8:43 p.m.

Laura R. Taay

Laura R. Taay, Board Secretary

May 17, 2023

Date Approved