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
April 16, 2025, 6:00 p.m.

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

BOARD MEETING AGENDA

Agenda Item

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

1. **Call to Order**

2. **Swear in Newly Appointed Director**

3. **Roll Call of the PV Water Directors:** Stephen Rider (Chair), Mary Bannister (Vice Chair), Bob Culbertson (Treasurer), Tom Broz, Amy Newell, Nolberto Hernandez
   Director Vacancies: Monterey County Appointee

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. **Closed Session – 2 Items:**
   A. **Conference with Real Property Negotiators – (Cal. Gov't Code §54954.5 & 54956.8)**
      Property APN's & Owners, WSS-MARR
      1) 052-081-37, Land Trust of Santa Cruz County;
      2) 052-551-05, 052-221-09, 23 & 24, Arnold (CA) LLC;
      3) 052-551-03 & 04, Good Earth Lands, LLC;
      4) 052-551-02, SC Lands, Inc.;
      5) 052-551-01, Struve Ranch, LLC;
      6) 052-211-26, LMC Properties LLC;
      7) 052-211-12, 14 & 15, Eric and Nancy Rochelle Trustees & Peter Ottesen Trustee; Eric Rochelle and Nancy L. Rochelle, Trustees of the Rochelle Family Trust U/A Dated April 21, 2006; and Peter J. Ottesen, as Trustee of the Child's Trust Under the Otto J. Ottesen Revocable Trust Dated February 13, 1992
      8) 052-181-18 & 20, Ocean Field Holdings, LLC;
      9) 046-151-36 & 37, Kitayama Brothers, Inc.;
      10) 052-191-59, 650 Howard 2017, LLC; Junco Partner Holdings LLC; and Caravan Holdings LLC
      11) 052-221-14 & 17, Watsonville Exchange, Inc.

      Agency Negotiators: Brian Lockwood, Richard Smith
      Under Negotiation: Price, terms of payment or both
   B. **Public Employment/Conference with Labor Negotiators**
      (Cal. Govt. Code §§54957, 54957.6)

Title: General Manager
Agency designated representative(s): Chair and Vice-Chair; General Counsel
Unrepresented employee: General Manager

Open Session (anticipated to resume at 7:00 p.m.)

7. Director Comments

8. Counsel Report

9. General Manager Report

10. Consent Agenda

All items appearing on the Consent Agenda are recommended actions which are 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. Approve March 19, 2025, Board Meeting Minutes
B. Approve Financial Reports

11. Informational Items

A. Receive Projects & Programs Update

12. Discussion and/or Action Items

A. Consider Adopting Preliminary Budget for Fiscal Year Ending June 30, 2026
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

B. Reconsideration of Board of Directors March 19, 2025, Motion Concerning Resolution 2025-02, Finding, Determining, and Declaring that the Public Interest and Necessity Require the Interests in Certain Real Property (Assessor's Parcel Numbers 052-181-18, 052-181-20) by Eminent Domain
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

C. Consider Santa Cruz Local Agency Formation Commission Run-Off Election for Special District Regular & Alternate Member Seats
   1. Introduction by staff
   2. Questions from Board
   3. Public comment
   4. Board discussion and deliberation
   5. Board action

13. Monthly Reports/Presentations

A. Facility Operations Report
B. Board Committee Reports available at www.pvwater.org

C. Public Outreach Update

14. Correspondence

15. Future Meetings

A. Projects & Facility Operations Committee Meeting, Wednesday, April 30, 2025, 3:00 p.m., Water Resources Center, 500 Clearwater Lane, Watsonville
B. Administration & Finance Committee, Tuesday, May 6, 2025, 3:00 p.m., PV Water Conference Room, 36 Brennan St., Watsonville
C. Board of Directors Meeting, Wednesday, May 21, 2025, 7:00 p.m., City Council Chambers, 275 Main St.,4th Floor, Watsonville
D. Projects & Facility Operations Committee Meeting, Wednesday, May 28, 2025, 3:00 p.m., Water Resources Center, 500 Clearwater Lane, Watsonville

Adjournment

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#

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Board of Directors Meeting
March 19, 2025, 7:00 p.m.

City of Watsonville
Council Chambers
275 Main St., 4th Floor
Watsonville, CA

DRAFT BOARD MEETING MINUTES

1. **Call to Order:** The Regular Board Meeting of Pajaro Valley Water Management Agency was called to order at 7:03 p.m. by Chair Rider, at City of Watsonville Council Chambers, 275 Main St., 4th Floor, Watsonville, CA

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

Board Members Present:	Chair Rider Vice Chair Bannister Treasurer Culbertson Director Broz Director Newell
Board Members Absent:	None
Staff Members Present:	Brian Lockwood, General Manager (GM) Marcus Mendiola, Water Conservation and Outreach Specialist (WCOS) Casey Meusel, Associate Hydrologist (AH) Nancy Trevino, Finance & Admin Services Manager (FASM) Asia Valdivia, Executive Assistant/Board Secretary (EA/BS)
Others Present:	Anthony Condotti, Agency Counsel (AC) Via Teleconference: Tom Rider (Community Member) Ricky Gutierrez (Carollo Consultants)

3. **Pledge of Allegiance:**

4. **Oral Communications: None**

5. **Director Comments:**

Chair Rider reported that he attended the National Agriculture Day luncheon along with other Board members and PV Water staff. He mentioned that local non-profit, Food What!, is looking for ag land

to increase its operations and commented that there could be a possibility of using some of PV Water's land at the Lipanovich Ranch adjacent to the College Lake Project.

6. Counsel Report: None

7. General Manager Report:

GM Lockwood also attended the National Agriculture Day luncheon. GM Locked announced PV Water's Water Conservation and Outreach Specialist, Marcus Mendiola, has been accepted into the Focus Agriculture Class 34. ACWA hosted its quarterly policy meetings on March 13, and the Groundwater Committee included a presentation by Santa Cruz County's Water Resources Manager, Sierra Ryan, on the recently completed process to the County took to update its Well Ordinance. The Spring ACWA conference is May 13-15 in Monterey. PV Water, along with Cabrillo College, UCSC, other water districts, cities, and first responders are participating in a Santa Cruz County led effort to update its Multi-Jurisdictional Hazard Mitigation Plan. The group will meet next on March 27. Save the date for the 2025 Sustainable Groundwater Management Act (SGMA) Implementation and Legislative Summit, hosted by the Groundwater Resources Association (GSA) of California and ACWA on May 27-28 in Sacramento.

8. Consent Agenda

A. Approve February 19, 2025, Board Meeting Minutes
B. Approve Financial Reports
C. Approve Proposed Budget Amendments for Fiscal Year Ending June 30, 2025
D. Adopt Association of California Water Agencies Joint Powers Authority (ACWA-JPIA) Commitment to Excellence
E. Approve Revised Administration and Finance Committee Revised Meeting Dates for April and May 2025

Action: Vice Chair Bannister moved to approve the Consent Agenda as presented; seconded by Director Newell.

Motion carried by the following voice vote:

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

9. Informational Items

A. Received Summary of Sustainable Groundwater Management Act (SGMA) Annual Report, Water Year 2024

Presented by PV Water Associate Hydrologist, Casey Meusel. Department of Water Resources (DWR) provides guidelines for annual reports. The presentation slide deck and full written report can be found on the PV Water website. Staff will submit the report to DWR before the April 1, 2025, deadline.

B. Received Projects & Programs Update from GM Lockwood, a summary is available in the staff report.

10. Discussion and/or Action Items

A. Consider Adoption of Resolution 2025-03 Approving the Addendum to the Watsonville Slough System Managed Aquifer Recharge & Recovery Project Environmental Impact Report (SCH No. 2019059130); Consider Adoption of Resolution 2025-04 Selecting, Approving, and Adopting Modifications to the Watsonville Slough System Managed Aquifer Recharge & Recovery Project

Received a project overview, highlights of proposed facilities, a review of project costs, schedule, and risks, and an environmental impact report (EIR) overview from Ricky Gutierrez of Carollo Engineers. The 100% design construction cost estimate is $42 million but ranges from $36 million to $51 million, with a construction midpoint of January 2027. Risks to the schedule include procurement of property rights and permits.

Overview of EIR for project. Changes since 2024 include, pipeline was moved to avoid wetlands, pump moved to SC Land Trust land, and red legged frog protection created. The presentation slide deck is available on PV Water website.

Action: Director Newell moved to adopt resolution 2025-03, Approving the Addendum to the Watsonville Slough System Managed Aquifer Recharge and Recovery Project Environmental Impact Report (SCH No. 2019059130), and resolution 2025-04, Selecting, Approving, and Adopting Modifications to the Watsonville Slough System Managed Aquifer Recharge and Recovery Project. Seconded by Vice Chair Bannister.

Motion carried by the following voice vote:

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

B. Consider Adoption of Resolution 2025-02, Finding, Determining, and Declaring that the Public Interest and Necessity Require the Acquisition of Interests in Certain Real Property (Assessor's Parcel Numbers 052-181-18, 052-181-20) by Eminent Domain

GM Lockwood stated that this property affects the southeast recharge basin, associated easements, and monitoring well components of the Pajaro Valley Basin Management Plan (BMP) project. This property has been identified essential for the project following extensive studies. After several attempts to initiate dialogue, communications between PV Water and Ocean Field Holdings (OFH), and/or their attorneys, have not been fruitful. Under advisement from Agency legal counsel, PV Water staff is looking to bring this to the superior court to condemn the property in compliance with State law. The Agency must make specific findings as outlined in California Code of Civil Procedure Section 1245.230(c). Negotiations with OFH is the desired outcome as this allows for conversations around a mutually agreeable price, however the project needs to move forward regardless.

Agency Counsel added that in order for this resolution to pass it must receive a unanimous vote from the five Directors present.

Action: Vice Chair Bannister motioned to adopt Resolution 2025-02, Finding, Determining, and Declaring that the Public Interest and Necessity Require the Acquisition of Interests in Certain

Real Property (Assessor's Parcel Numbers 052-181-18, 052-181-20) by Eminent Domain. Treasurer Culbertson seconded. Chair Rider called for a roll call vote.

Motion failed by the following roll call vote:

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

C. Consider Approval of Recycled Water Facility Electrical Improvements and Variable Frequency Drive (VFD) Replacement Project in Collaboration with the City of Watsonville with a Cost Estimate of Approximately $1,350,000

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

Motion carried by the following voice vote:

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

11. Monthly Reports/Presentations

A. Facility Operations Report
   1. Received 2024 Supplemental Water Production Monthly Summary as of February 2025.

B. Board Committee Reports available at www.pvwater.org

C. Public Outreach Update
   a. PV Water will have a booth at the Santa Cruz County Fair, September 10-14, 2025
   b. On front page of Pajaronian for Pajaro River Watershed Resilience Program meeting at the Aromas Grange on March 10th

12. Correspondence

13. Future Meetings

A. Projects & Facility Operations Committee, Wednesday, March 26, 2025, 3:00 p.m., Water Resources Center, 500 Clearwater Lane, Watsonville
B. Administration & Finance Committee, Tuesday, April 1, 2025, 3:00 p.m., PV Water Conference Room, 36 Brennan St., Watsonville
C. Board of Directors, Wednesday, April 16, 2025, 7:00 p.m., City Council Chambers, 275 Main Street, 4th Floor, Watsonville
D. Projects & Facility Operations Committee, Wednesday, April 30, 2025, 3:00 p.m., Water Resources Center, 500 Clearwater Lane, Watsonville

14. Future Agenda Items

Adjourned at 9:01 p.m.

_____ _____

Asia Valdivia, Board Secretary **Date Approved**

PAJARO VALLEY WATER MANAGEMENT AGENCY

Account Activity Report per Bank Statement

	Date	Deposits	Withdrawals	Balance
CLEARING ACCOUNT - Mechanics				
Beginning Balance	2/1/2025			$190,084
Cash Receipts		1,481		
Disbursements			3,825,829	
Transfers		3,721,823		
Bank Fees				
Ending Balance	2/28/2025			$87,559
GENERAL FUND10-MMA Mechanics				
Beginning Balance	2/1/2025			$1,911,245
Cash Receipts		1,400		
Transfers			18,008	
Interest Earned		6,550		
Bank Fees				
Ending Balance	2/28/2025			$1,901,187
GENERAL FUND 10 - LAIF				
Beginning Balance	2/1/2025			$2,395,727
Transfers				
Interest Earned				
Ending Balance	2/28/2025			$2,395,727
GENERAL FUND 20 - LAIF				
Beginning Balance	2/1/2025			$8,797,169
Transfers				
Interest Earned				
Ending Balance	2/28/2025			$8,797,169
SPECIAL REVENUE FUND 20-ACH Clearing Acct Mechanics				
Beginning Balance	2/1/2025			$0
Cash Receipts		3,039,532		
Sweep/Transfers			3,039,532	
Disbursments/ACH-Wire				
Bank Fees				
Ending Balance	2/28/2025			$0
SPECIAL REVENUE FUND 20-Operating Mechanics				
Beginning Balance	2/1/2025			$11,473
Cash Receipts		1,205,430		
Transfers			1,123,816	
Disbursments/ACH-Wire				
Bank Fees			3,254	
Interest Earned				
Ending Balance	2/28/2025			$89,833
SPECIAL REVENUE Fund 20 Cash Mgmt-FUND20MMN Mechanics				
Beginning Balance	2/1/2025			$11,197,377
Transfers		3,484,532	3,025,000	
Disbursments/ACH-Wire				
Bank Fees				
Interest Earned		39,244		
Ending Balance	2/28/2025			$11,696,153
Certificate of Deposit - DWR Loan Reserve Mechanics Fund 40				
Beginning Balance	2/1/2025			$277,463
Interest Earned		1,142.92		
Ending Balance	2/28/2025			$278,606
Certificate of Deposit - SRF-D1501023				
Beginning Balance	2/1/2025			$81,419
Transfers				
Interest Earned				
Ending Balance	2/28/2025			$81,419

Prior Month Ending Cash Balance:	Total Deposits:	Total Withdrawals:	Month End Cash Balance:
24,861,958	11,501,135	11,035,438	25,327,655
Cash Transfers	7,206,355	7,206,355	-
Actual Cash Receipts/Disbursements	4,294,780	3,829,083	

PAJARO VALLEY WATER MANAGEMENT AGENCY
INVESTMENT REPORT
ALL FUNDS
February 28, 2025

Description	Current Yield	Investment	% of Total Portfolio	Weighted Yield
Mechanics Clearing Account	0.00%	**$87,559**	0.35%	0.00%
General Fund 10				
Mechanics General Fund 10 Money Market Account	4.58%	1,901,187	7.51%	0.34%
Local Agency Investment Fund	4.62%	2,395,727	9.46%	0.44%
		$4,296,914		
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%	89,833	0.35%	0.00%
Mechanics Special Revenue Fund 20 Money Market Account	4.58%	11,696,153	46.18%	2.12%
Local Agency Investment Fund	4.62%	8,797,169	34.73%	1.60%
		$20,583,156		
Long Term Debt Fund 40				
Mechanics Certificate of Deposit DWR Loan Reserve	4.85%	$278,606	1.10%	0.05%
Mechanics Certificate of Deposit SRF-D1501023	4.85%	$81,419	0.32%	0.02%
		360,026		
	Total:	**$25,327,655**	**100.0%**	

Total Funds Reserved	360,026
Total Funds Invested	24,790,237
Total Funds Non-Interest Bearing	177,393
Total Funds	**$25,327,655**
Total Available Funds	24,967,630
Cash Reserve Policy Requirements (PV Water)	7,120,000
Surplus (Deficit) of Funds	**$17,847,630**

Accounts Payable

Checks by Date - Detail by Check Date

User: Priscilla
Printed: 3/25/2025 8:59 AM

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
ACH	R305	RINCON CONSULTANTS, INC	03/04/2025	
	24-16204	Proj#24-16204 River watershed Resilience for 1/25		126,383.75
			Total for this ACH Check for Vendor R305:	126,383.75
45867	A190	ACE HARDWARE OF WATSONVILLE INC	03/04/2025	
	235561/235748	CDS/Meters/Hydro/ Field Supplies for 2/25		145.84
			Total for Check Number 45867:	145.84
45868	C1000	CHAPPELL PUMP & SUPPLY WELL DRILLING	03/04/2025	
	111321	Hydrasonic clean water well perforations		6,893.23
			Total for Check Number 45868:	6,893.23
45869	C1580	SPECTRUM BUSINESS COMMUNICATIONS	03/04/2025	
	0124982022025	76 Holohan/Internet/communication for 2/20 to 3/19/25		136.23
	0154296022325	36 Brennan Line & Internet services for 2/20 to 3/19/25		696.33
			Total for Check Number 45869:	832.56
45870	C960	CARDIFF PEST CONTROL INC	03/04/2025	
	0154835	36 Brennan Pest Control Quarterly for 2/21/25		110.00
	0154987	76 Holahan Pest Control Quarterly for 2/21/25		135.00
			Total for Check Number 45870:	245.00
45871	D310	UNITED STATES GEOLOGICAL SURVEY	03/04/2025	
	90082261	USGS Professional Services & Expenses for Oct 1,-Dec 31,2024		11,500.00
			Total for Check Number 45871:	11,500.00
45872	G330	GUTIERREZ CONSULTANTS, INC.	03/04/2025	
	1959	MBLRP Multi-Benefit Land Repursposing Prg Grant 1/1 to 1/31/25		3,861.00
	1960	DWR Watershed Resilience Grant for 1/1 to 1/31/25		2,860.00
			Total for Check Number 45872:	6,721.00
45873	J215	JUAN CADENAS	03/04/2025	
	REIMB	Reimb. for CLA-VAL Training/Costa Mesa for 2/25		166.57
			Total for Check Number 45873:	166.57
45874	J251	JAIME MARQUEZ	03/04/2025	
	REIMB	Reimb. for CLA-VAL Training/Costa Mesa for 2/25		147.91
			Total for Check Number 45874:	147.91
45875	K310	KITTLESON ENVIRONMENTAL CONSULTING	03/04/2025	
	025.44	PVWMA 2024 Biological Consulting for 1/1 - 2/20/25		5,200.50
			Total for Check Number 45875:	5,200.50

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
45876	M1010	MAGNOLIA GARDENING INC	03/04/2025	
	34832	36 Brennan Building Mo. Landscape Maint. for 2/25		90.00
	34863	76 Holohan Rd Mo. Landscape Maint. for 2/25		100.00
			Total for Check Number 45876:	190.00
45877	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	03/04/2025	
	250210054	Water Samples Surface for 2/10/25		434.00
	250210055	Water Samples CDS for 2/10/25		1,870.00
	250210056	Water Samples CDS for 2/10/25		187.00
			Total for Check Number 45877:	2,491.00
45878	M450	MATT FULLER	03/04/2025	
	REIMB	Reimb. for CLA-VAL Training/Costa Mesa for 2/25		36.00
			Total for Check Number 45878:	36.00
45879	O217	OFFICE AND HOME CLEANING SERVICES	03/04/2025	
	2762	36 Brennan Mo. Office housekeeping for 2/25		600.00
	2763	76 Holohan Mo. Housekeeping for 2/25		600.00
			Total for Check Number 45879:	1,200.00
45880	P180	PENINSULA MESSENGER LLC	03/04/2025	
	1476454	Monthly RaboBank Courier for 2/25		139.00
			Total for Check Number 45880:	139.00
45881	P510	PAJARO VALLEY PRINTING	03/04/2025	
	48835	4000 Inv. Stock Blank Paper Perforated for 2/25		602.53
	48850	3500 Self Seal W./2500-Reg./3000-Ret. Env. for 2/25		2,830.45
			Total for Check Number 45881:	3,432.98
45882	P800	PG & E	03/04/2025	
	0688235687-3	Service at 76 Holohan Rd for 1/19 to 2/19/25		998.99
	2926809320-9	Service at 36 B Brennan St for 1/21 to 2/19/25		283.59
	3015753830-4	Electric Pump/2 homes/116 & 76 Holohan for 1/19 to 2/19/25		17.07
	3771390038-1	Service at Jensen Rd #3 for 1/17 to 2/17/25		35.00
	4291054495-8	Service at 475 San Andreas Rd for 1/18 to 2/18/25		1,114.18
	5290624576-7	Service at 2240 Beach Rd for 1/17 to 2/17/25		24.63
	5916054391-0	Service at 187C San Andreas Rd for 1/18 to 2/18/25		1,795.99
			Total for Check Number 45882:	4,269.45
45883	S1405	SC FUELS INC	03/04/2025	
	1010577	Agency Vehicle Fuel for 2/17 to 2/28/25		507.75
			Total for Check Number 45883:	507.75
45884	S1681	SHAMROCK OFFICE SOLUTIONS	03/04/2025	
	4310964-CAL	Upstairs/Cont#6839-01 printer usage/BW & Clr for 2/25 - 3/1/25		111.14
	4312412-CAL	76 Holohan/Cont#CN32691-01 usage/BW & Clr for 2/2 - 3/1/25		7.94
			Total for Check Number 45884:	119.08
45885	S2457	STATE OF CALIFORNIA THE RESOURCES AGENCY	03/04/2025	
	2504E77008	P & I /Prop.13 Ground Water Recharge Bond/Contr#E77008 for 2/25		125,707.87
			Total for Check Number 45885:	125,707.87
45886	S2615	STORDOK	03/04/2025	
	53549592	Office/Shredding docs for 2/25		50.00
			Total for Check Number 45886:	50.00

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
45887	T305	TELSTAR INSTRUMENTS, INC.	03/04/2025	
	125616	Job# 30-43035 Scada for 2/25		6,846.51
			Total for Check Number 45887:	6,846.51
45888	T345	THE HOME DEPOT CREDIT SERVICES	03/04/2025	
	8511972/8212433	Holohan/CDS/Meters Field Supplies for 1/25		355.92
			Total for Check Number 45888:	355.92
45889	W400	CITY OF WATSONVILLE UTILITIES	03/04/2025	
	CUST#602389	Office Monthly Utilities for 1/14 to 2/12/25		176.34
			Total for Check Number 45889:	176.34
45890	W400	CITY OF WATSONVILLE UTILITIES	03/04/2025	
	33983	Operational Water Treatment Plant for 7/1 thru 9/30/24		643,138.58
			Total for Check Number 45890:	643,138.58
45891	Z100	ZAG TECHNICAL SERVICES, INC.	03/04/2025	
	151072	IT-Agreement CSP for 11/24		362.00
	300144	IT-Professional Support Agreement for 12/24		2,264.88
	300305	IT-Contract Mo.Subs/Agreement MS-CSP365 for 12/24		362.00
	300362	IT-Mo. Subs./base retention Agreement-Datto Cloud for 12/24		970.80
	300438	IT-Professional Support Agreement for 12/24		102.50
	300523	IT-Professional Support Agreement for 1/25		205.00
	300553	IT-Billable/Regular Support Agreement for 1/25		2,100.00
	300568	IT-Monthly Agreement-KnowBe4 Security Awarness for 1/25		164.88
	30112	IT-Professional Support Agreement for 12/24		358.75
	301154	IT-Contract Mo.Subs/Agreement MS-CSP365 for 2/25		379.03
	301191	IT-Mo. Subs./base retention Agreement-Datto Cloud for 2/25		970.80
			Total for Check Number 45891:	8,240.64
			Total for 3/4/2025:	955,137.48
ACH	C571	CALIFORNIA BANK OF COMMERCE	03/05/2025	
	91602-20R	Escrow#1159045 Ret.CL Pro #30-39-501-for 12/1 - 12/31/24		55,512.42
			Total for this ACH Check for Vendor C571:	55,512.42
ACH	M2213	MOUNTAIN CASCADE, INC.	03/05/2025	
	91602-20	CL/Contr$44,989,854 Project#30-39-501 for 12/1 - 12/31/24		1,054,735.95
			Total for this ACH Check for Vendor M2213:	1,054,735.95
ACH	M2214	MOUNTAIN CASCADE, INC.	03/05/2025	
	91601-20	CL/Contr$23,707,310 Project#30-39-502 for 12/1 - 12/31/24		1,102,102.11
			Total for this ACH Check for Vendor M2214:	1,102,102.11
			Total for 3/5/2025:	2,212,350.48
ACH	A1250	AFLAC- FLEX ONE	03/07/2025	
	EE Deferrals	EE PR Deferrals		609.63
			Total for this ACH Check for Vendor A1250:	609.63
ACH	A300	ACWA/JPIA	03/07/2025	
	Inv705472	EE PR Deferrals		34,155.46
			Total for this ACH Check for Vendor A300:	34,155.46

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	03/07/2025	
	EE Deferrals	EE PR Deferrals		5,260.00
			Total for this ACH Check for Vendor N125:	5,260.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	03/07/2025	
	EE Deferrals	EE PR Deferrals		1,954.94
	EE Retirement Contrib	ER/EE Retirement Contributions		11,762.02
			Total for this ACH Check for Vendor P1300:	13,716.96
ACH	P555	PVWMA-Cafeteria Account	03/07/2025	
	EE Deferrals	EE PR Deferrals		981.88
			Total for this ACH Check for Vendor P555:	981.88
			Total for 3/7/2025:	54,723.93
ACH	c1099	CAROLLO ENGINEERS INC	03/20/2025	
	FB63774	PV Water Watsonville Slough System Design Svcs for 2/1 - 2/28/25		8,358.69
	FB63889	PV Water CL Int Res Mgmt Plan Design Svcs for 2/1 - 2/28/25		42,882.00
			Total for this ACH Check for Vendor c1099:	51,240.69
ACH	c571	CALIFORNIA BANK OF COMMERCE	03/20/2025	
	91602-21R	Escrow #1159045 Ret. CL Pro#30-39-501 for 1/1 - 1/31/25		26,570.13
			Total for this ACH Check for Vendor c571:	26,570.13
ACH	j301	JACOBS ENGINEERING GROUP INC.	03/20/2025	
	W8Y08701-022	Prof. Svcs 1/25/25 to 2/28/25		20,599.34
			Total for this ACH Check for Vendor j301:	20,599.34
ACH	M1872	MICROSOFT	03/20/2025	
	E0400VHNG7	IT-Online Hydrology 365 Support		12.50
			Total for this ACH Check for Vendor M1872:	12.50
ACH	M1875	MICROSOFT AZURE	03/20/2025	
	E0600VIKX3	IT-Support Pay as You Go		15.00
			Total for this ACH Check for Vendor M1875:	15.00
ACH	m2213	MOUNTAIN CASCADE, INC.	03/20/2025	
	91602-21	CL/Contr$44,989,854 Project#30-39-501 fir 1/1/ - 1/31/25		504,832.55
			Total for this ACH Check for Vendor m2213:	504,832.55
ACH	r305	RINCON CONSULTANTS, INC	03/20/2025	
	64130	PV Water - Watershed Resilience Plan 2/1 - 2/28/25		132,254.52
			Total for this ACH Check for Vendor r305:	132,254.52
ACH	r40	CARDMEMBER SERVICE	03/20/2025	
	FEB2025	Feb 2025 Agency Credit Card Purchases		4,723.51
			Total for this ACH Check for Vendor r40:	4,723.51
ACH	s2865	SWCA ENVIRONMENTAL CONSULT. INC.	03/20/2025	
	215378	CL Int. Resources Mngmnt Project for 2/1 - 2/28/25		14,082.50
			Total for this ACH Check for Vendor s2865:	14,082.50

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
ACH	t111	TANNER PACIFIC, INC	03/20/2025	
	25-082	CL Construction Mgmt WTP 2/1 - 2/28/25		277,698.28
			Total for this ACH Check for Vendor t111:	277,698.28
45892	UB*00689	APTOS BERRY FARMS	03/20/2025	
		Refund Check 025138-000, 1905 BEACH ROAD		4,922.83
			Total for Check Number 45892:	4,922.83
45893	UB*00693	BAYVIEW FARMS LLC	03/20/2025	
		Refund Check 025379-000, 72		25,200.00
			Total for Check Number 45893:	25,200.00
45894	UB*00690	DOLE FRESH VEGET	03/20/2025	
		Refund Check 025479-000, TRAFTON RD		5,182.80
		Refund Check 025479-000, TRAFTON RD		77.74
			Total for Check Number 45894:	5,260.54
45895	UB*00641	GEM-PACK BERRIES LLC	03/20/2025	
		Refund Check 025326-000, 482 SAN ANDREAS RD		356.66
			Total for Check Number 45895:	356.66
45896	UB*00679	GEM-PACK BERRIES LLC	03/20/2025	
		Refund Check 024831-000, 442 SAN ANDREAS RD		183.31
			Total for Check Number 45896:	183.31
45897	UB*00681	GEM-PACK BERRIES, LLC	03/20/2025	
		Refund Check 025325-000, 252 SAN ANDREAS ROAD		16,744.99
			Total for Check Number 45897:	16,744.99
45898	UB*00685	ROBERT A & LORETTA A TRS HEATH	03/20/2025	
		Refund Check 021097-000, 2115 SAN JUAN RD		132.00
			Total for Check Number 45898:	132.00
45899	UB*00686	J REYES PEREZ SOLE PROP	03/20/2025	
		Refund Check 025013-000, 125 HECKER PASS RD		135.96
			Total for Check Number 45899:	135.96
45900	UB*00691	MICHELLE R MAHONEY	03/20/2025	
		Refund Check 025069-000, 295 WEBB RD		260.04
			Total for Check Number 45900:	260.04
45901	UB*00682	MICHAEL MATIASEVICH	03/20/2025	
		Refund Check 022438-000, 974 SAN JUAN RD		21.86
			Total for Check Number 45901:	21.86
45902	UB*00692	MONICA MOLINA	03/20/2025	
		Refund Check 025013-000, 125 HECKER PASS RD		154.04
			Total for Check Number 45902:	154.04
45903	UB*00684	ALBERTO PENILLA	03/20/2025	
		Refund Check 023969-000, 445 GREEN VALLEY RD		3,391.15
			Total for Check Number 45903:	3,391.15

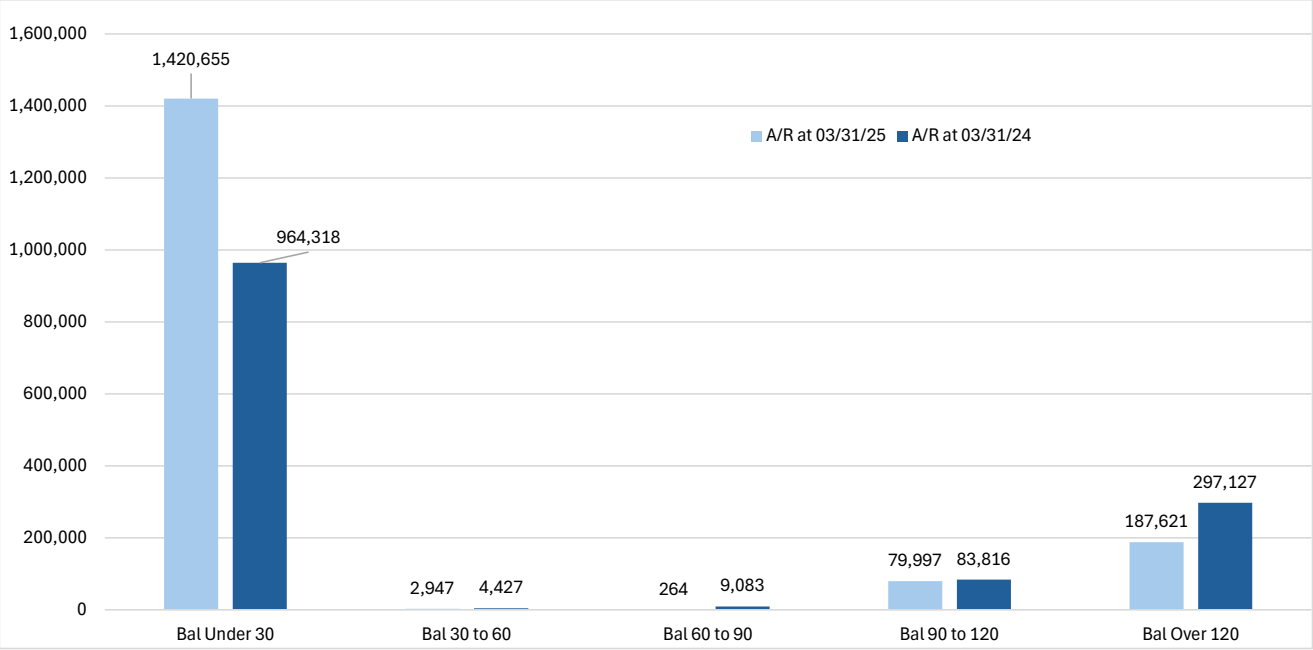
Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
45904	UB*00680	TANIMURA & ANTLE INC	03/20/2025	
		Refund Check 025335-000, 1615 SAN JUAN RD		7,038.71
			Total for Check Number 45904:	7,038.71
45905	UB*00683	TANIMURA & ANTLE INC	03/20/2025	
		Refund Check 025130-000, 1475 SAN JUAN RD		1,433.29
			Total for Check Number 45905:	1,433.29
45906	UB*00688	TANIMURA & ANTLE INC	03/20/2025	
		Refund Check 024978-000, CLEARWATER LANE		1,242.11
			Total for Check Number 45906:	1,242.11
45907	UB*00687	TOMATERO ORGANIC FARMS	03/20/2025	
		Refund Check 025377-000, 87 SANDERLING HILL		71.00
			Total for Check Number 45907:	71.00
45908	UB*00542	RUDY C & ESTHER H VASQUEZ	03/20/2025	
		Refund Check 001986-001, 65 SPRINGFIELD RD		12.60
			Total for Check Number 45908:	12.60
45909	UB*00662	Willoughby Farms Inc	03/20/2025	
		Refund Check 025478-000, 537 RIVERSIDE RD		4,276.32
			Total for Check Number 45909:	4,276.32
45910	a800	A TOOL SHED EQUIPMENT RENTALS	03/20/2025	
	1734913-6	76 Holohan Floodwater Moisture Removal	Drying & Dehum	1,223.04
			Total for Check Number 45910:	1,223.04
45911	a110	AM CONSERVATION GROUP, INC.	03/20/2025	
	IN1778752	Hose Nozzle & Showehead	Hose Nozzle & S	1,143.46
			Total for Check Number 45911:	1,143.46
45912	A850	AVAYA FINANCIAL SERVICES.	03/20/2025	
	46673054	Phone/VM Lease Agreement for 3/1 - 3/31/25		435.12
			Total for Check Number 45912:	435.12
45913	b195	BALANCE HYDROLOGICS, INC	03/20/2025	
	225177-0225	WS Field Measurements & Data Processing	Watsonville Slou	5,674.85
			Total for Check Number 45913:	5,674.85
45914	b102	BKS LAW FIRM, PC	03/20/2025	
	8812-0005	Legal Prof. Service Watsonville Slough WSR for 2/25		4,072.36
			Total for Check Number 45914:	4,072.36
45915	c103	CBEC ECO ENGINEERING	03/20/2025	
	50197	CL/PS Hydrologic & Water Monitoring 2025 & 2026 for 1/8 - 2/21		29,725.15
			Total for Check Number 45915:	29,725.15
45916	e500	ENVIRONMENTAL SCIENCE ASSOCIATES	03/20/2025	
	205458	PS/Updating Pipeline Project for 2/1 - 2/28/25		11,903.99
			Total for Check Number 45916:	11,903.99
45917	F360	FIRST ALARM, INC	03/20/2025	
	877196	Brennan & Holohan Qrtly Alarm Services for 4/1 - 6/30/25		951.27
			Total for Check Number 45917:	951.27

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
45918	G195	GREENWASTE RECOVERY LLC	03/20/2025	
	ID#219557	76 Holohan Green Waste for 2/25	219557	134.95
			Total for Check Number 45918:	134.95
45919	M1010	MAGNOLIA GARDENING INC	03/20/2025	
	35291	76 Holohan Rd Mo. Landscape Maint.		90.00
	35357	36 Brennan Building Mo. Landscape Maint.		100.00
			Total for Check Number 45919:	190.00
45920	p1160	MIKE PODLECH	03/20/2025	
	2622	CL Fisheries Support Prof. Services for 2/1 to 2/28/25		1,050.00
			Total for Check Number 45920:	1,050.00
45921	m1175	MONTEREY BAY ANALYTICAL SERVICE INC	03/20/2025	
	250211091	Surface Water 2/11/25	Surface Water Te	2,451.00
	250211095	Surface Water 2/11/25, Courier #2	Surface Water Te	1,562.00
	250219068	Ground Water 2/19/25		2,171.00
	250220067	Ground Water 2/20/25		885.00
	250224045	CDS 2/24/25		1,910.00
	250320PV-CR	CM for Inv241212089		-103.00
	250320PV-CR	CM for Inv241212088		-515.00
	250320PV-CR	CM for Inv250110018		-102.00
	250320PV-CR	CM for Inv241212086		-334.00
			Total for Check Number 45921:	7,925.00
45922	m1800	MONTEREY COUNTY FARM BUREAU	03/20/2025	
	CART#0190663	Membership #091434-27-01 Fee for 4/30/25 - 4/30/26	Annual Members	950.00
			Total for Check Number 45922:	950.00
45923	m1865	MONTGOMERY & ASSOCIATES INC	03/20/2025	
	9090-25-1	PV Water WY 2024 Annual Report	Review & Suppo	1,993.50
	9090-25-2C	PV Water Blend Well No. 4 CM		1,775.90
			Total for Check Number 45923:	3,769.40
45924	t325	NANCY TREVINO	03/20/2025	
	REIMB	FASM Reimb. Mileage for CSFMO Conf. on 2/20/25		64.40
			Total for Check Number 45924:	64.40
45925	P800	PG & E	03/20/2025	
	1787734656-3	Service at 1859 Beach Rd for 2/6 - 3/9/25		1,455.93
	9214983032-2	Service at 1931 Beach rd for 2/6 -3/9/25		2,370.35
	9218085363-9	Service at162 San Andreas Rd for 2/6 -3/9/25		15,399.49
	9968544374-1	Service at Office -36 Brennan for 2/6 - 3/9/25		1,152.92
			Total for Check Number 45925:	20,378.69
45926	s610	SANTA CRUZ CO. DPW.DEPT.COMM. & INFRASTRUCTURE	03/20/2025	
	P63256	Jan 2025 Charges - CL Pipeline Field Inspection		903.34
			Total for Check Number 45926:	903.34
45927	V369	VERIZON WIRELESS	03/20/2025	
	6107357527	Agency Personnel Cell Phones & equipt. for 2/2 - 3/1/25		495.61
			Total for Check Number 45927:	495.61

Check No	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check Amount
45928	Z100	ZAG TECHNICAL SERVICES, INC.	03/20/2025	
	301351	IT-Billable/Regular Support Agreement		2,100.00
	301367	IT-Monthly Agreement-KnowBe4 Security Awarness		164.88
			Total for Check Number 45928:	2,264.88
			Total for 3/20/2025:	1,196,121.94
ACH	A1250	AFLAC- FLEX ONE	03/21/2025	
	EE Deferrals	EE PR Deferrals		609.63
			Total for this ACH Check for Vendor A1250:	609.63
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	03/21/2025	
	EE Deferrals	EE PR Deferrals		5,260.00
			Total for this ACH Check for Vendor N125:	5,260.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	03/21/2025	
	EE Deferrals	ER/EE Retirement Contributions		11,385.71
	EE Retirement Contrib	EE PR Deferrals		1,954.94
			Total for this ACH Check for Vendor P1300:	13,340.65
ACH	P555	PVWMA-Cafeteria Account	03/21/2025	
	EE Deferrals	EE PR Deferrals		981.88
			Total for this ACH Check for Vendor P555:	981.88
			Total for 3/21/2025:	20,192.16
ACH	T359	THE STANDARD INSURANCE COMPANY	03/26/2025	
	00-649299-0087	Long Term Disability Benefits		616.25
			Total for this ACH Check for Vendor T359:	616.25
			Total for 3/26/2025:	616.25
			Report Total (86 checks):	4,439,142.24

PV Water
Accounts Receivable Aging 3 Month Trend
As of 03/31/2025

	Balance Forward	Bal Under 30	Bal 30 to 60	Bal 60 to 90	Bal 90 to 120	Bal Over 120
Accounts Receivable before credits	1,691,483	1,420,655	2,947	264	79,997	187,621
Credits	(17,563)					
Total Accounts Receivable at 03/31/25	1,673,920					
Accounts Receivable before credits	1,358,771	964,318	4,427	9,083	83,816	297,127
Credits	(3,345)					
Total Accounts Receivable at 03/31/24	1,355,426					
Accounts Receivable before credits	632,906	-6,519	356,564	5,364	3,725	273,772
Credits	(51,414)					
Total Accounts Receivable at 02/28/25	581,492					
Accounts Receivable before credits	1,931,441	23,561	1,622,065	4,866	725	280,224
Credits	(23,341)					
Total Accounts Receivable at 01/31/25	1,908,100					



MEMORANDUM

DATE: April 11, 2025
MEETING OF: April 16, 2025
TO: Board of Directors
FROM: General Manager
RE: **INFORMATIONAL ITEM 11A:** Receive Projects & Programs Update

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BACKGROUND

Staff prepares the following report 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
    - Department of Conservation (DoC) Multibenefit Land Repurposing Grant, $8.89 million: Staff and consultants continue to meet monthly with DoC staff and the Statewide Support Entity (SSE); staff continue to work with Regional Block Grant partners to finalize the final sub-grantee agreements; staff received approval from DoC for $2.375 million to reimburse PV Water for College Lake Project expenses; Zanjero and PV Water will be meeting with Regional Block Grant Partners to plan next steps.
    - DWR Watershed Resilience Pilot Grant, $2 million: Work on the watershed delineation and watershed network development continues; staff and consultants held the first Watershed Network meeting on March 10, 2025, approximately 75 people attended, including PV Water directors and DWR staff; staff received reimbursement from DWR for Invoice No. 3 in the amount of $213,920.44.
    - Department of Water Resources (DWR) SGMA Implementation Grant, Round 1, $7.6 million supporting the College Lake Project pre-construction activities: Staff submitted a final grant completion report and have requested release of funds held in retention in the amount of $538,599.83.
- College Lake Integrated Resources Management Project
    - Construction:
        - Water Treatment Plant & Intake Facility
            - Work continues on the Intake Facility and Water Treatment Plant; commissioning meetings are ongoing.
        - Supplemental Well No. 4 (SW4)
            - The contractor successfully completed drilling and construction of SW4; development of the well to remove drilling fluids and sediment commenced shortly thereafter and continues.
        - Treated Water Pipeline
            - Meetings to discuss contract change orders primarily due to impacts of the Differing Site Condition at Salsipuedes Creek are ongoing, as are meetings related to flushing the pipeline.
            - Due to a cultural resource discovery, Caltrans required PV Water to excavate a portion of the Riverside Road to search for additional artifacts; the contractor completed this work in March.

    - Environmental: Biological, Cultural, and Native American resource monitoring is taking place as needed, and worker environmental training continues as needed.
    - Adaptive Management Plan: Hydrologic monitoring, waterfowl monitoring, and steelhead surveys will occur this year as in prior years; staff is reviewing reports summarizing 2024 monitoring results.
    - Outreach Activities: Staff continue to post information about the project online. Please check https://www.pvwater.org/construction regularly for construction related updates.
- Watsonville Slough System Managed Aquifer Recharge & Recovery Projects
    - Permitting: Work on preparing permit applications continues, in addition, staff and consultants have updated the Struve Slough Water Availability Analysis and met with Water Board Staff earlier this week to discuss the results and next steps.
    - Environmental: The addendum to the Environmental Impact Report was approved on March 19, 2025.
    - Outreach: Communications are ongoing; staff and the support team continue to meet with property owners.
- Sustainable Groundwater Management Act Well Monitoring Network Expansion
    - Permitting: Staff have held preliminary discussions with the permitting agencies of Santa Cruz and Monterey Counties to identify the necessary requirements. Well permits and encroachment permits will be required by both counties, and a coastal development permit may be required for proposed wells in the coastal zone of Santa Cruz County.
    - Property Rights: Staff engaged consultant support to procure the necessary easements and agreements for proposed wells that will be located on privately owned land.
    - Environmental: Staff engaged Environmental Service Associates (ESA) to consult on California Environmental Quality Act (CEQA) and environmental compliance. Staff received a memorandum describing the results of a cultural resources database search to support a request for exemption from CEQA.

FISCAL IMPACT

There is no fiscal impact associated with this monthly update.

STAFF RECOMMENDATION

The Committee receives the update.

ATTACHMENTS

- None

MEMORANDUM

DATE: April 4, 2025
MEETING OF: April 16, 2025
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 12A:** Consider Adopting Preliminary Budget for Fiscal Year Ending June 30, 2026

BACKGROUND

The Fiscal Year 2025-2026 (FY25-26, ending on June 30, 2026), budget funds the mission of the Agency and provides a projection of finances for the upcoming fiscal year. The budget narrative describes key activities and important assumptions taken into account to develop the budget, including activities related to the Sustainable Groundwater Management Act (SGMA), the implementation of the Basin Management Plan (BMP)- Groundwater Sustainability Update 2022 (GSU22), Agency operations, and anticipated revenue. Figures contained within the budget are based on actual data, projections, and estimations. The budget is created on an accrual basis to be consistent with the year-end financial statements. On an accrual basis, revenues are recorded as earned and expenditures are recorded when incurred.

DISCUSSION

The budget is a planning and communication tool that contains significant assumptions including but not limited to projecting groundwater extractions and delivered water sales, grant income, and progress on capital project implementation. The most significant capital projects listed in the budget include the College Lake Integrated Resources Management Project, which is presently in the construction phase, and the Watsonville Slough Managed Aquifer Recharge and Recovery Projects, which is the final design phase. The total budgeted revenues presented are $25,556,880. The total budgeted expenditures are $37,020,169.

Notable revenue-related assumptions are illustrated in Figure 1 and include:

- Management fees of $370,000
- Augmentation charge revenues of $13,000,000
- Delivered water revenues of $2.8 million
- Grant revenues of $2 million

Notable expenditure-related assumptions are illustrated in Figure 2 and include:

- Capital Projects expenditures of approximately $17,195,456 million as listed below.
    - College Lake Integrated Resources Management Project - $3.6 million
    - WSS-MARR Facility Upgrades - $11.1 million
    - Basin Monitoring Improvements - $2.3 million

Figure 1. Projected Revenues: $25,556,800

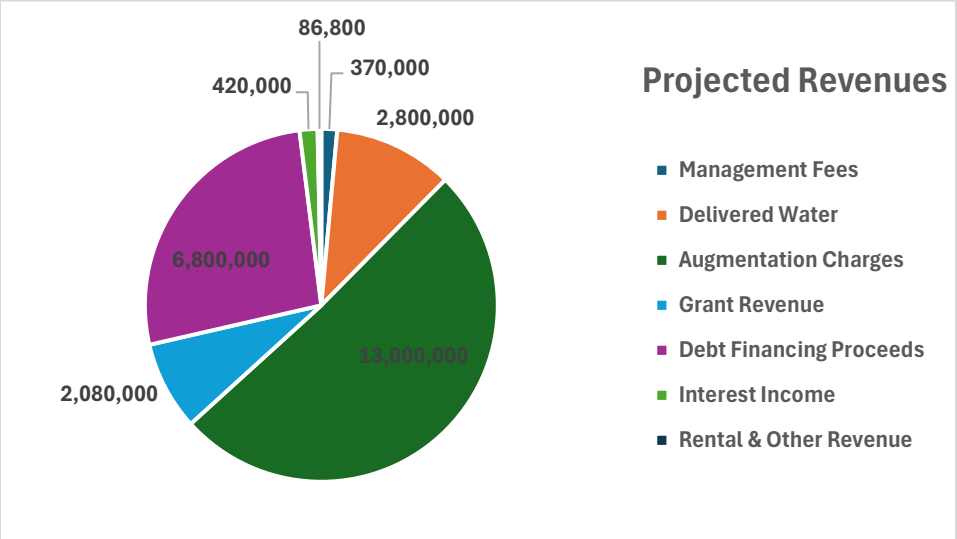
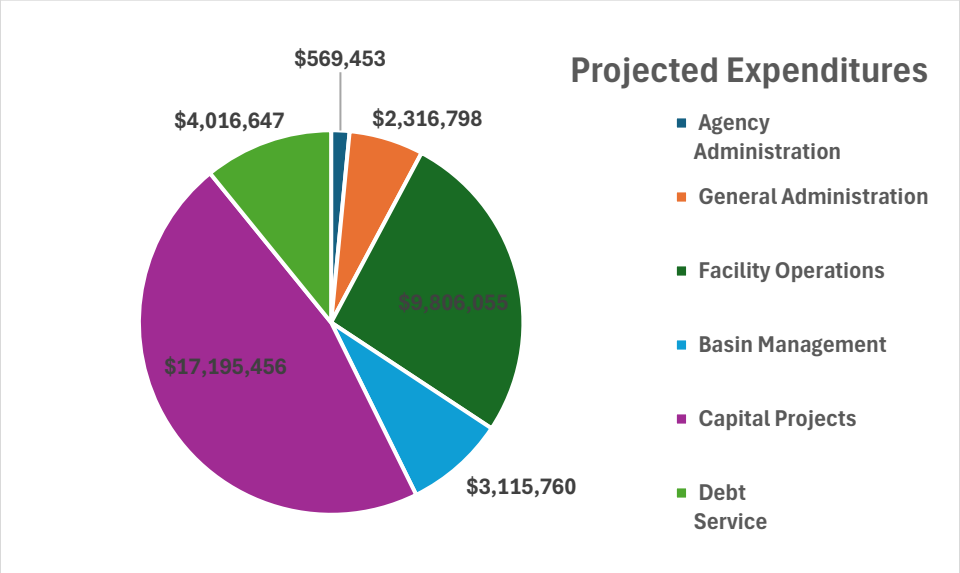


Figure 2. Projected Expenditures: $37,020,169



The Agency Act requires that the Board of Directors adopt a preliminary budget by May 15 of each year. PV Water must then publish a notice that the Board has adopted a preliminary budget, that it is available for public inspection, and hold a public hearing following the minimum two-week notice period. The Board must adopt a final budget by June 30 of each year.

The recommended timeline for budget adoption this year is as follows:

April 1, 2025	Administration and Finance Committee considers the preliminary budget.
April 16, 2025	Board considers adoption of the preliminary budget.
April 25, 2025	Staff publishes required notice of availability of the preliminary budget.
May 6, 2025	Administration and Finance Committee reviews the final budget.
May 15, 2025	Board holds public hearing and considers adoption of final budget.

FISCAL IMPACT
There is no direct impact; the budget is a planning and communication tool.

STAFF RECOMMENDATION
The Board adopt the Preliminary Budget for Fiscal Year Ending June 30, 2026.

The Administration & Finance Committee reviewed the preliminary budget at its April 8, 2025, meeting and voted in favor of recommending the Board approve it.

ATTACHMENT

- Preliminary Budget for FY25-26 provided as a stand-alone document that is available on PV Water's website here: https://www.pvwater.org/director-agendas, and directly via the following link: https://www.pvwater.org/images/board-and-committees/adminfinance_committee_assets/2025_afc_assets/Proposed_Preliminary_Budget_April.2025.pdf.

MEMORANDUM

DATE: April 4, 2025
MEETING OF: April 16, 2025
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION/ACTION ITEM 12B:** Reconsideration of Board of Directors March 19, 2025, Motion Concerning Resolution 2025-02, Finding, Determining, and Declaring that the Public Interest and Necessity Require the Interests in Certain Real Property (Assessor's Parcel Numbers 052-181-18, 052-181-20) by Eminent Domain

INTRODUCTION

After providing the requisite statutory notice, a hearing on the Resolution of Necessity for the above-referenced property was originally scheduled for January 15, 2025, but was continued to the February 19th meeting, and again continued to the March 19th meeting, due to an insufficient number of directors present for Board action on the item. At the March 19th meeting, with five Directors in attendance, a motion to approve the proposed Resolution of Necessity failed on a 4-1 vote.[1] Should the Board approve the action recommended here, a hearing on the proposed Resolution of Necessity would be noticed for and conducted at the May 21st meeting, by which time the Board will hopefully have sworn in two new directors and be fully constituted.

STAFF RECOMMENDATION

That the Board of Directors, by motion:

A. Suspend the Rules of Order to the extent of any consistency with the recommended action on Item B, below; and
B. Reconsider Board of Directors' March 19, 2025, motion to approve Resolution 2025-02, Resolution of Necessity for the Watsonville Slough System Managed Aquifer Recharge & Recovery Project finding that public necessity requires acquisition by eminent domain of an Interest on APNs 052-181-18, 052-181-20 located in the unincorporated area of Santa Cruz County, and authorizing the Agency's counsel to proceed with eminent domain proceedings to acquire the real property, and direct Staff to (1) schedule hearing on said Resolution for the May 21, 2025 regular meeting, and (2) provide the property owner notice of said hearing in accordance with Cal. Code of Civil Procedure §1245.235.

[1] A resolution of necessity by a local government agency in California must be adopted by a vote of at least two-thirds of all the members of the governing body of the public entity, not merely two-thirds of those present at the time of the vote.

BACKGROUND

The Pajaro Valley Water Management Agency (Agency) was formed, among other purposes, to provide integrated management of the ground and surface water resources within the Pajaro Valley Groundwater Basin (Pajaro Valley Basin). As the sole local agency responsible for the integrated management of water resources for the Pajaro Valley Basin, the Agency bears responsibility for the management and augmentation of water supplies for domestic, agricultural, municipal and industrial purposes.

In 1994, the Agency adopted a long-term Basin Management Plan (BMP) which identified various water supply projects involving local water sources and importation of supplemental water, to balance water demands with water supplies in the Pajaro Valley Basin. In 2002, the Agency adopted a revised BMP.

In 2010, the Agency formed an Ad Hoc BMP Committee to develop a further updated BMP that would include a portfolio of projects and programs to address the problems of seawater intrusion and basin overdraft in the Pajaro Valley Basin. This work resulted in the Agency's adoption in 2014 of an updated BMP (BMP Update).

In 2015, the Agency elected to become a Groundwater Sustainability Agency under the Sustainable Groundwater Management Act, and in 2019, the California Department of Water Resources (DWR) notified the Agency that it had approved the BMP Update and associated documents as functionally equivalent to a Groundwater Sustainability Plan. In 2023, DWR notified the Agency that it had approved the BMP: Groundwater Sustainability Update 2022 (GSU22).

Throughout much of the Pajaro Valley Basin, groundwater levels have declined because of long-term groundwater overdraft. These overdraft conditions have caused groundwater levels to drop below sea level, creating a landward pressure gradient that has resulted in seawater intrusion, groundwater quality degradation, and groundwater storage depletion. To address these circumstances, and in furtherance of the GSU22, the Watsonville Slough System Managed Aquifer Recharge and Recovery Project (Project) was developed. The primary purposes of the Project are to help balance the groundwater basin, prevent further seawater intrusion, and meet water supply needs in the Agency's service area by developing Struve Slough as a water supply source and developing a recharge basin with wells on the San Andreas Terrace to temporarily store and recover water diverted from Struve Slough.

The Project, consisting of the Harkins Slough Facilities Upgrade Project (referred to as the Harkins Slough Project) and the Struve Slough Project (previously called Watsonville Slough with Recharge Basins in the BMP), was first included in the BMP, and then analyzed as its own project in the Watsonville Slough System Managed Aquifer Recharge and Recovery Project (WSS-MARR, or Project) Environmental Impact Report (EIR; SCH No. 2019059130) which was published in September 2020. In January 2021, PV Water's Board of Directors adopted *Resolution 2021-03 Certifying the Final Environmental Impact Report, Adopting Findings Pursuant to the California Environmental Quality Act, Adopting a Statement of Overriding Considerations, and Adopting a Mitigation Monitoring and Reporting Program for the Watsonville Slough System Managed Aquifer Recharge and Recovery Projects*. The EIR evaluated potential environmental

impacts that could occur as a result of implementing the Project and provided applicable mitigation to reduce the intensity of potential environmental impacts. As part of Project approval, PV Water adopted a Mitigation Monitoring and Reporting Program (MMRP).

WATSONVILLE SLOUGH SYSTEM MANAGED AQUIFER RECHARGE & RECOVERY PROJECT

The Watsonville Slough system consists of six major branch sloughs: Watsonville, Harkins, Hanson, Struve, West Branch of Struve, and Gallighan. The slough system is a network of approximately 800 acres of coastal salt marsh, seasonal wetlands, brackish and freshwater emergent marsh and riparian communities that receives runoff from an approximately 13,000-acre watershed area.

The Project would develop facilities to use the slough water as an alternative to groundwater for agricultural irrigation. The Project components include Harkins Slough Facilities Upgrades (Filter Plant Upgrade and Existing Recharge Basin Electrical Upgrades) and the Southeast Recharge Basin and Associated Infrastructure. A water right permit application that is pending approval from the State Water Resources Control Board would provide the Agency the ability to divert up to 4,000 acre-feet per year (AFY) of water. The Project construction is estimated to occur over approximately 18 months beginning in 2026 or 2027 (pending permitting and property procurement).

As noted above, the Board of Directors certified the Final Environmental Impact Report (EIR) for the Project and approved the Project in January 2021. Since that time, staff and consultants have been preparing and submitting necessary permit applications to regulatory agencies, initiating the preparation of environmental compliance plans. The Board of Directors approved the Addendum to the certified EIR in March 2025. The Project is at the 100% design milestone. Staff have been conducting community outreach and engaging with property owners.

DISCUSSION

Subject Property

Among the properties required for the Project is the Subject Property, identified as Assessor's Parcel Numbers (APN) 052-181-18, -20. The Subject Property is an agricultural farm, totaling over 180 acres. The portion of the Subject Property required for the Project is a critical component of the Project, and includes (i) one fee take of 17.58± acres for a percolation pond, (ii) three permanent easements of 25± square feet each for test wells, and (iii) several temporary easements of 24,644± square feet for construction and access.

The title reports indicate that the Subject Property is vested as follows: Ocean Field Holdings, LLC, a California limited liability company.

Appraised Value

The Agency contracted with Piini Realty a full-service independent appraisal firm, to determine the fair market value of the properties impacted by the Project, including the Subject Property.

The appraisal, dated September 13, 2024, assigned a value of $2,285,218 to the Subject Property. Based on the appraisal prepared by Piini Realty, the Agency prepared and sent a formal offer letter to Ocean Field Holdings on November 4, 2024, to acquire the property for the appraised value. Ocean Field Holdings has not responded. Staff will continue to negotiate acquisition of the necessary property rights with Ocean Field Holdings' representatives. Ocean Field Holdings' representatives have not indicated whether they will object to the right to take or otherwise object to the hearing on the Resolution of Necessity.

As the property owners have not made a counter offer based on its own appraisal, and no agreement has been reached on the purchase price, staff is recommending that the Agency conduct a hearing to receive comments from the owner of the property and, if satisfied that the necessary findings can be made, adopt a Resolution of Necessity in which the Agency would authorize the filing of an eminent domain action pursuant to California Code of Civil Procedure sections1240.030 and 1245.210 *et seq*. If the Resolution of Necessity is adopted, staff will continue to communicate and attempt to reach settlement with the property owners without having to go to condemnation.

NOTICE OF THE RESOLUTION OF NECESSITY

The Agency is required to provide a property owner with notice that it intends to adopt a resolution of necessity to acquire property by eminent domain. (California Code of Civil Procedure § 1245.235(a)).

HEARING ON THE RESOLUTION OF NECESSITY

It is always the Agency's preference to acquire real property through negotiation; however, with respect to the Subject Property, negotiations have not moved beyond the Agency's offer.

The Agency may adopt a Resolution of Necessity only after it has given each person whose property is proposed for acquisition by eminent domain the opportunity to appear and be heard. California Code of Civil Procedure section 1245.235 specifies that the public hearing is intended to provide the opportunity for the property owner to speak to the Board, and not as a general public hearing to solicit input from the public. The purpose of this hearing is to consider whether the Board should adopt the Resolution of Necessity, authorizing the Agency to file a condemnation action to acquire the property. In adopting a Resolution of Necessity, the Board must consider the following findings:

1. Whether necessity and public interest require the project;
2. Whether the proposed project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury;
3. Whether the property sought to be acquired is necessary for the project; and
4. Whether the offer required by Government Code Section 7267.2 has been made to the owner or owners of record.

Adoption of the Resolution of Necessity requires a two-thirds vote of the members of the Board.

Questions regarding the amount of compensation to be paid for the property are not part of this proceeding, and the Board does not consider such in determining whether the Resolution of

Necessity should be adopted. If the Resolution of Necessity is adopted, the Agency's counsel will file documents commencing eminent domain proceedings with the Superior Court in Santa Cruz County. In that proceeding, the Court will determine the amount of compensation to which the property owners are entitled.

SUMMARY

To condemn property in compliance with State law, the Agency must make specific findings as outlined in California Code of Civil Procedure Section 1245.230(c). To assist the Agency in determining whether it can or should make these findings, staff has prepared the following summary of the issues involved:

1. Public interest and necessity require the property interests described in the Resolution. The Project components consist of a Struve Slough water diversion/intake structure, pump station, water conveyance pipeline, and additional recharge and extraction facilities adjacent to the Agency's previously constructed and operational Harkins Slough Project facilities. With implementation of the Project, water will be diverted from the sloughs, and infiltrate it into a shallow aquifer through recharge basins until it is pumped out and sent to agricultural water users in the Pajaro Valley Basin.

2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury. The Project is predicated on using water from the Watsonville Slough System as an alternative to groundwater for agricultural irrigation. To do this, the Project will help balance the groundwater basin, prevent further seawater intrusion, and help meet the water supply needs of Pajaro Valley growers.

3. The property sought is necessary for the Project. The Subject Property as adjacent to the existing and operational Harkins Slough Recharge Facility. The Project makes further use of these facilities to convey water to existing and proposed recharge basins and includes various upgrades to existing facilities. The Project cannot occur without the Subject Property.

4. The offer to the owner or owners of record required by Government Code Section 7267.2 has been made to the owner of record. On November 4, 2024, the Agency, provided the owners of the Subject Property a written offer of the full market value of the fee acquisition, permanent easements, and temporary easements for construction, as determined by the appraisal. The offer was accompanied by a summary statement of valuation, the appraisal, and an informational brochure.

If the Agency adopts the Resolution of Necessity, it will then be able to file an action for condemnation, which is the next step in acquiring the Property. This action addresses only the acquisition of the real property and no related items or claims resulting from the acquisition.

FISCAL IMPACT

The Agency's cost to acquire the Subject Property is expected to be $2,283,882 at minimum. In addition, there will be legal expenses related to the condemnation action, the estimated cost of which has not yet been quantified.

ATTACHMENTS

- None, however, Resolution 2025-02 is included in the March 2025 Board Agenda Packet, link below, and will be reposted as part of the May 21, 2025, Board Agenda Packet should the Board vote in favor of reconsidering the item.
  Link to Resolution 2025-02:
  https://www.pvwater.org/images/board-and-committees/board_of_directors_assets/2025_BOD/03-19-25_Agenda-Packet.BoD.Mtg-Final.pdf

MEMORANDUM

DATE: April 4, 2025
MEETING OF: April 16, 2025
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION / ACTION ITEM 12C:** Consider Santa Cruz Local Agency Formation Commission Run-Off Election for Special District Regular & Alternate Member Seats

INTRODUCTION

The Local Agency Formation Commission of Santa Cruz County (LAFCO) held an election for its Special District Regular & Alternate Member Seats in March 2025. However, no candidate received a majority of the votes for either seat. Pursuant to LAFCO's adopted policies, if no candidate receives the required number of votes, a run-off election shall be conducted by a second mailed ballot vote. The run-off election for the regular member seat will involve Jim Anderson and Lani Faulkner. The run-off election for the alternate member seat will involve Ed Banks and Lani Faulkner.

STAFF RECOMMENDATION

The Board either votes on candidates to fill the positions or delegates the decision to the Chair to cast the votes on behalf of PV Water.

BACKGROUND

The following background information comes from LAFCO website, https://santacruzlafco.org/.

"[LAFCO] determines the most logical provider of public services and has jurisdiction over the 4 cities, 22 independent special districts, and 54 county service areas.

Objectives

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 states that among the purposes of a Local Agency Formation Commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.

Commissioners & Staff

The Commission is made up of two county supervisorial members appointed by the Board of Supervisors, two city council members appointed by the city mayors (City Selection Committee) within Santa Cruz County, two special district members appointed by the Special District Selection Committee, and a public member appointed by the other six LAFCO Commissioners. There is also one alternate member for each of the above four classifications. In order to achieve an unbiased approach to local governmental organization and expansion problems, the Santa Cruz Local Agency Formation Commission operates independently of the cities and the County. The Commission employs its own staff, including an Executive Officer."

DISCUSSION

On January 27, 2025, General Manager Lockwood received a letter from LAFCO Executive Officer Joe Serrano concerning the "Election for Special District Regular Member on LAFCO" (attached). The letter

states, “In preparation of Commissioners Jim Anderson (Regular) and Ed Banks (Alternate) expiring terms of office, LAFCO staff will be conducting an election to fill the regular and alternate member seats on the LAFCO board.” PV Water can cast a vote for the regular and alternate member seats on LAFCO. The letter includes statements of interests from prospective candidates.

FISCAL IMPACT

None.

ATTACHMENTS

- Letter from LAFCO to GM Lockwood dated April 2, 2025.

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

Email: info@santacruzlafco.org

April 2, 2025

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

SUBJECT: RUN-OFF ELECTION FOR SPECIAL DISTRICT SEATS ON LAFCO

Dear Mr. Lockwood:

The purpose of this letter is to solicit your district's vote for the regular and alternate special district member seats on LAFCO. As you may recall, an election was recently held to address the upcoming term expiration of Jim Anderson's regular member seat and Ed Banks' alternate member seat – both ending on May 5, 2025. A total of 19 ballots were submitted before the March 26th deadline. However, none of the candidates for either seat received a majority vote from the special districts. Pursuant to LAFCO's adopted policies, if no candidate receives the required number of votes, **a run-off election shall be conducted by a second mailed ballot vote**.

Since no candidate received a majority of the votes for either seat, a run-off election will be conducted in April involving the top two candidates from each category. The run-off election for the regular member seat will involve **Jim Anderson and Lani Faulkner**. The run-off election for the alternate member seat will involve **Ed Banks and Lani Faulkner**.

Election Process

The run-off election will be conducted by mail. Each district gets one vote for each seat, which shall be executed on the enclosed ballot by either the presiding officer of the district board or by their designee. **The deadline to return the executed ballot to the LAFCO office will be no later than 8:00 a.m. on Thursday, May 1, 2025**. Ballots can be mailed, hand-delivered, or emailed to the LAFCO office. If emailed, please follow-up by mailing the ballot with an original signature. LAFCO will announce the results on May 1st after reviewing and counting the submitted ballots. The Independent Special District Selection Committee rules of procedure are posted on the Policies and Rules page of LAFCO's website: https://santacruzlafco.org/about/policies-procedures/

Please contact me at the LAFCO office if you have any questions about the voting process.

Sincerely,

Joe A. Serrano
Executive Officer

Attachments:
1) Candidates' Information
2) Official Run-Off Ballot

RECEIVED
JAN 14 2025
Santa Cruz LAFCO

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS
(TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:
If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed 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
3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Special District Regular Member ONLY	X
Special District Alternate Member ONLY	X
Either Position	

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

NAME: Jim Anderson

MAILING ADDRESS: [redacted]

PHONE(s): Home: [redacted] Cell/Business: [redacted]

EMAIL: jimwanderson@comcast.net

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: Felton Fire Protection District

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

Felton Fire Protection District : 1999 - Present
Mtn. Parks Foundation : 1995 - Present
Santa Cruz LAFCO : 2006 - Present
Santa Cruz County Substance Abuse Commision : 2015-2024
S.C. County Sheriff's Advisory Council : 2019-2021
S.C. County R.D.A. Oversite Committe : 2021 - Present

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.

Jim Anderson
Signature of Board Member Interested in Serving on LAFCO

1-14-2025
Date

Jim Anderson

Statement of Interest

I am a lifelong resident of Santa Cruz County, living in Felton. I have served as a Commissioner on LAFCO since September, 2006. During this time, I have held the position of Chair, Vice Chair and served on both the personnel and budget committees.

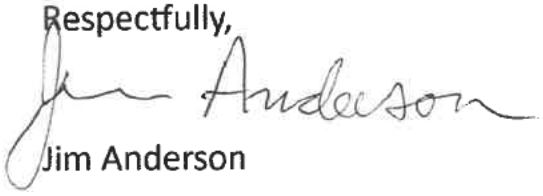
I am 1of 2 special district members representing the 20 independent special districts. I come from the Felton Fire District where I started my career in 1976 as a firefighter and captain for 26 years, then joining the Felton Fire Board in 1999.

In addition to the public sector, my 42-year professional career includes the position of Senior Technical Manager in the telecommunications industry. I retired in October 2015 from my professional career and to date continue my pursuit as a public servant in Santa Cruz County. As with many local government boards, members are always challenged to learn new things and LAFCO is no exception.

I find the many different issues dealt with make it a very interesting and rewarding endeavor of which I enjoy. I have had the pleasure to champion various successful boundary changes over the years as a LAFCO commissioner, including but not limited to, the recent fire consolidation between Central Fire and Aptos/LaSelva Fire Protection Districts as well as the Scotts Valley Fire/Branciforte Fire Consolidation. The purpose of these consolidations is to facilitate the efficient delivery of fire protection to the communities within the affected territories. These consolidations will preserve the current levels of service, maintain local expectations and continue the existing funding sources.

I look forward to supporting all of the 20 independent special districts as the Special District Representative on the LAFCO Board.

Respectfully,



Jim Anderson

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS
(TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:
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Applications must be submitted to LAFCO no later than
3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Special District Regular Member ONLY	
Special District Alternate Member ONLY	X
Either Position	

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

NAME: EDWARD K. BANKS

MAILING ADDRESS: [redacted]

PHONE(s): Home: [redacted] Cell/Business: [redacted]

EMAIL: EDBANKS@KBKINSURANCE.COM

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: PAJARO VALLEY PUBLIC CEMETERY DIST.

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):
CURRENT SPECIAL DISTRICT ALTERNATE MEMBER TO SANTA CRUZ LAFCO.

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

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

Edward K Banks
Signature of Board Member Interested in Serving on LAFCO

1-14-2025
Date

Edward K. Banks

Ed Banks, a native Californian, was born in San Francisco and grew up in La Selva Beach. He attended Aptos Elementary School and is a 1966 graduate of Watsonville High School. He received his A.A. degree from Cabrillo College in 1968 and Bachelor of Arts degree from Sonoma State University in 1970. His military commitment commenced as a Naval Reservist in November of 1970, being stationed at Flag Administrative Unit, Naval Air Station Barbers Point, Hawaii. His active-duty assignment concluded in August of 1972, and ultimate honorable discharge in August of 1975.

Ed has been in the insurance profession since 1972, beginning with commercial underwriting assignments at the Hartford Insurance Company, San Francisco, and Fireman's Fund Insurance Company, San Jose. In 1977, he moved back to Watsonville to join the firm of Martin & Friend Insurance Agency. In April of 1996, he merged the agency with Kane-Hall-Palmtag Insurance to form KBK Insurance Agency.

Ed's community service has included service on the following organizations' boards of directors: Insurance Brokers and Agents of the West, Independent Insurance Agents & Brokers of Watsonville (past president), Watsonville National Little League, Watsonville YMCA, Pajaro Valley Chamber of Commerce, Rotary Club of Watsonville (past President 1993-94), Monterey Bay Bank and Watsonville Firefighters' Association. He was a reserve lieutenant for the Watsonville Fire Department from 1981 to 2006. During his 25-year career with the fire department, he successfully completed courses of study in Fire Command Operations and Fire Cause Determination at the National Fire Academy, Emmitsburg, Maryland. He also served on the Santa Cruz County Grand Jury in 1985-86 as well as the Santa Cruz County Hazardous Materials Advisory Commission 2007-2009. In 2010, Ed attended the National Emergency Training Center, Emmitsburg, Maryland, receiving certificates of completion in Community Emergency Response Team Operations and Program Management.

He is past president of the board of directors of the Cabrillo College Foundation as well as past governing board chair and former Area VII Trustee for Cabrillo Community College. Ed currently serves as a trustee of the Pajaro Valley Cemetery District as well as Special Districts alternate member, Santa Cruz County LAFCO.

An avid San Francisco Giants' fan has taken "road trips" with his sons and Father-in-law. Ed also likes gardening, traveling and golf with friends.

Eb\01142025

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS
(TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:
If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed 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
3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Special District Regular Member ONLY	Prefer
Special District Alternate Member ONLY	
Either Position	**X**

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

NAME: Iwalani (Lani) N. Faulkner

MAILING ADDRESS: [redacted]

PHONE(s): Home: [redacted] Cell/Business: [redacted]

EMAIL: EquityTransitSantaCruz@gmail.com

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: Central Fire Board

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

Santa Cruz Central Fire Board (Dec 2024 – current)
CA State Democratic Delegate (2023 – current)
Democratic National Delegate to the 2024 Convention, Elected (2024)
Democratic Central Committee Alternate (2022 – current)
Mid County Dems Executive Board (Current until 2026)
Santa Cruz County Democratic Women's Club Board (2025 -)
Sierra Club Executive Committee, Santa Cruz Group Ventana Chapter (2023 – current)
Santa Cruz County Friends of the Rail and Trail, Equity Officer (2022)
Community Traffic Safety Coalition, Stakeholder (2022 – current)
Climate Action and Adaptation, Planning & Grants with the Office of Response, Recovery and Resilience, Stakeholder (2022 - current)
Santa Cruz Metro "ReImagine Metro", Stakeholder (2022 - 2023)
Santa Cruz County Housing Element Community Stakeholder (2023)
Caltrans Stakeholder on Housing Working Group (2023)
Caltrans Stakeholder on Equity, Engagement and Health Working Group (2023)
Rainbow Defense Coalition, Safety and de-escalation volunteer (2023 – current)
Santa Cruz City Climate Action Task Force, Stakeholder (2022)
Equity Transit, Founder (2021)
Little People's Repertory Theater, Video Production and Grant Assistance (2008 – 2014)
Buena Vista Road Association, Boulder Creek, President (2001 - 2004)

STATEMENT OF INTEREST:

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

Our county is at a critical juncture as we face a number of challenges. Climate change continues to stress our emergency response capabilities, particularly as fire departments strive to maintain economic strength while ensuring safe and effective service amidst rising equipment and resource costs. Compounding this is the increasing pressure on our clean water supply due to prolonged drought and factors affecting water quality. Additionally, the state's mandate to significantly expand housing development over the next eight years—through county and city Housing Elements—will place additional demands on special districts, emergency services, and our natural resources. I am eager to leverage my collaborative skills and experience to work with stakeholders across the county to address these pressing issues.

Currently, I serve on the Central Fire District Board of Directors, an honor that carries personal significance as my grandfather, John A. Gilman, was one of only nine civilian firefighters awarded the Purple Heart for his service in Oahu during the bombing of Pearl Harbor. Moreover, my mother committed decades to volunteering with our local fire auxiliary. I have been a certified NOLS Wilderness Medicine first responder since 2007.

Having spent my formative years in the fire-prone Sierra Nevada Foothills of California, I developed an understanding of the importance of creating defensible spaces and being fire-ready as well as understanding proper installment and care of wells on our property. As a nearly 30-year resident of Santa Cruz County—over a decade in rural areas like Boulder Creek and Happy Valley—I recognize the critical need for community collaboration to mitigate and respond to challenges and disasters and ensuring critical services, including fire prevention, water, and waste management.

As a scientist, woman of color, and educator, I bring a history of facilitating informed and equitable decision-making. I understand the importance of addressing a myriad of complex issues such as agricultural land preservation, population growth, land use, fire protection, water and waste management, and other important considerations which impact our local community members and natural resources. My academic background includes a Master of Science, equipping me with extensive research and analytical experience.

I am committed to contributing my skills and experiences to help our county navigate the challenges ahead. I kindly request your vote in support of my appointment as a LAFCO Commissioner. Thank you for consideration.

CERTIFICATION:

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

_____ January 21, 2025

Signature of Board Member Interested in Serving on LAFCO Date

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

2025 BALLOT FOR THE SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS ON LAFCO (RUN-OFF ELECTION)

INSTRUCTIONS:
Please check the box to the left of the person you are voting for. **Vote ONLY for <u>one</u> candidate in each category.**

REGULAR MEMBER SEAT (vote for <u>one</u>)		
Candidate	**District**	**Vote By Marking (X)**
Jim Anderson *(incumbent)*	Felton Fire Protection District	
Lani Faulkner	Central Fire District	

ALTERNATE MEMBER SEAT (vote for <u>one</u>)		
Candidate	**District**	**Vote By Marking (X)**
Ed Banks *(incumbent)*	Pajaro Valley Cemetery District	
Lani Faulkner	Central Fire District	

NEXT STEPS
After voting, please hand-deliver, mail, or email the signed ballot back to LAFCO. If emailed, please follow-up by mailing the ballot with an original signature. The ballots will be collected until 8:00 a.m. on Thursday, May 1, 2025. Any ballots received after 8:00 a.m. will not be counted.

CERTIFICATION:

I, _____, am voting on behalf of the following independent special district: _____.

_____ _____
Voting Designee Signature Date

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

2025 BALLOT FOR THE SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS ON LAFCO (RUN-OFF ELECTION)

INSTRUCTIONS:
Please check the box to the left of the person you are voting for. **Vote ONLY for <u>one</u> candidate in each category.**

REGULAR MEMBER SEAT (vote for <u>one</u>)		
Candidate	**District**	**Vote By Marking (X)**
Jim Anderson *(incumbent)*	Felton Fire Protection District	
Lani Faulkner	Central Fire District	

ALTERNATE MEMBER SEAT (vote for <u>one</u>)		
Candidate	**District**	**Vote By Marking (X)**
Ed Banks *(incumbent)*	Pajaro Valley Cemetery District	
Lani Faulkner	Central Fire District	

NEXT STEPS
After voting, please hand-deliver, mail, or email the signed ballot back to LAFCO. If emailed, please follow-up by mailing the ballot with an original signature. The ballots will be collected until 8:00 a.m. on Thursday, May 1, 2025. Any ballots received after 8:00 a.m. will not be counted.

CERTIFICATION:

I, _____, am voting on behalf of the following independent special district: _____.

_____ _____
Voting Designee Signature Date

2025 Production Monthly Summary as of March

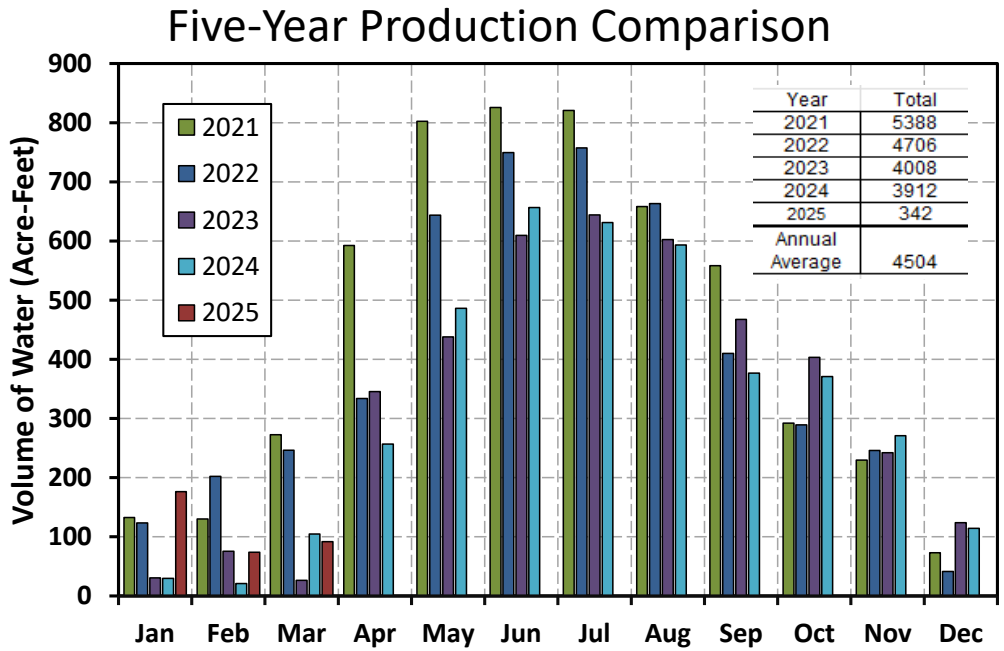
All totals are in Acre Feet

	January	February	March	April	May	June	July	August	September	October	November	December	Individual Totals
Harkins Slough Project:													
Diverted to Recharge Basin	0.00	174.82	211.68	0.00	0.00								**386.50**
Coastal Distribution System (CDS):													
Well Production													
Recovery Wells	9.09	5.40	7.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**21.52**
Blend Wells													
SW #1	3.27	1.54	0.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.05
SW #2	2.03	0.55	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.67
Blend Wells Subtotal	5.30	2.09	2.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**9.72**
RWF Blend (See Breakdown Below)	161.95	66.26	82.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**310.64**
CDS Total	176.34	73.75	91.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**341.87**

Approximate Recycled Water Blend Breakdown:

Estimated Recycled Water	152.92	55.88	77.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	286.08
RWF No_1 (potable)	9.02	10.37	5.164	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.56

* 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.



2025 Production Percentages:			
Recovery Wells	**Supplemental Wells**	**Recycled Water**	**Potable Water**
6%	**3%**	**84%**	**7%**

*Preliminary, Subject to Revision

APRIL 2025 MEETING			
INCOMING			
DATE	**FROM**	**TO**	**SUBJECT (Attached)**
4/1/2025	Edward Banks	Brian Lockwood PV Water	Santa Cruz LAFCO - Special District Seats on LAFCO Commission
4/1/2025	Iwalani Faulkner	Brian Lockwood & PV Water Board PV Water	Run-Off for LAFCO Commission by the Pajaro Valley Water Management Agency
OUTGOING			
DATE	**TO**	**FROM**	**SUBJECT (Attached)**

Outlook

FW: Santa Cruz LAFCO - Special District Seats on LAFCO Commission

From Brian Lockwood <Lockwood@pvwater.org>
Date Tue 4/1/2025 10:47 AM
Cc Ed Banks <EdBanks@kbkinsurance.com>; Asia Valdivia <asia@pvwater.org>; brianslockwood@yahoo.com <brianslockwood@yahoo.com>

2 attachments (796 KB)
EB Spec Dist Appt Appl 01142025.pdf; Board.of.Directors_Recipient.List.txt;

Dear Directors (via BCC),

Please read the message below from Mr. Ed Banks.

Kind regards,
Brian

From: Ed Banks <EdBanks@kbkinsurance.com>
Sent: Monday, March 31, 2025 4:16 PM
To: Brian Lockwood <Lockwood@pvwater.org>
Subject: Santa Cruz LAFCO - Special District Seats on LAFCO Commission

You don't often get email from edbanks@kbkinsurance.com. Learn why this is important
Caution: External Email

Brian,

Note doubt you have heard by now the results of the special district seats (regular and alternate) election will result in a runoff to be conducted between April 2, 2025, and May 1, 2025. Both Jim Anderson (Felton Fire District) and I (Pajaro Valley Public Cemetery District), while receiving the most votes (Jim for the regular LAFCO seat and me for the alternate's seat), were short by two votes of receiving the necessary votes to retain our seats. Jim and I are committed to representing the Special districts of Santa Cruz county on the commission in such a manner as to benefit the interests of all.

I would like to ask for your and the PVWMA board to vote Jim Anderson to the Special District regular seat and me to the alternate seat. Your board will be receiving a "run-off" ballot within the week or so. I hope we can count on your and the board's support. In case you didn't see it, I've enclosed my election application for board review.

Please feel free to contact me if you have any questions or specific concerns as it relates to PVWMA and LAFCO.

Regards,

Ed

Ed Banks
KBK Insurance Agency
1006 Freedom Boulevard
Watsonville, CA 95076
Email: edbanks@kbkinsurance.com
Phone: (831.724.1085 ext 305)

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

NOMINATION FOR LAFCO'S SPECIAL DISTRICT REGULAR & ALTERNATE MEMBER SEATS
(TERM BEGINNING MAY 2025 AND ENDING IN MAY 2029)

INSTRUCTIONS:
If you are interested in serving as a special district member on LAFCO, please complete and sign the following application. The completed 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
3:00 p.m. on January 24, 2025

I am applying for (CHECK ONE):

Special District Regular Member ONLY	
Special District Alternate Member ONLY	X
Either Position	

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

NAME: Edward K. Banks

MAILING ADDRESS: 775 McKenzie Avenue

PHONE(s): Home: 831.722.4226 Cell/Business: 831.419.2851

EMAIL: EDBANKS@KBKINSURANCE.COM

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: Pajaro Valley Public Cemetery Dist.

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):
Current Special District Alternate Member to Santa Cruz LAFCO.

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

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

Edward K Banks
Signature of Board Member Interested in Serving on LAFCO

1-14-2025
Date

Edward K. Banks

Ed Banks, a native Californian, was born in San Francisco and grew up in La Selva Beach. He attended Aptos Elementary School and is a 1966 graduate of Watsonville High School. He received his A.A. degree from Cabrillo College in 1968 and Bachelor of Arts degree from Sonoma State University in 1970. His military commitment commenced as a Naval Reservist in November of 1970, being stationed at Flag Administrative Unit, Naval Air Station Barbers Point, Hawaii. His active-duty assignment concluded in August of 1972, and ultimate honorable discharge in August of 1975.

Ed has been in the insurance profession since 1972, beginning with commercial underwriting assignments at the Hartford Insurance Company, San Francisco, and Fireman's Fund Insurance Company, San Jose. In 1977, he moved back to Watsonville to join the firm of Martin & Friend Insurance Agency. In April of 1996, he merged the agency with Kane-Hall-Palmtag Insurance to form KBK Insurance Agency.

Ed's community service has included service on the following organizations' boards of directors: Insurance Brokers and Agents of the West, Independent Insurance Agents & Brokers of Watsonville (past president), Watsonville National Little League, Watsonville YMCA, Pajaro Valley Chamber of Commerce, Rotary Club of Watsonville (past President 1993-94), Monterey Bay Bank and Watsonville Firefighters' Association. He was a reserve lieutenant for the Watsonville Fire Department from 1981 to 2006. During his 25-year career with the fire department, he successfully completed courses of study in Fire Command Operations and Fire Cause Determination at the National Fire Academy, Emmitsburg, Maryland. He also served on the Santa Cruz County Grand Jury in 1985-86 as well as the Santa Cruz County Hazardous Materials Advisory Commission 2007-2009. In 2010, Ed attended the National Emergency Training Center, Emmitsburg, Maryland, receiving certificates of completion in Community Emergency Response Team Operations and Program Management.

He is past president of the board of directors of the Cabrillo College Foundation as well as past governing board chair and former Area VII Trustee for Cabrillo Community College. Ed currently serves as a trustee of the Pajaro Valley Cemetery District as well as Special Districts alternate member, Santa Cruz County LAFCO.

An avid San Francisco Giants' fan has taken "road trips" with his sons and Father-in-law. Ed also likes gardening, traveling and golf with friends.

Eb\01142025

Outlook

FW: Run-Off for LAFCO Commission by the Pajaro Valley Water Management Agency

From Brian Lockwood <Lockwood@pvwater.org>
Date Tue 4/1/2025 10:48 AM
Cc Asia Valdivia <asia@pvwater.org>; brianslockwood@yahoo.com <brianslockwood@yahoo.com>; Iwalani Faulkner <equitytransitsantacruz@gmail.com>

2 attachments (799 KB)
EB Spec Dist Appt Appl 01142025.pdf; Board.of.Directors_Recipient.List.txt;

Dear Directors (via BCC),

Please read the message below from Ms. Iwalani Faulkner.

Kind regards,
Brian

From: Iwalani Faulkner <equitytransitsantacruz@gmail.com>
Sent: Tuesday, April 1, 2025 8:00 AM
To: Brian Lockwood <Lockwood@pvwater.org>
Subject: Run-Off for LAFCO Commission by the Pajaro Valley Water Management Agency

Caution: External Email

Dear Mr. Lockwood and the Pajaro Valley Water Management Agency Board:

I would like to express my appreciation for the opportunity to speak at your past board meeting and for your thoughtful consideration. Your willingness to ask questions and engage with me about my experience means a great deal. I am grateful for your nomination for both the Voting and Alternate LAFCO special district election seats.

I am honored to have received nominations for the Voting Member seat from eight special districts, including unanimous support from all Central Fire Board Members, the Soquel Creek Water District Board, and for the Alternate seat from seven other special districts, including the Scotts Valley Fire Department and the Scotts Valley Water District. These endorsements speak to my commitment to advancing the interests of our community and the role special districts hold countywide.

As you may have heard from Mr. Joe Serrano, our LAFCO Executive Officer, there will be a run-off election for both the Voting Member and Alternate seats, as no candidate received more than 50% of the votes in the initial round. I am writing to humbly ask for your continued support and nomination in this upcoming run-off, and to encourage your consideration of me for both the Voting and Alternate seats again.

My experience – spanning rural agriculture, medicine, governance, as well as fire and water services – equips me with a broad and deep understanding of the complex issues we face. One of my primary concerns is how we can effectively plan for the future in light of the state's growing housing requirements. I believe it is essential that LAFCO represents not only the immediate needs of our districts but also anticipates the long-term impacts on infrastructure, services, and resources.

I encourage you to reach out to Chief Nee and the Central Fire Board members to better understand my professionalism on the Central Fire Board. Central Fire, as the largest local fire district in the county, has led the way in setting operational trends and best practices, offering support and guidance to other fire districts when needed. Despite its significant presence and leadership, Central Fire has never had a representative seated on the County LAFCO – a gap I am eager to help fill.

If nominated and elected, I would make it a priority to engage with every special district at least once a year, ensuring that their unique needs and concerns are understood and represented. This dialogue will help ensure that our special districts receive the attention they deserve at the County LAFCO table, contributing to better, more effective policy decisions that reflect the diverse needs of our community.

As we look at the challenges ahead for our county and its growing population, I believe it is crucial that we strengthen the voice of our special districts at the LAFCO level, ensuring our leadership continues to meet the high standards our communities expect.

Thank you again for your support and for considering my nomination. I look forward to working alongside you to enhance the future of our special districts.

Warm regards,
Lani Faulkner

On Wed, Feb 19, 2025 at 8:00 AM Iwalani Faulkner <equitytransitsantacruz@gmail.com> wrote:

> Dear Mr. Lockwood and the Pajaro Valley Water Management Agency Board:
>
> By now, you should have received my application, along with a brief overview of my interest in serving on LAFCO from Joe Serrano. I would like to take this opportunity to expand on my experience, so you have a clearer understanding of the expertise I would bring to the commission. I have consistently dedicated myself to service in our community and developed a deep understanding of good governance.
>
> My diverse experience in agriculture, medicine, education, transportation, and governance has shaped my ability to assess complex problems, engage in active listening, and collaborate effectively with others. These skills are essential for any commissioner, and I believe they would be particularly valuable in the context of LAFCO's work.
>
> As a research scientist, I have honed my ability to analyze and summarize data as well as design studies, skills directly applicable to LAFCO's work in optimizing efficiencies, consolidating services, protecting agricultural lands, and guiding special districts. Growing up in an agricultural community and actively participating in Future Farmers of America (FFA) through high school, I gained hands-on experience with the issues LAFCO addresses, such as preserving agricultural land and participating in good governance. Additionally, my

background in farming, study and research in the sciences, and training in classical opera and performance instilled in me a discipline for hard work, preparation, and public engagement.

I earned both a BS and MS in physiology at UC Davis, focusing on biochemical endocrinology. My research on inducing early reproductive maturity in white sturgeon supported efforts to replenish depleted populations in the Sacramento Delta. This experience deepened my appreciation for issues related to water quality and availability, which are central to California's future, and equipped me with a framework for critical analysis and collaboration necessary as a commissioner on LAFCO.

In my professional career, I've worked with organizations like Johnson & Johnson, Abbott Vascular, and Stryker Neurovascular. These roles required me to collaborate across departments and institutions, engage with regulatory bodies, negotiate contracts, and manage budgets, all while maintaining compliance with industry standards. These skills are directly transferable to the work LAFCO does, especially in navigating complex regulations and ensuring the sustainability of essential services.

Locally, I have dedicated nearly three decades to volunteer work, from serving as president of my road association and volunteering with local youth theater and mountain biking programs to serving as a leader with organizations advocating for equity and the environment. As road association president, I facilitated community engagement to address both practical issues like road maintenance and legal challenges as well as successfully encouraged a connected and supportive neighborhood environment, coordinating social events like summer BBQs and concerts.

My involvement in governance and environmental initiatives has further sharpened my skills in leadership. I founded Equity Transit to raise awareness of the importance of robust public transit for equitable access to opportunity. I regularly attend meetings of the Regional Transportation Commission, the Board of Supervisors, and local City Councils, where I advocate for better solutions to transit, housing, and environmental issues. I also serve as a volunteer with the Rainbow Defense Coalition, bringing my skills in de-escalation and community support to ensure safe and inclusive spaces, including activities centered around LGBTQ+ and communities of color.

In addition to these roles, I am an active member of the Santa Cruz Central Fire Board and serve on the Executive Committee of the Sierra Club. As an alternate on the Democratic Central Committee and a board member of the Mid County Dems and Democratic Women's Club, I bring a wealth of experience in parsing through complex documents, making informed decisions, and guiding policy initiatives. My appointment as a State Democratic Delegate since 2023, having been elected as a National Democratic Delegate in 2024, and my work on state legislation further demonstrate my commitment to civic engagement and public service.

LAFCO plays a critical role in supporting the efficient, transparent, and sustainable delivery of services across California's special districts. The commission's ability to conduct studies and guide annexations, dissolutions, and consolidations ensures that our communities thrive. As a scientist and woman of color, I believe my breadth of experience, collaborative approach, and dedication to building sustainable, strong communities would bring a unique and positive perspective to LAFCO.

I would be honored to serve as a regular member of the Santa Cruz LAFCO Board bringing a fresh perspective to the commission. I am particularly excited about the possibility of serving as a scientist and second female representative on the 7-member board. Thank you for

considering my application. I would have liked to have attended your meeting in person to address the board but am unable to as I have a meeting conflict.

You can view my professional background on my LinkedIn profile: https://www.linkedin.com/in/aidasings/. I am available by phone at 831-278-1007 or by email at EquityTransitSantaCruz@gmail.com.

Thank you for your time and consideration.

Sincerely,

Iwalani (Lani) Faulkner

--
Best regards,

Lani Faulkner, Director
Equity Transit - Tránsito de Equidad
www.EquityTransit.org
831-278-1007