

**NOTICE OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
OLIVENHAIN MUNICIPAL WATER DISTRICT
1966 Olivenhain Road, Encinitas, CA 92024
Tel: (760) 753-6466 • Fax: (760) 753-5640
VIA TELECONFERENCE AND IN PERSON**

Pursuant to AB3035, effective January 1, 2003, any person who requires a disability related modification or accommodation in order to participate in a public meeting shall make such a request in writing to **Stephanie Kaufmann, Executive Secretary, for immediate consideration.**

DATE: WEDNESDAY, FEBRUARY 18, 2026

TIME: 4:00 P.M.

PLACE: HYBRID REGULAR MEETING VIA ZOOM AND IN-PERSON

The meeting is being held virtually as a convenience to the public. The meeting will not stop or suspend its in-person meeting should a technological interruption occur with respect to the Zoom or call-on options listed on the agenda.

For Zoom Participation:

www.zoom.us/join

Meeting ID: 873 5206 0303
Passcode: 059295

For Zoom Call-in Only:

Call: (669) 900-9128

Meeting ID: 873 5206 0303
Passcode: 059295

Public Participation/Comment: Members of the public can participate in the meeting by emailing your comments on an agenda item to the Board Secretary at skaufmann@olivenhain.com or address the board directly in real-time under either of the public comment sections. If you do not receive a confirmation email that your comment has been received, please call (760) 632-4648 or address the board under either of the public comment sections to ensure that your comments are heard in real-time. The subject line of your email should clearly state the item number you are commenting on and should include your name and phone number. All comments will be emailed to the Board of Directors.

*NOTE: ITEMS ON THE AGENDA MAY BE TAKEN OUT OF SEQUENTIAL ORDER
AS THEIR PRIORITY IS DETERMINED BY THE BOARD OF DIRECTORS*

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. DETERMINATION OF A QUORUM
5. ADOPTION OF AGENDA

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS
7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

Service Awards, Promotions and Honorable Mentions

- * George Lomeli – Water Treatment Plant Operator Level III – 5 Years
- * California Water Environment Association’s San Diego Section Collection System of the Year Award – 4S Ranch and Rancho Cielo collection system
- * California Water Environment Association’s San Diego Section 2026 Community Engagement and Outreach Program of the Year award – 2025 Water Career Day

8. CONSIDER APPROVAL OF THE MINUTES OF THE JANUARY 21, 2026, REGULAR BOARD OF DIRECTORS MEETING
9. CONSENT CALENDAR

NOTE: ANY ITEM MAY BE REMOVED FROM THE CONSENT CALENDAR FOR DISCUSSION

C-a	CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORTS
C-b	CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S CONSOLIDATED STATEMENT OF NET POSITION, CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORTS
C-c	CONSIDER ADOPTION OF A RESOLUTION PROCLAIMING MAY 2026 AS WATER AWARENESS MONTH, MAY 3-9, 2026 AS NATIONAL DRINKING WATER WEEK, AND MAY 17-23, 2026 AS NATIONAL PUBLIC WORKS WEEK
C-d	CONSIDER ACCEPTANCE OF THE 16450 ARTESIAN TRAIL WATER SERVICE AND FIRE HYDRANTS INSTALLATION (MCCULLOUGH DESIGN DEVELOPMENT) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

10. CONSIDER ANNUAL UPDATE ON ELFIN FOREST RECREATIONAL RESERVE (INFORMATIONAL ITEM)
11. PROVIDE AN UPDATE OF THE GENERAL MANAGER'S EMERGENCY DECLARATION OF THE AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE LEAK REPAIR PROJECT
12. CONSIDER RESCINDING LETTER OF INTENT TO EXIT THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY'S GENERAL LIABILITY, PROPERTY, EXCESS CRIME, DAM LIABILITY, AND CYBERSECURITY INSURANCE PROGRAMS
13. CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT REGARDING ITS INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS FOR WASTEWATER PROJECTS AND APPROVAL OF FINANCING TEAM

14. CONSIDER EDUCATIONAL ITEM ON LOCAL AGENCY INVESTMENT GUIDELINES
15. HOLD PUBLIC HEARING TO CONSIDER A PROPOSED INCREASE TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT BOARD OF DIRECTORS PER DIEM RATE (FEBRUARY 18, 2026 – 5:30 P.M.)
16. CONSIDER ADOPTION OF AN ORDINANCE AMENDING OLIVENHAIN MUNICIPAL WATER DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 2 – Organization of Board of Directors)
17. INFORMATIONAL REPORTS
 - A. PRESIDENT
 - B. GENERAL MANAGER
 - C. CONSULTING ENGINEER
 - D. GENERAL COUNSEL
 - E. SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE
 - F. LEGISLATIVE
 - G. TWELVE MONTH CALENDAR / OTHER MEETINGS / REPORTS BY BOARD MEMBERS PER AB 1234
 - H. BOARD COMMENTS
18. CORRESPONDENCE
19. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS
20. FUTURE AGENDA ITEMS
21. CONSIDER PUBLIC COMMENTS
22. CLOSED SESSION
 - A) CONSIDER LITIGATION – STANLEY D. JONES ET AL. VS. OLIVENHAIN MUNICIPAL WATER DISTRICT [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]
23. OPEN SESSION
24. ADJOURNMENT



Memo

To: Board of Directors
From: Stephanie Kaufmann, Executive Secretary
Via: Kimberly A. Thorner, General Manager
Subject: BOARD MEETING MINUTES

Draft minutes of the most recently held Board of Directors meeting will be provided separately. Following board approval, the minutes will be posted on OMWD's website.

Memo

Date: February 18, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Leo Mendez, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORTS**

The following monthly financial reports are enclosed for review and approval by the Board of Directors:

- January 2026 Summary of payment of listed warrants from the District's checking account and listed transfer of funds.
- January 2026 Monthly Summary of Reimbursement Expenses to Board Members and Staff.
- December 2025 Monthly Investment Reports

Prepared by: Georgeanna Clark, Project Accountant II
Lisa Maxwell, Accountant I

Reviewed by: Leo Mendez, Finance Manager
Jared Graffam, Accounting Supervisor

Approved by: Kimberly A. Thorner, General Manager

Olivenhain Municipal Water District
 Proposed Motions for February 18, 2026 Board of Directors Meeting
 January 2026 Activities
 Consent Calendar Item # C-a

Proposed Motions:

- I. That the following warrants and transfers be approved:

Regular Account	Warrants - by check	037902	to	038017	\$	781,116.34
	Warrants - by EFT	EFT000000003242	to	EFT000000003355		2,758,234.19
<hr/>						
						3,539,350.53
	Wire - SDCWA - Monthly Purchased Water Payment					7,832,195.70
	ACH Payments - Payroll					242,907.68
	ACH Payments - Payroll					241,128.13
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<u>Major Category of Disbursements</u>						

Total warrants from the District's checking account:

\$ 11,855,582.04

Following is a breakdown of this total by major categories:

<u>Category</u>						
Outside services			\$	1,680,681.76		
Inventory and supplies				1,222,202.69		
Utilities				183,923.37		
Insurance				175,324.84		
Repairs and maintenance				262,470.52		
Water Refunds				2,750.07		
Other				8,009.28		
Permit Fees				3,988.00		
Total						
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Sincerely,



Leo Mendez/Finance Manager

Olivenhain Municipal Water District
Proposed Motions for February 18, 2026 Board of Directors Meeting
January 2026 Activities

California Bank and Trust

Regular Account

Warrants - by check	037902	to	038017	\$	781,116.34
Warrants - by EFT	EFT000000003242	to	EFT000000003355		2,758,234.19
					<hr/> 3,539,350.53
1/14/2026 Wire - SDCWA - Monthly Purchased Water Payment					7,832,195.70 *
1/15/2026 ACH Payments - Payroll					242,907.68
1/29/2026 ACH Payments - Payroll					241,128.13
				Total	\$ <hr/> <u>11,855,582.04</u>

ACH Payments - Payroll

* Includes pre-buy of 3,449 acre feet of water

For Board Consideration and Approval

Olivenhain Municipal Water District

January 2026 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
037902	1/7/2026	Airgas	213.32	PARK SUPPLIES
037903	1/7/2026	Amanda Henderson	43.37	REF:1041047_159220
037904	1/7/2026	American Conservation & Billing Solutions, Inc.	3,251.00	1/26 AQUA HAWK SERVICES
037905	1/7/2026	American Messaging	68.44	Pagers for duty
037906	1/7/2026	Aram Crandall	36.68	REF:1094362_230970
037907	1/7/2026	AT & T	820.07	Utilities - Phone
037908	1/7/2026	Aztec Landscaping, Inc.	6,498.00	Easement Clearing off Rocky Road Easement
037909	1/7/2026	Blanca Lopez	141.63	REF:1095412_158960
037910	1/7/2026	BTS Equipment Unlimited, Inc.	918.33	REF:1097669_304630
037911	1/7/2026	California State Disbursement Unit	123.23	Garnishment
037912	1/7/2026	City Treasurer	751.73	11/25 RECYCLED MTR CHARGE
037913	1/7/2026	Coast Waste Mgmt Inc	603.54	WASTE DISPOSAL SERVICES
037914	1/7/2026	Cody Hughes	125.00	EDUCATION INCENTIVE
037915	1/7/2026	Daniela Lloyd	910.00	SETTLEMENT AGREEMENT
037916	1/7/2026	Diversified Manufacturing of CA, Inc.	3,560.06	LEVELING PINS
037917	1/7/2026	Ebin Lanfried	163.50	ACWA- MILEAGE & PARKING REIMB
037918	1/7/2026	Edco Waste & Recycling	734.42	Utilities - Waste Hauling
037919	1/7/2026	Edward Cancoco	127.54	REF:1095490_201620
037920	1/7/2026	Encinitas Ford	1,232.44	PU99 SUPPLIES
037921	1/7/2026	Ferguson Enterprises Inc. #1083	2,567.52	Inventory
037922	1/7/2026	Firehawk Fire & Safety	3,003.14	WWTP SERVICES
037923	1/7/2026	HDR Engineering, Inc.	54,814.90	Design Services for Dusty Trails Pipeline Replacement Project (24AGR060)
037924	1/7/2026	Home Depot/Gecf	3,508.11	12/25 SUPPLIES
037925	1/7/2026	Ivan Murguia	281.54	D5 CERT RENEWAL REIMB
037926	1/7/2026	Jennette Company Inc.	2,100.00	WWTP - PIPING FOR CHEM PUMPS
037927	1/7/2026	Jennifer Bibay	20.38	REF:1086274_190970
037928	1/7/2026	Jesse Bartlett-May	115.41	EMERGENCY LEAK FOOD REIMBURSEMENT
037929	1/7/2026	Melissa Dupont	79.62	REF:1008989_231975
037930	1/7/2026	Neal Meyers	157.64	ACWA MTG MILEAGE REIMB
037931	1/7/2026	Pacific Pipeline Supply	4,346.61	SUPPLIES & INVENTORY
037932	1/7/2026	PTS Communications	75.00	760-489-9971
037933	1/7/2026	Paul Zamora	1,086.00	TUITION REIMBURSEMENT
037934	1/7/2026	Republic Services	811.73	WASTE DISPOSAL SERVICES
037935	1/7/2026	Republic Services #661	998.28	WASTE DISPOSAL SERVICES
037936	1/7/2026	Ryan Herco	193.53	WTP SUPPLIES
037937	1/7/2026	San Diego Gas & Electric	91.83	Utilities - Electrical
037938	1/7/2026	Scott Maloni	143.97	ACWA MILEAGE/UBER REIMB.
037939	1/7/2026	TASC	592.90	12/25 ADDIN FEE
037940	1/7/2026	UniFirst Aid Corp	704.10	FIRST AID SUPPLIES
037941	1/7/2026	US Bank	2,190.51	Printer and copiers
037942	1/14/2026	Airgas	1,074.23	WTP TANK RENTAL
037943	1/14/2026	AT & T	31.88	Utilities - Phone
037944	1/14/2026	California State Disbursement Unit	123.23	Garnishment
037945	1/14/2026	Cass Construction	407,694.02	EMERGENCY 6" WATER REPAIR
037946	1/14/2026	Chloe Gallegos	133.03	REF:1096020_236980
037947	1/14/2026	Core & Main LP	997.71	SUPPLIES
037948	1/14/2026	Corodata	321.34	OFFSITE RECORDS STORAGE
037949	1/14/2026	Corodata Shredding, Inc	81.05	PAPER DESTRUCTION SERVICES
037950	1/14/2026	DCL Enterprise Inc Dba	75.16	KEYS
037951	1/14/2026	Encinitas Ford	108.63	PU92 SUPPLIES
037952	1/14/2026	Ernesto Fuentes	250.00	BETTER WAY AWARD
037953	1/14/2026	First Choice Technology	166.60	Utilities - Phone
037954	1/14/2026	Grace Tompkins	83.16	REF:1096029_208885
037955	1/14/2026	Grangetto's Ag. Supply	26.51	SUPPLIES
037956	1/14/2026	John Fanning	37.37	REF:1088257_209415
037957	1/14/2026	Kohler Pool & Spa Supply	124.84	SUPPLIES
037958	1/14/2026	Kristyana Kern	134.54	REF:1094471_190605
037959	1/14/2026	Kyocera	14.00	TONER
037960	1/14/2026	Mary Burns	30.34	REF:1004396_210370
037961	1/14/2026	Napa Auto Parts	839.08	12/25 SUPPLIES
037962	1/14/2026	Pacific Pipeline Supply	4,811.59	SUPPLIES & INVENTORY
037963	1/14/2026	Reward Strategy Group, Inc.	2,147.50	Comprehensive Salary Survey
037964	1/14/2026	Rudy Veyra	18.22	REF:1092426_209075
037965	1/14/2026	Ryan Herco	2,204.71	WTP SUPPLIES
037966	1/14/2026	S D G & E	264.85	Utilities - Electrical
037967	1/14/2026	San Diego Gas & Electric	52,846.36	Utilities - Electrical
037968	1/14/2026	Sodeman, Brian	100.00	10 YEAR SERVICE AWARD
037969	1/14/2026	Todd Lytel	172.09	REF:1020501_236150
037970	1/14/2026	Trish Jacobs	74.47	REF:1087681_185170
037971	1/14/2026	Zoe Ise	93.03	REF:1096788_197135
037972	1/21/2026	Aster Hartanto	51.80	MILEAGE REIMB. 9/25-1/15/26
037973	1/21/2026	AT & T	1,287.05	Utilities - Phone
037974	1/21/2026	City Treasurer	392.67	Recycled Water Purchases
037975	1/21/2026	County Of San Diego	2,115.00	VISTA SANTA FE/CALE ACERVO
037976	1/21/2026	Central Valley Environmental	2,685.00	PIPE ABATEMENT SERVICES
037977	1/21/2026	Encinitas Ford	677.60	PU108 SUPPLIES
037978	1/21/2026	Federal Express Corp	362.67	SHIPPING
037979	1/21/2026	Ferguson Enterprises Inc. #1083	4,920.62	Inventory
037980	1/21/2026	Firehawk Fire & Safety	1,239.56	OMWD HQ SERVICES
037981	1/21/2026	Grangetto's Ag. Supply	12.69	SUPPLIES

Olivenhain Municipal Water District
January 2026 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
037982	1/21/2026	HDR Engineering, Inc.	16,541.25	Engineering Services for Steel Pipeline Condition Assessment
037983	1/21/2026	Hi-Line Electric Company, Inc.	251.54	SUPPLIES
037984	1/21/2026	Vince Dixon Ford dba	172.94	D653 SUPPLIES
037985	1/21/2026	Pacific Pipeline Supply	11,809.43	SUPPLIES & INVENTORY
037986	1/21/2026	Quality Chevrolet	169.95	PU39 SERVICES
037987	1/21/2026	Republic Services	1,853.65	WASTE DISPOSAL SERVICES
037988	1/21/2026	Ryan Herco	51.40	WTP SUPPLIES
037989	1/21/2026	San Diego County Treasurer	4.64	PROPERTY TAX LATE PENALTY
037990	1/21/2026	San Diego Gas & Electric	112,218.40	Utilities - Electrical
037991	1/21/2026	Southwest Valve & Equipment	16,171.12	DCMTWP Valve Actuator Parts
037992	1/21/2026	Steve Weddle	1,513.49	EE COMPUTER PURCHASE REIMB
037993	1/21/2026	SWRCB Accounting Office	1,873.00	1966 OLIVENHAIN RD PERMIT FEE
037994	1/28/2026	AT & T	1,000.53	Utilities - Phone
037995	1/28/2026	California State Disbursement Unit	123.23	Garnishment
037996	1/28/2026	Cash	294.53	PETTY CASH
037997	1/28/2026	City Treasurer	751.73	1/25 METER SERVICE CHARGE
037998	1/28/2026	County of San Diego	50.00	NOE FILING FEE - DUSTY TRAIL
037999	1/28/2026	Desiree Doubrox	101.74	REF:1080500_244245
038000	1/28/2026	Federal Express Corp	341.94	SHIPPING
038001	1/28/2026	Lomeli, George	50.00	5 YEAR SERVICE AWARD
038002	1/28/2026	HDR Engineering, Inc.	15,505.00	Design Services for Dusty Trails Pipeline Replacement Project (24AGR060)
038003	1/28/2026	Isaac Halstead	41.90	REF:1095364_195915
038004	1/28/2026	Kelle Miller	130.82	REF:1088241_158645
038005	1/28/2026	Vince Dixon Ford dba	630.00	SMOG INSPECTION - PU13
038006	1/28/2026	Kyocera	124.88	COPIER OVERAGES
038007	1/28/2026	Melissa Harkiewicz	208.84	REF:1058347_201610
038008	1/28/2026	Pacific Pipeline Supply	2,279.28	SUPPLIES
038009	1/28/2026	PTS Communications	75.00	760-489-9971
038010	1/28/2026	Republic Services #529	6,183.94	WASTE DISPOSAL SERVICES
038011	1/28/2026	Road One	165.44	TOWING SERVICES - PU118
038012	1/28/2026	San Diego County Vector	627.27	VECTOR CONTROL ASSESSMENT
038013	1/28/2026	San Diego Gas & Electric	1,781.11	Utilities - Electrical
038014	1/28/2026	Santa Fe Irrigation Dist	148.26	Potable Water Interconnect
038015	1/28/2026	Steffany Williams	104.15	REF:1094043_159890
038016	1/28/2026	TASC	717.90	Q4 2025 QUARTERLY FEE
038017	1/28/2026	Zachary Flanagan	18.82	REF:1094496_109620
EFT000000003242	1/7/2026	TS Industrial Supply	153.86	MISC. TOOLS
EFT000000003243	1/7/2026	Standard Insurance Co.	6,652.85	1/26 LIFE & LTD PREMIUM
EFT000000003244	1/7/2026	Escondido Metal Supply	76.11	WTP SUPPLIES
EFT000000003245	1/7/2026	Westamerica Communications, Inc.	6,759.18	OMWD ACFR 2025- Design and Printing
EFT000000003246	1/7/2026	Hasa	9,945.65	WWTP CHEMICALS
EFT000000003247	1/7/2026	North County Powder Coating	170.63	COATING SERVICES (WTP)
EFT000000003248	1/7/2026	Evoqua Water Technologies	219.81	WWTP SERVICES
EFT000000003249	1/7/2026	San Elijo Joint Powers Auth.	19,259.64	11/25 9.7 AF RECYCLED WATER
EFT000000003250	1/7/2026	Volt Management Corp DBA	2,877.63	INTERNS W/E 120525
EFT000000003251	1/7/2026	IKG Environmental	10,631.60	IKG Quarterly Well Monitoring - San Dieguito Valley Groundwater
EFT000000003252	1/7/2026	Transnet Investigative Group Inc.	45.00	PRE-EMPLOYMENT BACKGROUND
EFT000000003253	1/7/2026	Alpha Mechanical, Inc	2,075.00	WWTP PUMP/COOLER SERVICES
EFT000000003254	1/7/2026	PWLC I, INC	1,175.00	WTP - TREE REPLACEMENT
EFT000000003255	1/7/2026	Rusty Wallis Inc.	3,300.00	WTP CHEMICALS
EFT000000003256	1/7/2026	GSE Construction Co., Inc.	38,427.50	Construction 4SWRF Headworks Project
EFT000000003257	1/7/2026	SoCal Saltworks LLC	6,859.65	WTP CHEMICALS
EFT000000003258	1/7/2026	YSI, Inc.	6,593.50	DCMTWP Preventative Maintenance
EFT000000003259	1/7/2026	McGrath RentCorp dba	748.86	PARK TRAILER RENTAL
EFT000000003260	1/7/2026	APGN Inc. dba	17,580.00	Blower Replacement at the 4S WRF
EFT000000003261	1/7/2026	Aqua Metric	96,660.56	Inventory
EFT000000003262	1/7/2026	Gallade Chemical	3,448.21	WTP CHEMICALS
EFT000000003263	1/7/2026	West Coast Sand & Gravel	454.67	YARD MATERIALS
EFT000000003264	1/7/2026	Express Services Inc	2,185.86	TEMP LABOR PPE 120725
EFT000000003265	1/7/2026	Global Power Group Inc	965.83	WWTP PM SERVICES
EFT000000003266	1/7/2026	CDW Government Inc	79.71	SUPPLIES
EFT000000003267	1/7/2026	NBS	12,818.73	RAD 96-1 ADTR
EFT000000003268	1/7/2026	Insight Public Sector, Inc.	87,305.00	Microsoft Office 365 Advanced Threat Protection - Subscription License
EFT000000003269	1/7/2026	Infrastructure Engineering Corporation	1,980.00	VARIOUS FIRE FLOWS
EFT000000003270	1/7/2026	Integrity Municipal Systems	1,303.00	WWTP ODOR CNTL SCRUBBER SVC
EFT000000003271	1/7/2026	Harrington Industrial Plastics Inc	493.35	WTP SUPPLIES
EFT000000003272	1/7/2026	Guardian	1,011.84	1/26 DENTAL ADMIN FEES
EFT000000003273	1/7/2026	J.R. Filanc Construction	308,275.00	Village Park West Pressure Reducing Station Construction
EFT000000003274	1/14/2026	ACWA - JPIA	165,749.01	2/26 GROUP INSURANCE PREMIUM
EFT000000003275	1/14/2026	TS Industrial Supply	550.70	SUPPLIES
EFT000000003276	1/14/2026	Prudential Overall Supply	613.14	12/25 FLOOR MATS & SHOP TOWELS
EFT000000003277	1/14/2026	Southern Counties Lubricants, LLC.	5,161.67	FUEL SUPPLIES
EFT000000003278	1/14/2026	DLM Engineering Inc	9,159.85	ENGINEER CONSULTING SERVICES
EFT000000003279	1/14/2026	Traffic Supply Inc	151.90	MARKING PAINT - WHITE

Olivenhain Municipal Water District
January 2026 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
EFT0000000003280	1/14/2026	Controlled Entry Specialists	450.00	HQ LOWER YARD SWING GATE SVC
EFT0000000003281	1/14/2026	Evoqua Water Technologies	4,046.76	WWTP SUPPLIES
EFT0000000003282	1/14/2026	PSI Water Technologies, Inc	2,178.00	WTP SERVICES
EFT0000000003283	1/14/2026	McMaster-Carr Supply Co.	34.42	WTP SUPPLIES
EFT0000000003284	1/14/2026	Steven L. Sherman DBA	3,675.00	11/25 WATER USE SURVEYS
EFT0000000003285	1/14/2026	Ninyo & Moore	94,344.45	AZAHAR EMERGENCY RPR PJT
EFT0000000003286	1/14/2026	Sloan Electric	2,759.69	MACHINE BEARING HOUSINGS
EFT0000000003287	1/14/2026	CyberlinkASP Technology	10,476.86	DYNAMICS GP HOSTING SERVICES
EFT0000000003288	1/14/2026	Calif. Surveying & Drafting Supply	419.84	SUPPLIES
EFT0000000003289	1/14/2026	Volt Management Corp DBA	730.59	INTERN W/E 12/12/25
EFT0000000003290	1/14/2026	NexusTek Phoenix	7,416.46	CLOUD SERVICES
EFT0000000003291	1/14/2026	The Pun Group LLP	3,090.00	6/30/2025 SINGLE AUDIT
EFT0000000003292	1/14/2026	Liquid Environ. Solutions of CA	39,820.00	WWTP ROLLOFF BIN DISPOSAL
EFT0000000003293	1/14/2026	Alpha Analytical Labs, Inc.	3,716.75	WTP LAB SERVICES
EFT0000000003294	1/14/2026	Alpha Mechanical, Inc	2,305.31	WWTP HVAC SERVICES
EFT0000000003295	1/14/2026	WREGIS	1.20	RENEW ENERGY
EFT0000000003296	1/14/2026	PWLC I, INC	26,808.00	Easement Clearing East of Denk Reservoir
EFT0000000003297	1/14/2026	EcosConnect LLC	1,014.00	BACKFLOW NOTICES
EFT0000000003298	1/14/2026	Ignacio Tool Supply Inc.	156.24	TOOL REPAIR SERVICES
EFT0000000003299	1/14/2026	Mark Snyder Electric	1,568.75	PARKS SERVICES
EFT0000000003300	1/14/2026	SCA of CA, LLC	500.00	CADENCIA & ALDEA PL
EFT0000000003301	1/14/2026	McGrath RentCorp dba	748.86	PARKS TRAILER RENTAL
EFT0000000003302	1/14/2026	Alliant Insurance Services, Inc.	952.00	SPECIAL EVENT LIABILITY
EFT0000000003303	1/14/2026	Michael Baker International Inc	14,260.00	Siting Studies and Preliminary Design Golem PS and 4GEE Res
EFT0000000003304	1/14/2026	USA Blue Book	275.22	WWTP SUPPLIES
EFT0000000003305	1/14/2026	West Coast Sand & Gravel	2,237.31	YARD MATERIALS
EFT0000000003306	1/14/2026	Express Services Inc	1,774.44	TEMP LABOR PPE 122825
EFT0000000003307	1/14/2026	Hadronex Llc	18,318.00	Maintenance agreement for Collections System SmartCovers
EFT0000000003308	1/14/2026	Whitson CM	300.00	SITE INSPECTIONS
EFT0000000003309	1/14/2026	CDW Government Inc	108.53	SUPPLIES
EFT0000000003310	1/14/2026	Zenon Environmental Corporation	787,967.45	MEMBRANE REPLACEMENT
EFT0000000003311	1/14/2026	Rockwell Construction Services LLC	3,895.00	Construction Mgmt Services PLC Replacement Project
EFT0000000003312	1/14/2026	County of San Diego, RCS	183.00	12/25 RADIO SERVICES
EFT0000000003313	1/14/2026	Integrity Municipal Systems	3,537.00	WW ODOR CONTROL SCRUBBER SVC
EFT0000000003314	1/14/2026	Water for People	63.00	WTRPL 1/15/2026
EFT0000000003315	1/14/2026	Farwest Corrosion	139,742.34	Construction for Cathodic Protection Improvements
EFT0000000003316	1/14/2026	Cogsdale Corporation	53,499.05	2026 ANNUAL SUPPORT SERVICES
EFT0000000003317	1/21/2026	Underground Service Alert	328.00	DIG ALERT TICKETS
EFT0000000003318	1/21/2026	Encina Wastewater Authority	12,142.79	WATER SAMPLES
EFT0000000003319	1/21/2026	Vallecitos Water District	39,051.49	RECLAIMED WATER SALES
EFT0000000003320	1/21/2026	Southern Counties Lubricants, LLC.	6,184.03	FUEL SUPPLIES
EFT0000000003321	1/21/2026	AG Tech Llc	4,398.25	BIOSOLIDS DISPOSAL SERVICES
EFT0000000003322	1/21/2026	Wageworks	278.00	12/25 FSA ADMIN FEE
EFT0000000003323	1/21/2026	Cecilia's Safety Service	1,200.00	CHANGEABLE MESSAGE BOARD
EFT0000000003324	1/21/2026	Traffic Safety Solutions	2,200.00	MESSAGE SIGN BOARD
EFT0000000003325	1/21/2026	Mission Electric Supply, Inc.	1,590.99	LIGHTS
EFT0000000003326	1/21/2026	Alpha Analytical Labs, Inc.	9,071.75	WWTP LAB SERVICES
EFT0000000003327	1/21/2026	PWLC I, INC	20,493.60	Landscape Maintenance at Multiple Potable Reservoir Sites
EFT0000000003328	1/21/2026	Barrett Engineered Pumps	15,873.73	Hydra-Cell H25 Pump & Motor
EFT0000000003329	1/21/2026	Tetra Tech Inc	5,512.50	Engineering Support PLC Replacement Project (Potable/Recycled)
EFT0000000003330	1/21/2026	KDC Inc. dba	40,663.24	PLC Replacement Project Construction (Potable/Recycled)
EFT0000000003331	1/21/2026	SoCal Saltworks LLC	6,877.02	WTP CHEMICALS
EFT0000000003332	1/21/2026	California Office Cleaning, Inc.	9,680.00	HQ (Engineering) Janitorial Services for (1) Year
EFT0000000003333	1/21/2026	Armanino Advisory LLC	10,740.19	OMWD IA IT SERVICES
EFT0000000003334	1/21/2026	Engineered Fluid Inc	20,014.79	Pressure Reducing Station Replacement for the Village Park PRS Station Project
EFT0000000003335	1/21/2026	USA Blue Book	383.51	WWTP SUPPLIES
EFT0000000003336	1/21/2026	West Coast Sand & Gravel	3,513.42	YARD MATERIALS
EFT0000000003337	1/21/2026	Utility Service Co. Inc	242,338.96	QUARTERLY TANK MAINTENANCE
EFT0000000003338	1/21/2026	CDW Government Inc	41.74	SUPPLIES
EFT0000000003339	1/21/2026	Bay City Electric Works	5,091.26	RANCHO LAKES PS #1 SVCS
EFT0000000003340	1/21/2026	ESS	672.00	WWTP ALARM SERVICES
EFT0000000003341	1/21/2026	Konecranes Inc	642.00	Crane/Hoist PM Service & Inspections at DCMWTP
EFT0000000003342	1/21/2026	J.R. Filanc Construction	200,196.64	Village Park West Pressure Reducing Station Construction
EFT0000000003343	1/28/2026	Boot World Inc	200.00	Safety Boots
EFT0000000003344	1/28/2026	Dudek	15,250.00	Engineering Services During Construction-Headworks Project
EFT0000000003345	1/28/2026	Peterson Structural Engineers, Inc.	1,300.00	Reservoirs Safety Improvements Project
EFT0000000003346	1/28/2026	North County Powder Coating	234.85	CONNEMARA PS - COATING SVCS
EFT0000000003347	1/28/2026	Evoqua Water Technologies	258.60	WWTP VAPORLINK RECURRING
EFT0000000003348	1/28/2026	Ninyo & Moore	2,517.00	GEOTECHNICAL SVCS - MTN VISTA
EFT0000000003349	1/28/2026	RS AMERICAS INC.	1,768.24	SUPPLIES
EFT0000000003350	1/28/2026	Taleety Consulting LLC	5,000.00	Financial Project Management Services
EFT0000000003351	1/28/2026	Patriot Environmental	891.25	WWTP ROLLOFF BIN DISPOSAL SVCS
EFT0000000003352	1/28/2026	Express Services Inc	4,699.88	TEMP LABOR PPE 011126
EFT0000000003353	1/28/2026	CDW Government Inc	619.31	SUPPLIES

Olivenhain Municipal Water District
January 2026 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
EFT000000003354	1/28/2026	Guardian	959.14	2/26 ADMIN FEES
EFT000000003355	1/28/2026	Water for People	63.00	WTRPL 1/29/2026
<hr/> <u>3,539,350.53</u>				

Olivenhain Municipal Water District
Monthly Directors Fee and Reimbursed Expenses for Directors and Staff
January 2026

<u>Name</u>	<u>Payment Date</u>	<u>Check#/ Credit Card</u>	<u>Meals & Lodging</u>	<u>Travel & Transport</u>	<u>Other</u>	<u>Reimbursed Expenses</u>	<u>Total</u>	<u>Directors Fee*</u>
Director Guerin			0.00	0.00	0.00	0.00	0.00	300.00
			0.00	0.00	0.00	0.00	0.00	300.00
Director Hahn			0.00	0.00	0.00	0.00	0.00	450.00
			0.00	0.00	0.00	0.00	0.00	450.00
Director Lanfried			0.00	0.00	0.00	0.00	0.00	600.00
			0.00	0.00	0.00	0.00	0.00	600.00
Director Maloni	1/7/2026		0.00	143.97	0.00	143.97	0.00	450.00
			0.00	143.97	0.00	143.97	0.00	450.00
Director Meyers	1/7/2026		0.00	157.64	0.00	157.64	0.00	150.00
			0.00	157.64	0.00	157.64	0.00	150.00
General Manager Thorner			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	
Human Resources Manager Joslin			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	
Finance Manager Mendez			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	
Operations Manager Bartlett-May			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	
Engineering Manager Stephenson			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	
Assistant General Manager Randall			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	
Customer Service Manager Carnegie			0.00	0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	0.00	

* Includes December 2025 and January 2026 Per Diems

Notes:

- (1) Reviewed and discussed with the Finance Committee (02/05/18).
- (2) Reimbursement of expenses are in compliance with Article 19 of the District's Administrative and Ethics Code.
- (3) Travel and other expenses charged to District's credit cards and paid by the District are recorded and maintained separately.

Olivenhain Municipal Water District
MONTHLY CASH AND INVESTMENT SUMMARY
As of December 31, 2025

Active Deposits

	<u>Book Value</u>
Checking Accounts	\$ 1,502,118
Cash Restricted for Specific Use	412,057
Petty Cash/Disaster Preparedness	1,487
Total Active Deposits	\$ 1,915,662

Deposits Not Covered by Investment Policy

Cash with Fiscal Agents	2,336,802
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<u>Investments</u>	<u>Face Value</u>	<u>Market Value</u>	<u>Current Yield</u>	
LAIF	\$ 31,648,403	31,709,471	4.03%	\$ 31,648,403
CAMP - US Bank	26,540,075	26,540,075	3.95%	26,540,075
Money Market Funds	1,205,086	1,205,086	2.61%	1,205,086
U.S. Treasury Securities	2,000,000	1,995,080	2.26%	1,984,470
U.S. Agency Securities	29,365,000	29,256,198	2.33%	29,361,300
Total Investments	\$ 90,758,565	\$ 90,705,912	3.39%	\$ 90,739,335
Total - All Deposits/Investments				\$ 94,991,799

Maturity Analysis of Investments

	<u>Percent</u>	<u>Balance</u>
Demand Deposits	65.5%	\$ 59,393,565
Maturity within the next two months	14.3%	12,982,478
Maturity within three months and one year	7.7%	6,974,992
Maturity beyond one year	12.6%	11,388,300
Total Investments	100.0%	\$ 90,739,335

Weighted Average Days to Maturity **128**

Other Required Disclosures:

Accrued interest receivable as of 12/31/2025 \$ 548,298

The above investments are in accordance with the portfolio limitations in the Investment Policy approved by the Board in December 2025.

The District has sufficient funds on hand to meet the next 60 days' obligations.

Olivenhain Municipal Water District
PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY
December 31, 2025

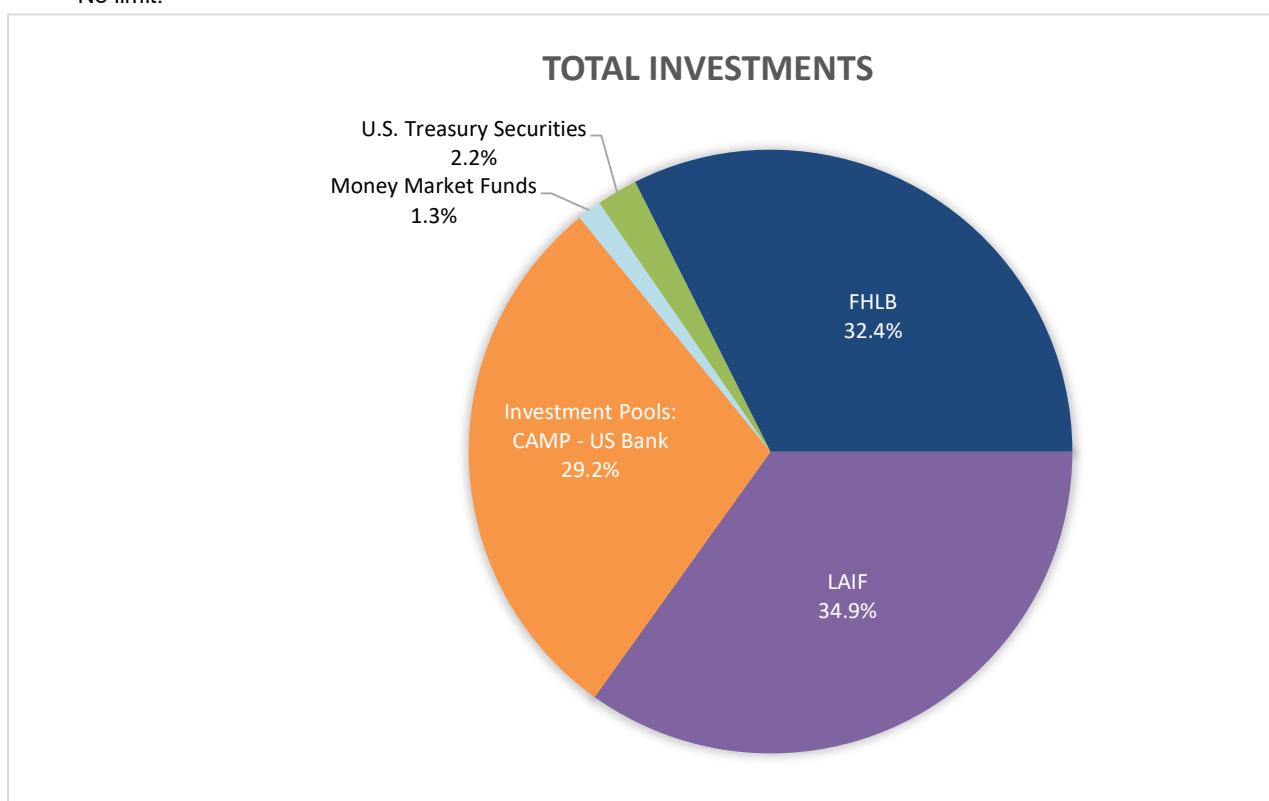
	<u>Book Value</u>	<u>Percent</u>	<u>Permitted Percent</u>		<u>In Compliance?</u>
LAIF	\$ 31,648,403	34.9%	50.0%	(1)	Yes
Investment Pools: CAMP - US Bank	26,540,075	29.2%	30.0%		Yes
Money Market Funds	1,205,086	1.3%	20.0%	(2)	Yes
U.S. Treasury Securities	1,984,470	2.2%	100.0%	(3)	Yes
U.S. Agency Securities	29,361,300	32.4%	50.0%		Yes
<i>FHLB</i> <i>Federal Home Loan Bank</i>	<i>29,361,300</i>	<i>32.4%</i>			
Total Investments	\$ 90,739,335	100%			

Note:

(1) No more than 50% of the total value of all District Investments or \$40 million.

(2) May not exceed 5% in any money market fund.

(3) No limit.



* Total may not add up to 100% due to rounding.

Olivenhain Municipal Water District
MONTHLY INVESTMENTS DETAIL
December 31, 2025

ACTIVE DEPOSIT

	Book Value
Checking A/C: California Bank and Trust for General Purpose	1,502,118
California Bank and Trust for Specific Purpose	412,057
Petty Cash/Disaster Preparedness	1,487
Total - Active Deposits	1,915,662

DEPOSITS NOT COVERED BY INVESTMENT POLICY

Cash with Fiscal Agents:

Union Bank - RAD 96-1 Refunding Bond	353,590
Union Bank - 2015A Refunding Bond	138,950
SRF Loan	1,605,972
Union Bank - 2016A Refunding Bond	182,277
Union Bank - 2021A WW Revenue Bond	44,985
Union Bank - 2021B Refunding Bond	11,028

Total Deposits Not Covered by Investment Policy **2,336,802**

RATING		DATE				Weighted Average Days to Maturity	Stated Coupon	Current Yield	Market Value	Face Value	Book Value			
Moody's	S&P	Purchase	Maturity	Next Call	Next S-U									
INVESTMENTS														
Invest. Pools:	US Bank Calif. Asset Mgmt Prgm (CAMP)		Demand			1		3.95%	\$ 26,540,075	\$ 26,540,075	\$ 26,540,075			
State Local Agency Investment Fund (LAIF)			Demand			1		4.03%	31,709,471	31,648,403	31,648,403			
First American Government 31846V567			Demand			1		3.64%	1,719	1,719	1,719			
CB&T Money Market Account			Demand			1		2.61%	1,203,368	1,203,368	1,203,368			
U.S. Treasury Notes/Bills														
91282CGL9	U.S. Treasury Notes	Aa1	-	08/19/25	02/15/26		47	4.00%	4.00%	1,000,290	1,000,000	999,992		
91282CBQ3	U.S. Treasury Notes	Aa1	-	03/09/21	02/28/26		60	0.50%	0.50%	994,790	1,000,000	984,478		
							4	2.25%	2.26%	\$ 1,995,080	\$ 2,000,000	\$ 1,984,470		
U.S. Agency Securities														
3130AKMD5	FHLB Callable	Aa1	AA+	01/26/21	01/26/26	01/26/26	27	27	0.50%	0.50%	997,930	1,000,000	999,500	
3130AKU53	FHLB Callable	Aa1	AA+	01/28/21	01/28/26	01/28/26	29	29	0.52%	0.52%	997,780	1,000,000	1,000,000	
3130AKN69	FHLB Callable	Aa1	AA+	01/28/21	01/28/26	01/28/26	29	29	0.50%	0.50%	997,760	1,000,000	1,000,000	
3130AKVN3	FHLB Callable	Aa1	AA+	01/29/21	01/29/26	01/29/26	30	30	0.52%	0.52%	997,690	1,000,000	1,000,000	
3130AKWK8	FHLB Callable	Aa1	AA+	02/12/21	02/12/26	02/12/26	44	44	0.51%	0.51%	996,410	1,000,000	1,000,000	
3130AKX43	FHLB Step-up Callable	Aa1	AA+	02/24/21	02/24/26	02/24/26	None	56	56	0.70%	0.70%	1,991,460	2,000,000	2,000,000
3130AL7M0	FHLB Callable	Aa1	AA+	02/24/21	02/24/26	02/24/26	56	56	0.63%	0.63%	995,510	1,000,000	1,000,000	
3130AKYR1	FHLB Callable	Aa1	AA+	02/25/21	02/25/26	None	57		0.55%	0.55%	995,420	1,000,000	1,000,000	
3130AL6K5	FHLB Callable	Aa1	AA+	02/25/21	02/25/26	None	57		0.58%	0.58%	995,470	1,000,000	1,000,000	
3130ALD76	FHLB Callable	Aa1	AA+	02/25/21	02/25/26	02/25/26	57	57	0.70%	0.70%	995,640	1,000,000	1,000,000	
3130ALCW2	FHLB Callable	Aa1	AA+	02/25/21	02/25/26	None	57		0.63%	0.63%	995,530	1,000,000	998,500	
3130ALGJ7	FHLB Callable	Aa1	AA+	03/23/21	03/23/26	01/23/26	83	24	1.00%	1.01%	969,413	975,000	975,000	
3130ALPQ1	FHLB Step-up Callable	Aa1	AA+	03/30/21	03/30/26	03/30/26	None	90	90	2.00%	2.01%	996,050	1,000,000	1,000,000
3130ALVC5	FHLB Step-up Callable	Aa1	AA+	04/14/21	04/14/26	01/14/26	105	15	2.25%	2.26%	995,760	1,000,000	1,000,000	
3130B7NF7	FHLB Callable	Aa1	AA+	09/03/25	09/03/26	01/03/26	247	4	4.00%	4.00%	1,000,010	1,000,000	1,000,000	
3130APAY1	FHLB Callable	Aa1	AA+	10/21/21	10/21/26	01/21/26	295	22	1.10%	1.12%	980,110	1,000,000	1,000,000	
3130APL78	FHLB Callable	Aa1	AA+	10/28/21	10/28/26	01/28/26	302	29	1.38%	1.40%	982,510	1,000,000	1,000,000	
3130BGZ25	FHLB Callable	Aa1	AA+	07/11/25	07/07/27	01/07/26	554	8	4.30%	4.30%	1,390,125	1,390,000	1,390,000	
3130B73C6	FHLB Callable	Aa1	AA+	07/14/25	07/14/27	01/14/26	561	15	4.30%	4.32%	996,380	1,000,000	1,000,000	
3130B7JT2	FHLB Callable	Aa1	AA+	08/22/25	08/12/27	02/12/26	590	44	4.15%	4.15%	999,500	1,000,000	1,000,000	
3130B7JC9	FHLB Callable	Aa1	AA+	08/20/25	08/20/27	02/20/26	598	52	4.13%	4.14%	1,993,420	2,000,000	2,000,000	
3130B4TN1	FHLB Callable	Aa1	AA+	01/30/25	01/28/28	01/28/26	759	29	4.50%	4.50%	999,070	1,000,000	1,000,000	
3130B4YQ8	FHLB Callable	Aa1	AA+	02/25/25	02/25/28	02/25/26	787	57	4.60%	4.60%	999,990	1,000,000	1,000,000	
3130B5X45	FHLB Callable	Aa1	AA+	04/24/25	04/24/29	04/24/26	1,211	115	4.45%	4.45%	1,000,940	1,000,000	1,000,000	
3130B6CG9	FHLB Callable	Aa1	AA+	05/22/25	05/22/29	05/22/26	1,239	143	4.38%	4.37%	1,000,460	1,000,000	998,300	
3130B6SW7	FHLB Callable	Aa1	AA+	07/02/25	07/02/29	01/02/26	1,280	3	4.69%	4.69%	1,000,000	1,000,000	1,000,000	
3130B2N43	FHLB Callable	Aa1	AA+	09/10/24	09/10/29	09/10/26	1,350	254	4.00%	4.02%	995,860	1,000,000	1,000,000	

389 51 2.32% 2.33% \$ 29,256,198 \$ 29,365,000 \$ 29,361,300

Total Investments

128 3.39% 3.39% \$ 90,705,912 \$ 90,758,565 \$ 90,739,335

TOTAL - ALL DEPOSITS AND INVESTMENTS

\$ 94,991,799

Olivenhain Municipal Water District
INVESTMENTS TRANSACTION
December 31, 2025

PURCHASED

DATE				Investment Description	Stated Coupon	Current Yield	Face Value	Book Value
Purchase	Maturity	Call	Step-Up					

MATURED / REDEEMED / CALLED

DATE				Investment Description	Stated Coupon	Current Yield	Face Value	Book Value
Redemption	Maturity	Call	Step-Up					
12/15/25	12/15/25	12/15/25	None	FHLB Step-up Callable	3.000%	3.001%	2,000,000	2,000,000

Olivenhain Municipal Water District
UNAUDITED CASH POSITION BY FUNDING SOURCES
As of December 31, 2025

<u>Water Funds (Potable & Recycled)</u>		<u>Balance</u>
10050-100	Cash - Petty Cash Fund	1,487
10010-100	Cash - Operating Fund	20,246,216
10030-100	Cash - Capital and Equipment Fund	34,922,091
10040-100	Cash - Rate Stabilization Fund	10,309,430
10080-100	Cash - Pension Stabilization Fund	936,243
10060-100	Cash - Deposit Work for Other	1,562,713
14000-500	Restricted Cash - Capacity Fee Fund	8,857,018
Total Water Funds (Potable & Recycled)		76,835,199
<u>Wastewater Funds</u>		
10010-110	Wastewater - Operating Fund	1,178,619
10030-110	Wastewater - Capital Replacement Fund	11,255,987
10040-110	Wastewater - Rate Stabilization Fund	2,889,996
10080-110	Cash - Pension Stabilization Fund	83,139
Total Wastewater Funds		15,407,741
<u>Non Fiscal Agent Debt Service Cash</u>		
14020-570	Cash non-agent - RAD 96-1	400,857
10070-561	Cash non-agent - Bond 2015A	621
10070-581	Cash non-agent - Bond 2016A	10,580
Total Non Fiscal Agent Debt Service Cash		412,057
<u>Debt Service Funds</u>		
14030-510	SRF Loan - Fiscal Agent	1,605,972
14105-570	Redemption fund - RAD 96-1	304,973
14110-570	Reserve fund - RAD 96-1	48,616
14100-561	Redemption fund - Bond 2015A	138,950
14100-581	Redemption fund - Bond 2016A	182,277
14100-521	Redemption fund - Bond 2021A	44,985
14100-522	Redemption fund - Bond 2021B	11,028
Total Debt Service Funds		2,336,802
TOTAL FUND BALANCES		94,991,799

Memo

Date: February 18, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Leo Mendez, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S
CONSOLIDATED STATEMENT OF NET POSITION, CONSOLIDATED
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION,
CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS
BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORTS**

The following unaudited monthly financial reports are enclosed for review and approval by the Board of Directors:

- December 2025 Monthly Statement of Net Position Reports.
- December 2025 Statement of Revenues, Expenses, and Changes in Net Position Reports.
- December 2025 Consolidated Statement of Cash Flows.
- December 2025 Monthly Consolidated Actual VS Budget Summary and explanation of significant variance reports.
- December 2025 Construction In Progress Reports.

Prepared by: Georgeanna Clark, Project Accountant II
Jared Graffam, Accounting Supervisor

Reviewed by: Leo Mendez, Finance Manager
Jared Graffam, Accounting Supervisor

Approved by: Kimberly A. Thorner, General Manager

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
12/31/2025

Assets

Current assets:

Unrestricted assets:	
Cash and cash equivalents	\$82,962,648
Accounts receivable - water and wastewater, net	6,528,493
Interest Receivable	548,298
Taxes receivable	226,260
Other receivables	305,484
Lease receivable	470,100
Inventories	7,475,139
Prepaid expenses and deposits	2,038,425
Total unrestricted assets	<u>100,554,847</u>

Restricted assets:

Cash and cash equivalents	11,404,431
Assesments receivable	55,910
Total restricted assets	<u>11,460,341</u>
Total current assets	<u>112,015,188</u>

Noncurrent assets:

Capital assets, nondepreciable	52,932,440
Capital assets, depreciable/amortizable, net	320,192,554
Capital assets, net	373,124,994
Prepaid bond insurance	8,464
Lease receivable	9,736,164
Total noncurrent assets	<u>382,869,621</u>
Total assets	<u>494,884,810</u>

Deferred Outflows of Resources

Deferred amount on refunding	(542,544)
Deferred amount from pension	(5,539,491)
Total deferred outflows of resources	<u>(6,082,035)</u>

Liabilities

Current Liabilities

Liabilities payable from unrestricted assets:	
Accounts payable	11,811,760
Accrued payroll	195,526
Customer deposits	430,965
Payable related to work in progress	1,562,696
Compensated absences, current portion	1,258,429
Current portion of long-term debt:	
Wastewater Revenue Bonds 2021A	220,840
Wastewater Refunding Revenue Bonds 2021B	588,890
Water Revenue Refunding Bonds 2016A	645,000
Water Revenue Refunding Bonds 2015A	2,130,000
Special Assessment Debt with Government Commitmtr	931,187
Notes Payable	875,736
Subscription Liability	109,218
Total liabilities payable from unrestricted assets	<u>20,760,248</u>

Liabilities payable from restricted assets:

Accounts payable	23,450
Interest payable	531,735
Total liabilities payable from restricted assets	<u>555,185</u>
Total current liabilities	<u>21,315,433</u>

Noncurrent liabilities

Compensated absences	1,131,363
Net pension liability	17,449,508
Long-term debt, excluding current portion:	
Wastewater Revenue Bonds 2021A	3,940,430
Wastewater Refunding Revenue Bonds 2021B	1,197,560
Water Revenue Refunding Bonds 2016A	10,993,836
Water Revenue Refunding Bonds 2015A	4,780,795
Special Assessment Debt with Government Commitmtr	951,722
Notes Payable	7,777,171
Subscription Liability	79,787
Total noncurrent liabilities	<u>48,302,173</u>
Total liabilities	<u>69,617,606</u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
12/31/2025

Deferred Inflows of Resources

Deferred amounts on pension	180,628
Deferred amounts on leases	8,870,260
Total deferred inflows of resources	<u>9,050,888</u>

Net Position

Investment in Capital Assets, net of related debt	338,445,364
Restricted Net Position	10,905,156
Unrestricted Net Position	72,947,831
Total Net Position	<u>422,298,351</u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
All Funds
For the Six Months Ending 12/31/2025

2026	
Operating Revenues:	
Water Sales	\$36,597,476
Wastewater Charges	1,534,817
Other Water Operating revenues	1,106,427
Total Operating Revenues	39,238,720
Operating Expenses	
Cost of Purchased Water Sold	21,553,299
Pumping and Water Treatment	2,544,454
Transmission and Distribution	2,711,062
Wastewater Collection and Treatment	1,076,811
Elfin Forest Recreation Operations	243,526
Facilities Maintenance	655,475
Customer Service	1,398,389
General and Administrative	4,589,474
Depreciation and Amortization	5,098,560
Total Operating Expenses	39,871,050
Operating Income (Loss)	(632,330)
Nonoperating Revenues (Expenses)	
Investment income	1,410,451
Property taxes	2,263,009
Capacity charges	18,004
Benefit assessments	285,110
Other nonoperating revenues	411,480
Interest expense, net	(420,323)
Other nonoperating expenses	(983,517)
Total nonoperating revenues (expenses)	2,984,214
Income before capital contributions	2,351,883
Capital contributions	3,903
Change in net position	2,355,787
Net Position, Beginning of year	419,942,565
Net Position, End of year	422,298,351

OLIVENHAIN MUNICIPAL WATER DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
As of December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from water and wastewater customers	\$ 43,165,734
Payments for water	(21,851,739)
Payments for services and supplies	(7,600,331)
Payments for employee wages, benefits and related costs	(8,890,887)
Net cash provided by operating activities	4,822,777

CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:

Property taxes and benefit assessments received	2,549,415
Net cash provided by noncapital and related financing activities	2,549,415

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition and construction of capital assets	(7,026,580)
Proceeds from grants	4,756
Pass-through grant disbursements	-
Principal paid on long-term debt	(1,456,224)
Interest paid on long-term debt	(72,532)
Capacity charges received	18,004
Other capital financing receipts (expenses)	(518,541)
Net cash used by capital and related financing activities	(9,051,117)

CASH FLOWS FROM INVESTING ACTIVITIES:

Net change in investments	10,710,404
Investment income received	1,388,308
Net cash provided (used) by investing activities	12,098,712
 Net increase (decrease) in cash and cash equivalents	 10,419,787
 Cash and cash equivalents, beginning of year	 52,601,522
 Cash and cash equivalents, end of period	 \$ 63,021,309

FINANCIAL STATEMENT PRESENTATION:

Cash and cash equivalents - current assets	54,756,554
Cash and cash equivalents - restricted assets	8,264,755
Total cash and cash equivalents	\$ 63,021,309

CASH AND CASH EQUIVALENTS RECONCILIATION

		Balance Includes Mkt Securities	Without Mkt Securities
Unrestricted cash	12/31/2025	82,962,648	54,756,554
Restricted cash	12/31/2025	11,404,431	8,264,755
Total cash and cash equivalents			63,021,309

OLIVENHAIN MUNICIPAL WATER DISTRICT
 Consolidated Actual vs Budget Summary
 For the Six Months Ending 12/31/2025

	Approved Budget	Actual YTD	Budget YTD	Variance Amt	Variance %	Notes
Operating Revenues						
Commodity Water Sales	\$52,939,000.00	\$26,999,337.82	\$30,155,900.00	(\$3,156,562.18)	(10.5%)	1
Water Fees and Services	21,434,000.00	10,704,565.35	10,344,000.00	360,565.35	3.5%	
Wastewater Revenue	6,428,000.00	1,534,817.24	1,849,600.00	(314,782.76)	(17.0%)	2
Total Operating Revenues	80,801,000.00	39,238,720.41	42,349,500.00	(3,110,779.59)	(7.3%)	
Operating Expenses						
Purchased Water - Variable	30,058,000.00	15,935,739.13	17,441,000.00	1,505,260.87	8.6%	3
Purchased Water - Fixed	12,098,000.00	5,617,560.00	5,617,800.00	240.00	0.0%	
General Manager Dept	2,335,000.00	1,071,526.82	1,167,600.00	96,073.18	8.2%	4
Engineering Dept	2,741,000.00	1,267,443.59	1,371,180.00	103,736.41	7.6%	4
Finance Dept	1,940,000.00	886,682.32	970,740.00	84,057.68	8.7%	4
Customer Service Dept	3,396,000.00	1,712,009.29	1,700,178.00	(11,831.29)	(0.7%)	4
Human Resources Dept	988,000.00	470,510.70	493,998.00	23,487.30	4.8%	4
Water Operations and Maintenance Dept	13,624,000.00	6,547,552.58	6,817,314.00	269,761.42	4.0%	4
Parks Dept	543,000.00	263,342.26	272,076.00	8,733.74	3.2%	4
Other Operating Expenses	50,000.00		25,200.00	25,200.00	100.0%	
Wastewater Operations and Maintenance Dept	3,605,000.00	1,758,862.45	1,802,958.00	44,095.55	2.4%	4
Recycled Water Operations Dept	1,307,000.00	667,802.93	655,500.00	(12,302.93)	(1.9%)	4
Paygo Transfers						
Water Operations	4,977,000.00	2,490,000.00	2,490,000.00		0.0%	
Wastewater Operations	2,626,000.00	1,314,000.00	1,314,000.00		0.0%	
Recycled Operations	1,700,000.00	852,000.00	852,000.00		0.0%	
Capitalized Operations Expenditures	(2,105,000.00)	(983,981.32)	(1,051,380.00)	(67,398.68)	6.4%	5
Total Operating Expenses	79,883,000.00	39,871,050.75	41,940,164.00	2,069,113.25	4.9%	
Net Operating Income (Loss)	918,000.00	(632,330.34)	409,336.00	(1,041,666.34)		
Nonoperating Revenues						
Water Funds	6,884,000.00	3,569,305.40	3,075,300.00	494,005.40	16.1%	6
Debt Service Funds	1,061,000.00	291,041.78	348,180.00	(57,138.22)	(16.4%)	6
Wastewater Funds	92,000.00	61,114.04	46,200.00	14,914.04	32.3%	6
Recycled Water Funds	260,000.00	131,124.13	130,200.00	924.13	0.7%	
Total Nonoperating Revenue	8,297,000.00	4,052,585.35	3,599,880.00	452,705.35	12.6%	
Nonoperating Expense						
Capacity Fee Funds	30,000.00	7,401.04	14,880.00	7,478.96	50.3%	
Debt Service Funds	1,421,500.00	475,148.18	529,680.00	54,531.82	10.3%	7
Potable Water Funds	1,367,000.00	921,290.88	975,740.00	54,449.12	5.6%	8
Total Nonoperating Expense	2,818,500.00	1,403,840.10	1,520,300.00	116,459.90	7.7%	
Inc before Cap Fees and Capital Contributions	6,396,500.00	2,016,414.91	2,488,916.00	(472,501.09)		
Capacity Fee Funds	706,000.00	335,468.44				
Capital contributions	2,045,000.00	3,903.28				
Change in Net Position			2,355,786.63			

OLIVENHAIN MUNICIPAL WATER DISTRICT

Actual vs Budget Variance

For the Six Months Ending 12/31/2025

1. Water Sales revenue was approximately \$3.2 million (10.5%) below Budget YTD for an unfavorable variance through December, primarily due to the timing of unbilled water estimates and actual customer usage being 753 AF (6.5%) less than projected.
2. Wastewater Revenue was less than Budget YTD due to timing. 4S Ranch and Rancho Cielo Sanitation Districts' wastewater service fees are collected on the County's tax roll when customers pay their property tax to the County. Actual YTD wastewater service revenue will be closer to the Budget YTD amount as the year progresses.
3. Purchased water variable expenses were \$1.5 million (8.6%) below Budget YTD, driven primarily by water purchases being 753 AF less than projected through December. These savings were partially offset by the use of potable water to meet recycled water demand in the northwest quadrant. With Vallecitos Water District's Meadowlark Reclamation Facility currently offline, the District has supplemented recycled water supplies with potable water to satisfy customer demand.
4. Actual departmental expenses varied from the Budget YTD amounts due to the timing of actual operating expenses. The Budget YTD amounts assume expenditures are incurred evenly throughout the year.
5. Actual Capitalized Operating Expenses were lower than the Budget YTD amount due to the timing of capitalized labor spent on District projects. The Budget YTD amount assumes expenditures are incurred evenly throughout the year.
6. Actual Non-operating Revenues – Water Funds and Wastewater Funds were overall greater than Budget YTD for a positive variance due to higher interest income earned on short-term investments over budgeted returns. Debt Service Funds were lower overall than Budgeted YTD due to the timing of property tax revenues received from the County, which includes revenues related to the special assessment debt.
7. Actual Non-operating Expenses - Debt Service Funds were lower than the Budget YTD amount for a positive variance because amortization of the issuance premium is not included in the 2015A Bonds interest expense.
8. Actual Non-operating Expenses – Potable Water Funds were lower than the Budgeted YTD amount for a positive variance because the MET rate reimbursement credit is lower than budgeted due to lower than budgeted water sales through December.

Construction Work In Progress Report as of 12/31/2025

Project Name	Total Project Budget	Cumulative Appropriation Thru FY '26	Total Expensed Thru 12/31/2025 ¹	(Over) Under Cumulative Appropriation Thru FY '26
San Dieguito Desalination	\$75,437,000	\$6,808,000	\$5,217,857	\$1,590,143
Azahar & Cadencia Emergency Repair	\$4,350,000	\$4,350,000	\$2,681,687	\$1,668,313
Replace Headworks Manual System	\$4,869,000	\$3,369,000	\$643,582	\$2,725,418
DCMWTP 4th Stage Centrifuge	\$3,340,000	\$3,340,000	\$3,206,765	\$133,235
Palms I and II Reservoirs	\$2,592,000	\$1,683,000	\$323,870	\$1,359,130
Village Park Pressure Reducing Station	\$1,505,500	\$1,505,500	\$1,113,110	\$392,390
District-Wide PLC Replacements	\$1,466,000	\$1,466,000	\$1,051,194	\$414,806
District-Wide PLC Replacement Wastewater	\$1,456,000	\$1,456,000	\$1,011,842	\$444,158
Gardendale Pressure Reducing Station	\$1,432,500	\$1,432,500	\$1,433,129	(\$629) ⁴
Replace Valves	\$8,812,000	\$981,000	\$933,846	\$47,154
Replace DCMWTP Membranes	\$11,231,000	\$973,000	\$17,368	\$955,632
Replace Potable Meters	\$9,304,000	\$927,000	\$479,008	\$447,992
Dusty Trails Pipeline Replacement	\$1,180,000	\$830,000	\$105,475	\$724,525
Steel Mains Protection	\$3,484,000	\$767,000	\$368,129	\$398,871
Encinitas Blvd Inspection & Repair	\$677,000	\$677,000	\$56,430	\$620,570
Raw Water Equalizer Tank Rehabilitation	\$671,000	\$671,000	\$21,248	\$649,752
Off-Spec and High Flow Diversion Pipeline	\$685,000	\$635,000	\$187,580	\$447,420
Tank Safety Improvements	\$590,000	\$590,000	\$146,696	\$443,304
DCMWTP 2nd Stage Basin & Beam	\$1,784,000	\$577,000	\$23,872	\$553,128
Units B & K Pipeline Rehabilitation	\$2,142,000	\$562,000	\$235,080	\$326,920
DCMWTP 1st Stage Beam Replacement	\$2,206,000	\$560,000	\$1,936	\$558,064
EFRR Parking Lot Expansion	\$1,385,000	\$476,000	\$134,256	\$341,744
CIS System Upgrade	\$400,500	\$400,500	\$17,795	\$382,705
Data Centre Replacement	\$550,000	\$275,000	\$0	\$275,000
Replace 75HP Digester Blower	\$263,000	\$263,000	\$20,176	\$242,824
District-Wide Scada Upgrades	\$256,000	\$256,000	\$234,700	\$21,300
Replace WW Pumps, Motors & Equipment	\$2,539,000	\$213,000	\$0	\$213,000
Fleet Electrification Plan	\$2,450,000	\$193,000	\$71,696	\$121,304
DCMWTP Combined Filter Influent & Backwash Pipe Replacement	\$708,000	\$180,000	\$1,842	\$178,158
Replace Potable Pumps and Motors	\$2,004,000	\$180,000	\$54,210	\$125,790
Replace Meter Anodes	\$1,886,000	\$163,000	\$126,856	\$36,144
Strainer Coating Repairs	\$155,000	\$155,000	\$6,831	\$148,169
Santa Fe Valley Reservoir Improvements	\$150,000	\$150,000	\$0	\$150,000
Wanket RW Reservoir Rehabilitation	\$150,000	\$150,000	\$56,622	\$93,378
Replace Pipelines	\$5,195,000	\$115,000	\$115,667	(\$667) ²
Replace MSB-S & Transfer Switch	\$1,286,000	\$113,000	\$1,075	\$111,925
DCMWTP Equipment Replacement	\$1,434,000	\$106,000	\$55,450	\$50,550
Network Security	\$1,210,000	\$104,000	\$0	\$104,000
Encinitas Blvd Pressure Reducing Station	\$100,000	\$100,000	\$162	\$99,838
10th Street Pressure Reducing Station	\$100,000	\$100,000	\$162	\$99,838
DCMWTP Bridge Crane Rehabilitation	\$97,000	\$97,000	\$97,073	(\$73) ³
Neighborhood #3 Liner Improvement	\$84,000	\$84,000	\$4,750	\$79,250
HOA Recycled Pipeline Ext - CB, VP, SH	\$80,000	\$80,000	\$31,918	\$48,082
Recycled Conversions	\$819,000	\$80,000	\$10,314	\$69,686
Collection System Pipeline Rehabilitation and Replacement	\$865,000	\$78,000	\$716	\$77,284
Replace Recycled Valves	\$850,000	\$77,000	\$0	\$77,000
WW Pump Station Rehab & Replace	\$813,000	\$75,000	\$0	\$75,000
DCMWTP Building & Door Refurbishment	\$75,000	\$75,000	\$0	\$75,000
Replace 4SWRF Clarifying Scum Boxes	\$75,000	\$75,000	\$0	\$75,000
Collection System Manhole Rehabilitation Program	\$770,000	\$71,000	\$0	\$71,000
Rancho La Cima/Aliso Canyon Pipeline	\$315,000	\$65,000	\$64,836	\$164
4S WRF Scada Upgrades	\$64,000	\$64,000	\$60,860	\$3,140
RSF Rd Pipeline Inspection	\$688,000	\$64,000	\$0	\$64,000
Centrifuge 731 Refurbishment	\$60,000	\$60,000	\$4,630	\$55,370
Replace PRS Valves	\$642,000	\$56,000	\$2,144	\$53,856
Replace WRF Electrical Conduits, Enclosures, and Lighting	\$367,000	\$54,000	\$0	\$54,000
Replace Recycled Pipeline	\$780,000	\$52,000	\$0	\$52,000
Replace Overflow Pond Strainer	\$50,000	\$50,000	\$49,995	\$5
Replace Recycled Meters	\$543,000	\$41,000	\$9,910	\$31,090
DCMWTP Membrane Train Control	\$395,000	\$36,000	\$14,813	\$21,187
4S Physical Security Upgrades	\$180,000	\$30,000	\$8,362	\$21,638
WRF Equipment Replacement Program	\$269,000	\$30,000	\$0	\$30,000
OTP 1 Leak Emergency Repair	\$27,000	\$27,000	\$28,497	(\$1,497) ³
Rehab Concrete Tanks	\$295,000	\$26,000	\$19,090	\$6,910
Physical Security Upgrades	\$250,000	\$25,000	\$0	\$25,000
Valve & Gate Replacement Program	\$935,000	\$25,000	\$438	\$24,562
Golem 14" Pipeline Condition Assessment	\$150,000	\$17,000	\$16,901	\$99
Upgrade Filter Electrical	\$118,000	\$17,000	\$0	\$17,000
Fleet Electrification Wastewater	\$950,000	\$15,000	\$0	\$15,000
Automotive Equipment Purchases (Small Cap)	\$325,000	\$325,000	\$0	\$325,000
Shop & Field Equipment Purchases (Small Cap)	\$146,000	\$146,000	\$21,556	\$124,444
Computer Hardware/Software Purchases (Small Cap)	\$77,000	\$77,000	\$3,881	\$73,119
Office Furniture/Equipment Purchases (Small Cap)	\$14,000	\$14,000	\$0	\$14,000
Total :	\$173,603,500	\$39,960,500	\$20,607,891	\$19,352,609

¹ Excludes encumbrances

² Includes repairs on several leaks

³ Project is complete. Overage is within Manager approval limit.

⁴ Project is close to complete. Overage is within Manager approval limit.



Memo

Date: February 18, 2026

To: Olivenhain Municipal Water District Board of Directors

From: Melody Colombo, Administrative Analyst

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER ADOPTION OF A RESOLUTION PROCLAIMING MAY 2026 AS
WATER AWARENESS MONTH, MAY 3-9, 2026 AS NATIONAL DRINKING
WATER WEEK, AND MAY 17-23, 2026 AS NATIONAL PUBLIC WORKS WEEK**

Purpose

The purpose of this agenda item is to consider supporting the statewide Water Awareness Month campaign, which will be celebrated in May 2026, the American Water Works Association's National Drinking Water Week, which will be celebrated May 3-9, 2026, and the American Public Works Association's National Public Works Week, which will be celebrated May 17-23, 2026.

Recommendation

Staff recommends the board show its support of Water Awareness Month, National Drinking Water Week, and National Public Works Week by adopting this resolution.

Alternative(s)

The board may choose not to support Water Awareness Month, Drinking Water Week, and/or National Public Works Week in 2026.

Background

The month of May is recognized as Water Awareness Month as part of a statewide campaign to heighten public awareness of water and the role water agencies play in water use efficiency, water supply management, water quality, and distribution. The principal components of OMWD's outreach activities include the WaterSmart Landscape Contest, a calendar competition for fourth grade students, as well as water awareness, outreach, and educational programs in partnership with local elementary schools.

For over four decades, the American Water Works Association and its members have commemorated National Drinking Water Week – a unique opportunity for both water professionals and the communities they serve to collaboratively acknowledge the essential significance of water in our daily lives.

National Public Works Week (NPWW) is a celebration of the tens of thousands of men and women across North America who provide and maintain infrastructure and services collectively known as public works. Established by the American Public Works Association in 1960 as a public education initiative, NPWW emphasizes the role of public works. This week-long event aims to elevate the reputation of professionals dedicated to serving the public good daily.

Historically, the board has recognized Water Awareness Month, National Drinking Water Week, and National Public Works Week.

Fiscal Impact

There are no costs associated with this item outside of normal operations.

Discussion

The board's adoption of this resolution demonstrates its support of Water Awareness Month, National Drinking Water Week, and National Public Works Week.

The three events will be highlighted on OMWD's website and on social media.

In honor of NPWW, OMWD's General Manager will plan an event to thank employees for their hard work and dedication all year long.

Prepared by: Melody Colombo, Administrative Analyst

Reviewed by: Brian Sodeman, Customer Service and Public Affairs Supervisor

John Carnegie, Customer Services Manager

Joey Randall, Assistant General Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments:

- *Resolution 2026-xx*

RESOLUTION NO. 2026-xx

RESOLUTION OF THE BOARD OF DIRECTORS OF OLIVENHAIN
MUNICIPAL WATER DISTRICT PROCLAIMING MAY 2026 AS
WATER AWARENESS MONTH, MAY 3-9, 2026 AS NATIONAL
DRINKING WATER WEEK, AND MAY 17-23, 2026 AS NATIONAL
PUBLIC WORKS WEEK

WHEREAS, Water Awareness Month, American Water Works Association's National Drinking Water Week, and American Public Works Association's National Public Works Week are events designed to raise public awareness of how public works services provide the community with an integral part of the quality of citizens' everyday lives, and how vital water quality and water supply are for California; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems, public outreach, and water use efficiency programs; and

WHEREAS, public agencies throughout California have supported Water Awareness Month, National Drinking Water Week, and National Public Works Week and are participating in this program under the philosophy that ongoing annual events and outreach will keep people informed about the vital role played by these facilities and services in the quality of life, safety, and comfort of the community, as well as the need for water use efficiency year-round; and

WHEREAS, Olivenhain Municipal Water District will work to increase the awareness of water as a precious resource, and will celebrate its delivery by qualified and dedicated personnel, and of the importance of the work they perform.

NOW, THEREFORE, the Board of Directors of Olivenhain Municipal Water District does hereby find, determine, resolve, and order as follows:

SECTION 1: The Board of Directors does proclaim May 2026 as Water Awareness Month, May 3-9, 2026 as National Drinking Water Week, and May 17-23, 2026 as National Public Works Week.

SECTION 2: The Board of Directors does hereby urge water agencies, members of the business community, chambers of commerce, service clubs, schools, and other organizations to support and assist in the public awareness of water use efficiency and public works services.

PASSED, ADOPTED, AND APPROVED, at a regular meeting of the Board of Directors of Olivenhain Municipal Water District held on Wednesday, February 18, 2026.

Matthew R. Hahn, President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

Christy Guerin, Secretary
Board of Directors
Olivenhain Municipal Water District

Memo

Date: February 18, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Paul Martinez, Engineering Technician I
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ACCEPTANCE OF THE 16450 ARTESIAN TRAIL WATER SERVICE AND FIRE HYDRANTS INSTALLATION (MCCULLOUGH DESIGN DEVELOPMENT) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED**

Purpose

The purpose of this agenda item is to consider acceptance of the transfer of the facilities constructed by McCullough Design Development, LLC., (Developer) into OMWD's system and authorize the filing of a Notice of Completion with the San Diego County Recorder.

Recommendation

Staff recommends acceptance of the potable water facilities into OMWD's system.

Alternative(s)

None; the Project is complete, and facilities were constructed according to the approved plans and OMWD's Standard Specifications and Drawings per the Development Construction Agreement.

Background

The 16450 Artesian Trail Water Service and Fire Hydrants Installation Project (Project) is located on 16450 Artesian Trail, south of Artesian Road in Director Division 1 (Lanfried). The project consisted of the installation of a 2-inch water service and two fire hydrants.

OMWD entered into an agreement with the Developer in June of 2022 to construct the facilities and dedicate said facilities to OMWD. The facilities are now complete and have been built in accordance with the approved plans and OMWD Standard Specifications and Drawings. The warranty period will terminate one (1) year following the acceptance of the facilities by OMWD's Board.

Fiscal Impact

There is no fiscal impact to accepting the facilities into OMWD's system. The new assets will be reported to Finance for capitalization.

Discussion

Staff is available to answer questions.

Prepared by: Paul Martinez, Engineering Technician I

Reviewed by: Steven Weddle, Engineering Services Supervisor

 Lindsey Stephenson, Engineering Manager

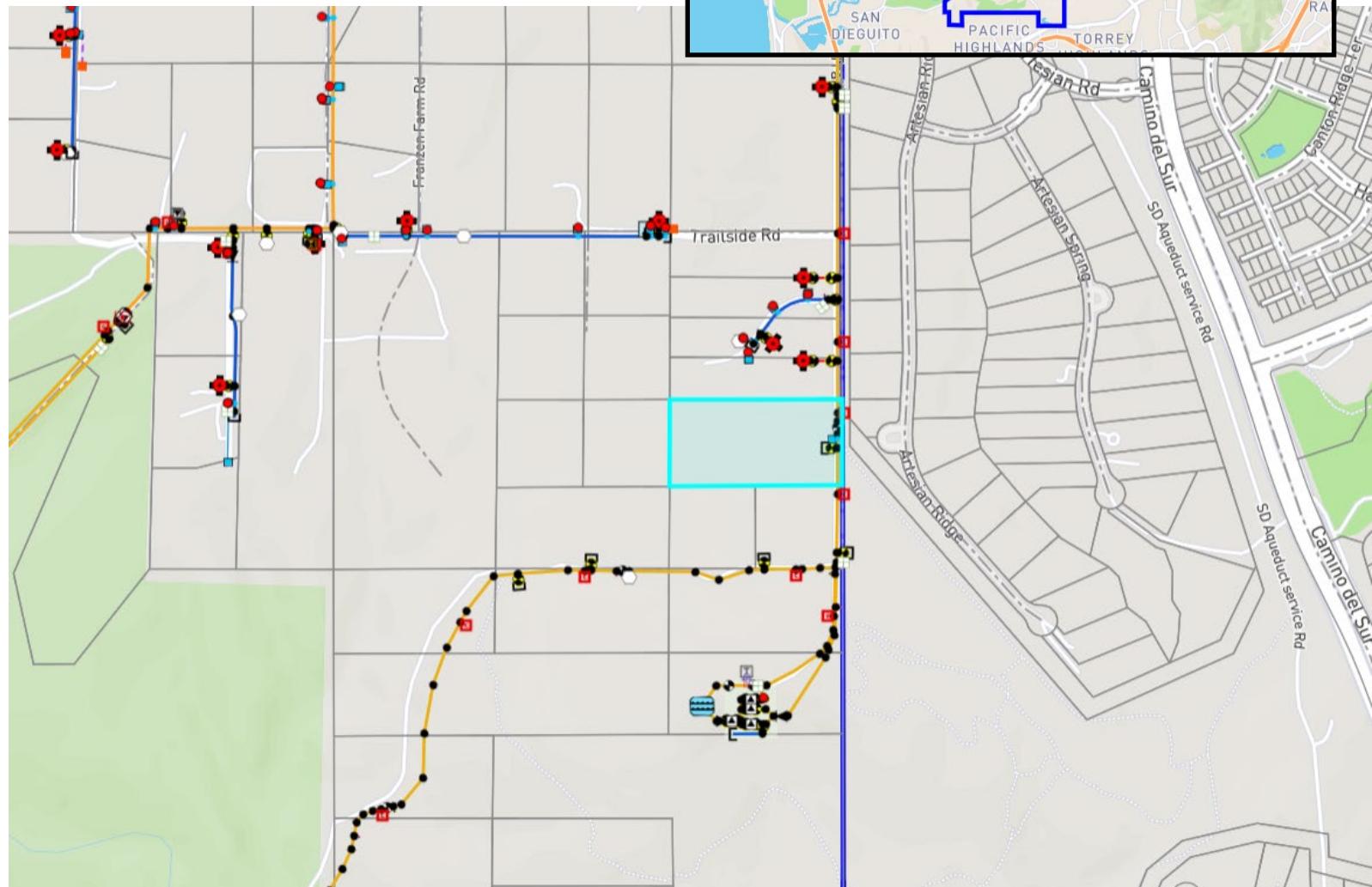
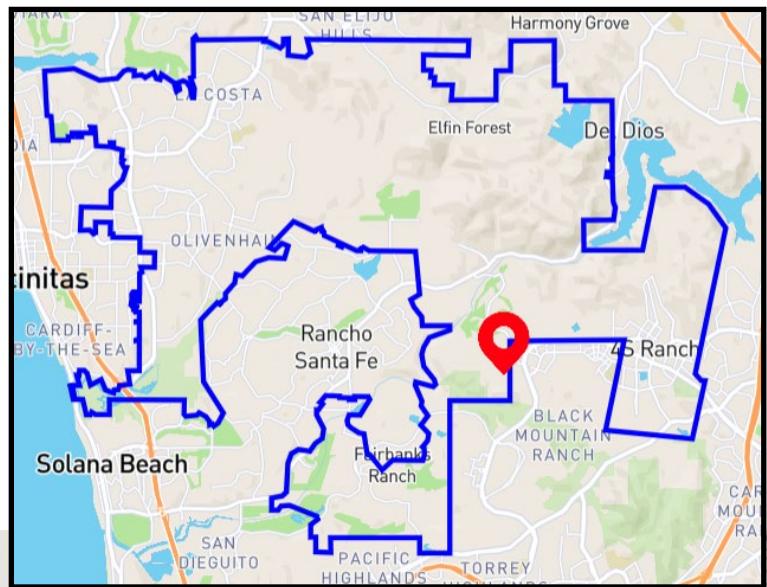
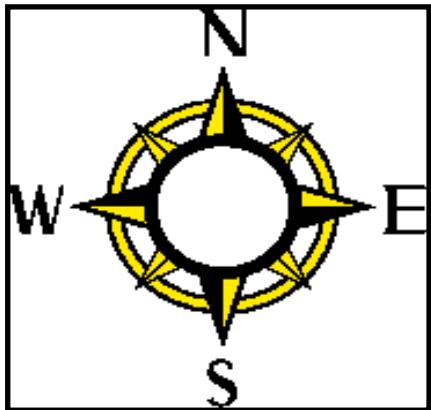
 Joey Randall, Assistant General Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments:

Location Map

Notice of Completion



16450 ARTESIAN TRAIL WATER SERVICE AND FIRE HYDRANTS INSTALLATION PROJECT

DISTRICT PROJECT NO. W590305

**RECORDING REQUESTED BY &
WHEN RECORDED RETURN TO:**

Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, California, 92024-5699

(This space for recorder's use)

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the facilities shown on improvement plans for Parcel 267-142-11-00, 16450 Artesian Trail located in the County of San Diego, State of California for which McCullough Design Development, LLC., ("Developer") contracted with the OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner," in fee, of the facilities), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, have been completed in accordance with the approved plans and Standard Specifications and Drawings as of January 22 of 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 18th day of February 2026.

In witness whereof this Notice of Completion has been executed under authority from the Board of Directors of said OLIVENHAIN MUNICIPAL WATER DISTRICT by Kimberly A. Thorner, General Manager.

KIMBERLY A. THORNER, being first duly sworn, deposes and says that she is General Manager of the OLIVENHAIN MUNICIPAL WATER DISTRICT and is familiar with the facts stated in the foregoing Notice of Completion executed for and on behalf of said Agency, that she has read the foregoing Notice of Completion and knows the contents thereof and that the same are true.

OLIVENHAIN MUNICIPAL WATER DISTRICT

Date: _____, 20____

By: _____

Kimberly A. Thorner
General Manager



Memo

Date: February 18, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jeff Anderson, Park Supervisor
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ANNUAL UPDATE ON ELFIN FOREST RECREATIONAL RESERVE
(INFORMATIONAL ITEM)**

Purpose

The purpose of this agenda item is to provide an update to the board on Calendar Year 2025 activities at Elfin Forest Recreational Reserve, including grant activity, volunteer programs, education program, policy, and projects.

Recommendation

This is an informational item; no action is required.

Alternative(s)

Not applicable; informational item only.

Background

This is a general annual update to the board on the status of EFRR, its programs, projects, and policies. Directors Maloni and Lanfried serve on the EFRR Executive Committee which oversees the implementation of EFRR's policies, programs, projects, and annual objectives. This committee meets annually or as needed and consists of representatives from both OMWD and the Escondido Creek Conservancy.

Fiscal Impact

Not applicable; informational item only.

Discussion

Staff will review the attached presentation with the board at the February 18 meeting.

Prepared by: Jeff Anderson, Park Supervisor
Reviewed by: John Carnegie, Customer Services Manager
 Joey Randall, Assistant General Manager
Approved by: Kimberly A. Thorner, General Manager

Attachments: Presentation – Update on Elfin Forest Recreational Reserve



ANNUAL UPDATE ON ELFIN FOREST RECREATIONAL RESERVE

FEBRUARY 18, 2026

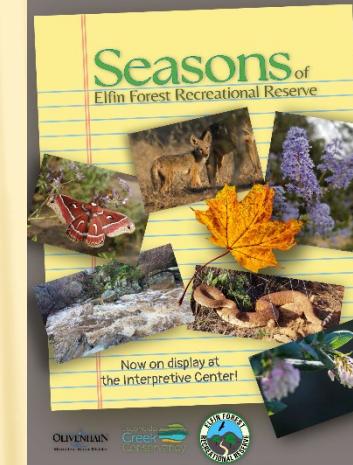
2025 NUMBERS (2024 NUMBERS)



- ❖ Number of docents – 66 (68)
- ❖ Volunteer hours (docent + trail patrol) – 893 (868)
- ❖ Days Interpretive Center open – 180 (179)
- ❖ Interpretive Center visitors – 4,704 (3,514)
- ❖ Volunteer trail patrols – 80 (82)
- ❖ Field trip students to EFRR – 2,181 (1,823)
- ❖ Visitors to EFRR – 117,208 (102,224)
- ❖ Days Closed due to weather – 19.5 (19)
- ❖ Special Event Permits – 6 (10)
- ❖ Incident Reports – 107 (101)
- ❖ Emergency Responses – 5 (2)

JANUARY - MARCH 2025

- Installed new IC exhibit
- EFRR nominated best place to volunteer
- GSOB surveys completed
- Held 3 volunteer invasive plant removal days
- New EFRR entrance signs



APRIL – JUNE 2025

- Completed fifth year of Gold Spotted Oak Borer surveying; treated approximately 250 trees for GSOB
- Hosted annual Earth Day event
- Removed four dead oak trees along Botanical trail
- Volunteer appreciation BBQ event
- Completed first phase of fencing replacement project on Creek Trail



JULY – SEPTEMBER 2025



- Photo contest winning photographs on display in Interpretive Center
- EFRR named best place to volunteer by Coast News
- Interpretive Center photovoltaic system received upgrades to prevent rodent damage



OCTOBER – DECEMBER 2025

- Volunteer appreciation BBQ
- Upgraded Interpretive Center ceiling trim and lighting
- Upgraded locking mechanisms on Interpretive Center and solar panel doors
- Hosted annual Keepin' It Rural 5K/10K event



PROJECT UPDATES



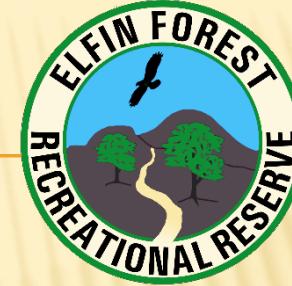
- ❖ OMWD selected for funding for \$849,216 through Recreational Trails Program Grant (January 2023)
- ❖ Consultant selected for parking lot expansion project design; currently working to design expanded overflow parking lot
- ❖ OMWD working with County to incorporate new trail portion of the project into County's Resource Management Plan
- ❖ Parking lot construction may begin as early as September 2026

GOLDSPOTTED OAK BORER

- ❖ Completed fifth year of GSOB surveys
- ❖ Volunteers surveyed 400 oak trees in EFRR
- ❖ 2025 survey showed slight decrease in rate of GSOB spread compared to 2024
- ❖ Over 250 trees were treated for GSOB in June (third year of treatment)
- ❖ Grant from San Diego Resource Conservation District covered 25% of treatment costs
- ❖ Results of 2025 survey were presented to EFRR Executive Committee in August
- ❖ 2026 survey will be smaller in scale and will take place in the fall



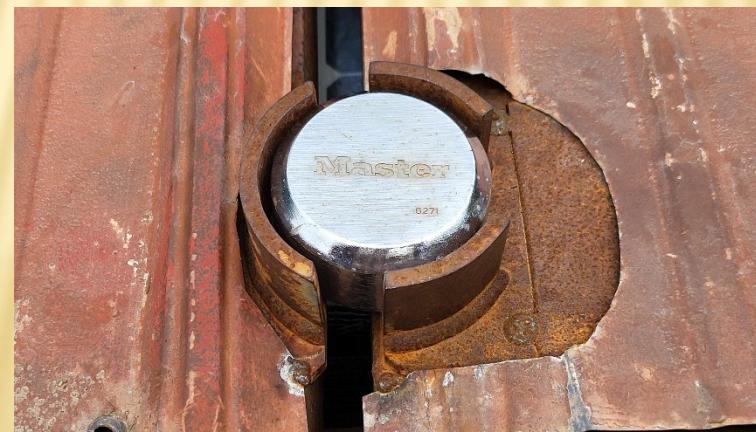
BEST OF NORTH COUNTY SAN DIEGO



- ❖ EFRR received “Best Place to Volunteer” award from Coast News’ Best of North County contest
- ❖ Staff is using this recognition to recruit new volunteers
- ❖ New volunteer training is scheduled monthly in 2026

EFRR IMPROVEMENTS

- ❖ Entry signs
- ❖ Creek Trail fencing
- ❖ Interior ceiling trim
- ❖ Interior lighting
- ❖ Roll up door lock improvements
- ❖ Solar panel door lock improvements
- ❖ Solar panel anti-rodent measures

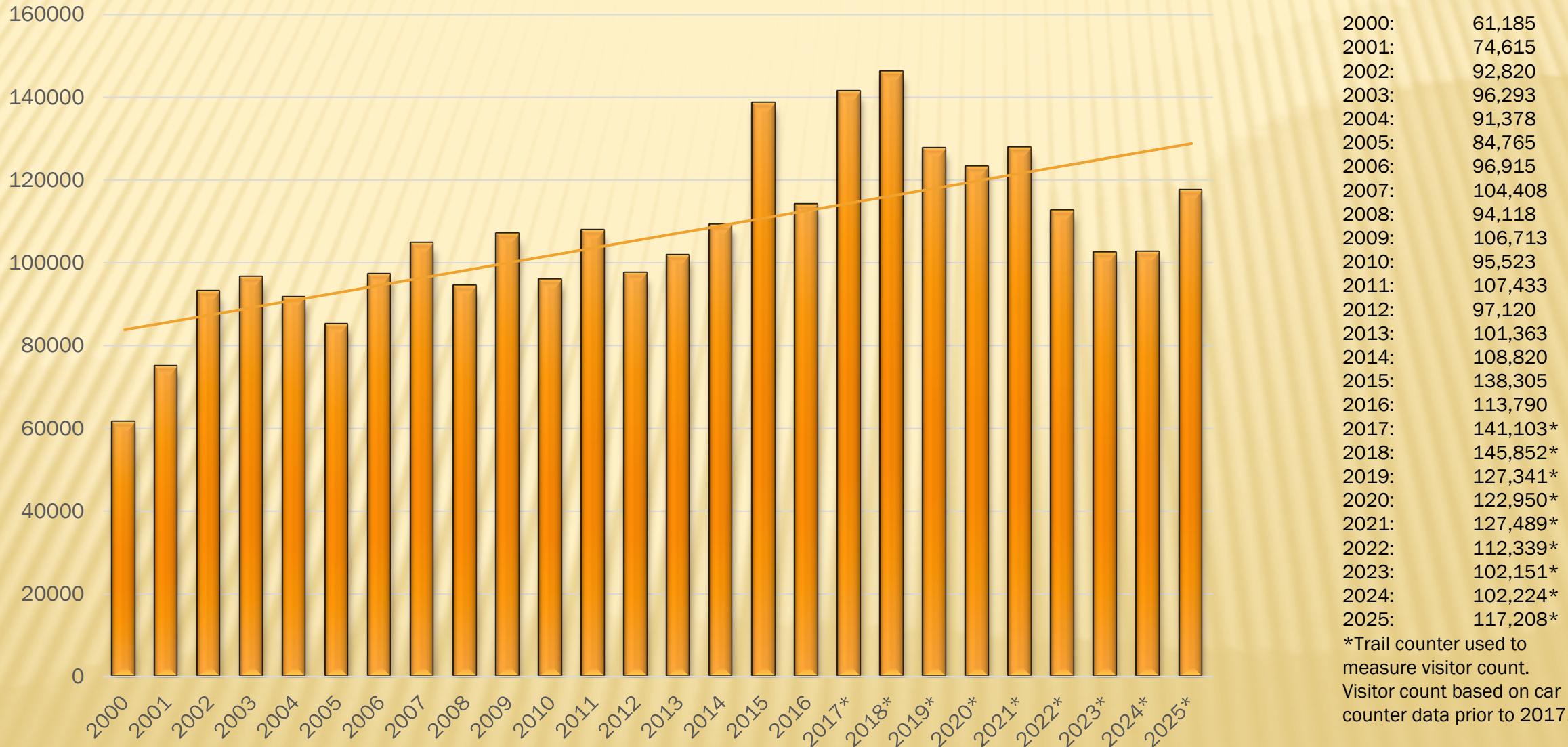


ACCESSIBILITY IMPROVEMENT



- ❖ Existing drinking fountain at trailhead was not designed for disabled persons
- ❖ New drinking fountain is ADA compliant and offers a water bottle fill feature

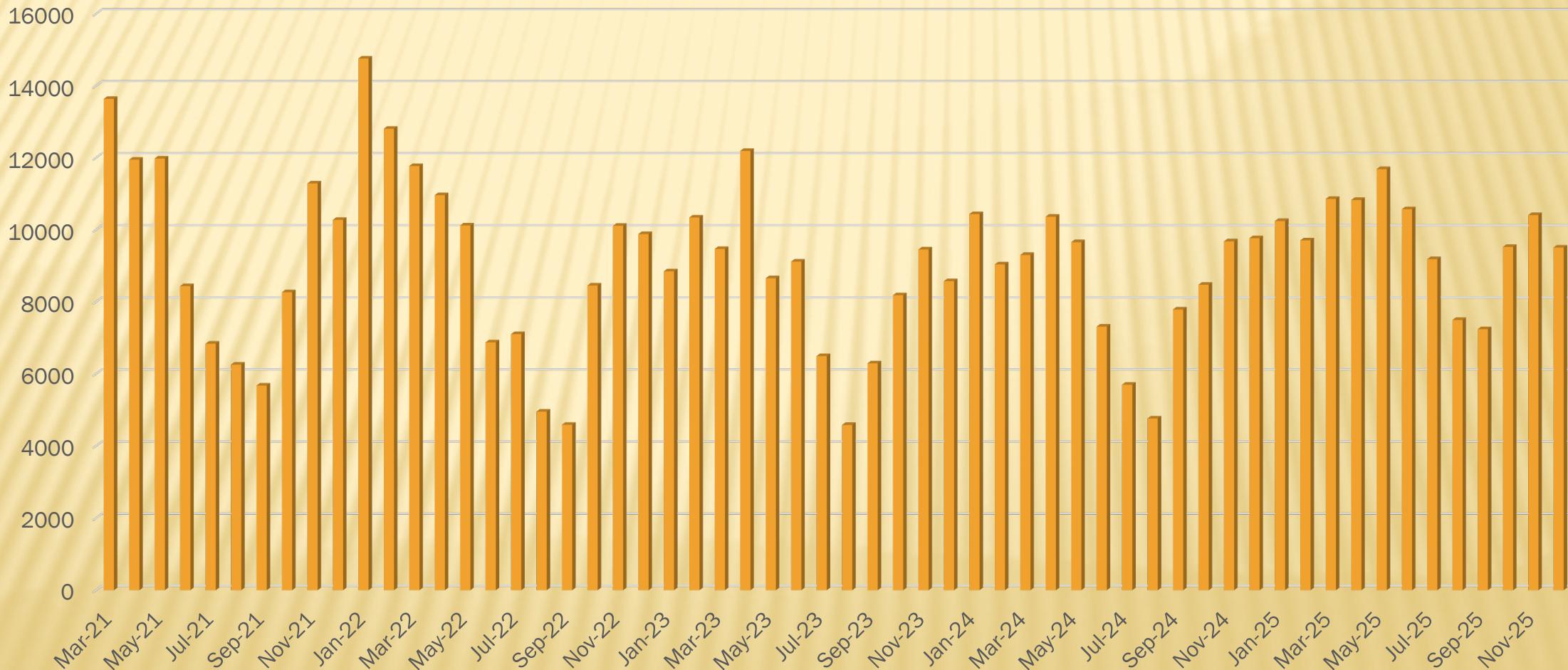
ANNUAL EFRR VISITOR TREND



5-YEAR EFRR TRAIL COUNTER DATA



Monthly Data 2021 - 2025



QUESTIONS?



Memo

Date: February 18, 2026

To: Olivenhain Municipal Water District Board of Directors

From: Jesse Bartlett-May, Operations Manager

Via: Kimberly A. Thorner, General Manager

Subject: **INFORMATIONAL UPDATE OF THE GENERAL MANAGER'S EMERGENCY DECLARATION OF THE AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE EMERGENCY LEAK REPAIR PROJECT**

Purpose

The purpose of this agenda item is to provide an update on the General Manager's emergency declarations for the Azahar/Cadencia/Romeria Streets and Aldea Place Leak Repair Project (Project).

The General Manager declared an emergency on Monday, August 18, 2025, and expanded it on August 31, 2025. The Board affirmed the Emergency Declaration, and Romeria Street and Aldea Place were also incorporated into the emergency declaration at the September 17, 2025 Meeting. Staff updated the Board at its September 17, 2025, October 15, 2025, November 19, 2025, December 17, 2025, and January 21, 2026 meetings. Pursuant to Administrative & Ethics Code §3.2.1, the Board shall review the General Manager's emergency action at each Board meeting until work on the emergency project is complete.

Recommendation

N/A. This is an update required by law.

Alternative(s)

No alternatives as this is an informational item.

Background

All pipeline removal and replacement has been completed on Azahar, Cadencia, and Romeria Streets and Aldea Place and all affected customers are on the new pipeline.

Staff remain in frequent communication with the affected community about the repair efforts; for example, staff have met many customers in the field, sent several broadcast telephone calls to the affected customers with construction updates, and hand-delivered letters to residents in the area on September 4, 2025. Additional letters were mailed September 18, 2025, November 10, 2025, and January 22, 2026 (attached) to provide further information. OMWD has regularly updated the webpage that has the most recent Project information, and customers are referred to the webpage for additional information when they receive broadcast telephone calls and letters. Information has been conveyed routinely to customers as work progresses, either in person, on the webpage, or via telephone. Staff is also coordinating regularly with City of Carlsbad staff; the General Manager has met with the City Manager and continues to keep him apprised as necessary.

ACWA JPIA has been informed of the breaks and confirmed that both the Cadencia and Azahar liability claims will be covered, however, they are conducting a more detailed investigation themselves.

Fiscal Impact

At the September 17, 2025 Meeting, the Board authorized and OMWD subsequently entered into a not-to-exceed contract with Cass for \$2,000,000. At the December 17, 2025 board meeting, the board approved an additional \$600,000 worth of work from Cass. The additional costs from Cass come from the significant upgrades to the system on the affected streets. These include upsizing pipe sizes to meet current fire flow standards, adding fire hydrants, blow-off's, manual air-relief valves, and adhering to City of Carlsbad ordinances and permitting processes, which slow down work and limit workdays and hours. Currently Cass has submitted five invoices totaling \$2,496,086.21. OMWD also entered into an agreement with Ninyo & Moore for geotechnical services in an amount not-to-exceed \$90,316.00 related to the project. The Ninyo & Moore agreement includes support for geotechnical services at 30 hours/week, and final paving inspection and reports. Along with Ninyo & Moore, HDR is assisting with pipeline investigation for an amount of \$38,000.

OMWD has also entered into a contract with Joe's Paving for a not-to-exceed total amount of \$1,010,000 to provide paving services and the board approved change order 1 at the December 17, 2025 meeting bringing the total contract amount to \$1,200,000. To date, OMWD has paid eight invoices to Joe's in an amount totaling \$544,006.82. Staff's estimate for completing the remaining paving on Cadencia, Aldea, and Romeria is \$655,322. These paving services are necessary to bring the streets back to the City's specifications. The City's specifications have varied throughout the project and make it difficult to accurately estimate paving costs. Staff requested and the board approved at the December 17, 2025 meeting an additional appropriation to the Project of \$650,000 to account for the additional paving costs and additional system improvements in Romeria, including installation of new PVC pipeline between Cadencia and Azahar streets by Cass.

The additional appropriation came from the Capital Reserve Fund which currently has \$47.6 million. Staff projects that the Capital Reserve Fund will have a \$46.6 million balance at the end of FY 26 with this additional appropriation. The maximum limit for this fund is \$97.5 million, and the minimum is \$19.5 million. With the additional total appropriations of \$1,850,000 from the Capital Reserve Fund, OMWD will remain within the fund balance limits, and staff will revisit and reprioritize the capital spending plan in the spring of 2026 with the Board as part of the FY 27 and FY 28 budget process.

Below is a table of the change orders and contracts amount for the project to date:

	Approved Total	Notes
Cass	\$2,600,000	Change Order 1 approved
Joe's Paving	\$1,200,000	Change Order 1 approved
Ninyo & Moore	\$90,316	
HDR	\$38,000	
Labor/Materials	\$413,902	
Total	\$4,342,218	Total Appropriation

ACWA JPIA continues its investigation into insurance coverage but has not yet indicated the covered amount. Staff anticipate a sizeable reimbursement for paving services from our insurance carrier. Staff is itemizing the bills for ACWA JPIA and will submit to them once the HDR report is available for release.

Discussion

Since the last Board Meeting on January 21, 2026 all customers have been placed on the new pipeline. Cass Arrieta completed cleanup of the site, including removal of highlines, cold patch, fencing, and made additional repairs to two manholes and a concrete swale which was required by the City of Carlsbad. Carlsbad initially asked OMWD to replace the entire swale and staff negotiated and were able to replace only half the swale.

All the initial paving on Cadencia and Romeria Streets and Aldea Place has been completed. The final portion of work to complete the paving portion of the Project is applying a slurry seal. This process is temperature dependent and is anticipated to be completed in March, weather permitting. This will conclude all the necessary work on this Emergency Leak Repair Project. Staff is working with the contractors to wrap up final invoicing and payments and expect to bring final NOC at the April Board Meeting for consideration.

In accordance with Section 22050(b)(3) of the Public Contract Code and OMWD Administrative & Ethics Code §3.2.1, staff will also present the Project's status for review at subsequent regularly scheduled Board meetings until the work is complete.

Staff is available to answer questions.

Prepared by: Jesse Bartlett-May, Operations Manager

Reviewed by: Joey Randall, Assistant General Manager

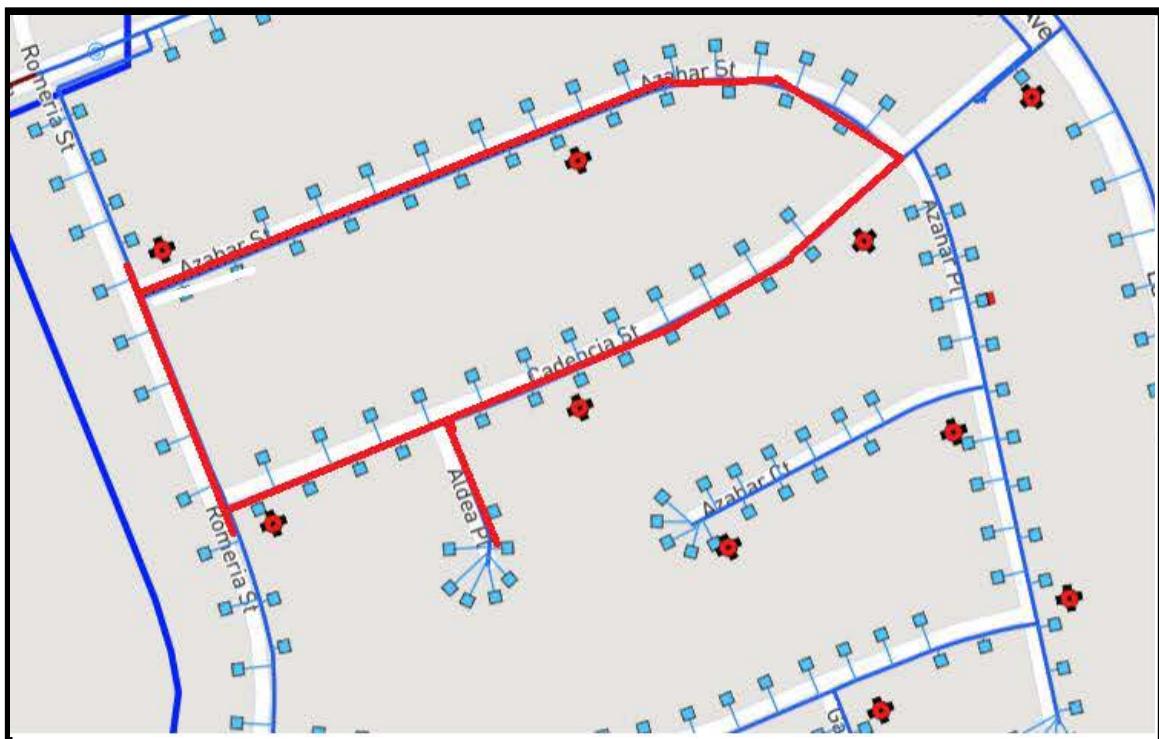
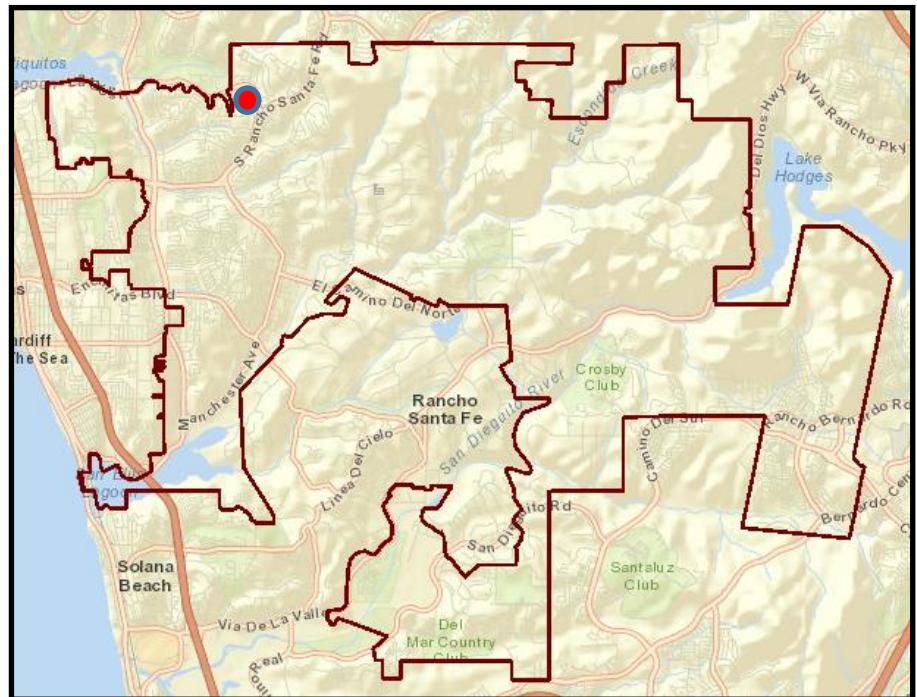
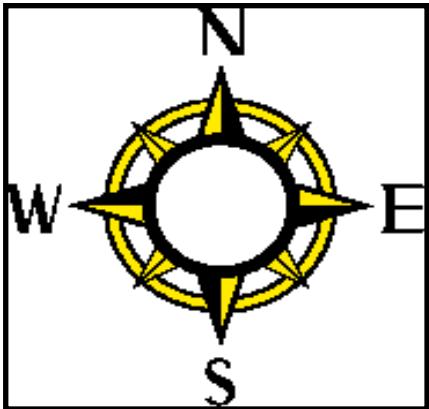
Approved by: Kimberly A. Thorner, General Manager

Exhibits:

A. Map of Improvements

B. January 22, 2026 Letter to Customers

C. Azahar/Cadencia/Romeria Streets and Aldea Place Emergency Leak Repair Update PowerPoint Presentation



**AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE
EMERGENCY LEAK REPAIR PROJECT**

OMWD PROJECT NO. D120214

Board of Directors
Matthew R. Hahn, President
Neal Meyers, Vice President
Christy Guerin, Secretary
Scott Maloni, Treasurer
Ebin Lanfried, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

January 22, 2026

Carlsbad, CA 92009

Dear [REDACTED],

I want to send you an informational update on the improvements being made to the water infrastructure in your neighborhood.

OMWD has completed the full replacement of the 1,400-foot water main on Azahar Street, 1,200-foot water main on Cadencia Street, 250-foot water main on Aldea Place, and the 350-foot water main on Romeria Street. Additionally, all paving work is now finished on Azahar Street and impacted residents on all streets are now being served by the newly installed water mains. We do not anticipate any further interruptions to water service. OMWD also installed additional valves and fire hydrants on both Cadencia Street and Azahar Street to improve emergency response.

Weather permitting, OMWD is planning to begin repavement of Cadencia Street, Aldea Place, and Romeria Street the week of January 26. This pavement work is expected to take two weeks to complete.

After this initial paving work is complete, it will be necessary to apply a final layer of sealant which will take place after the fresh asphalt cures. This work is tentatively scheduled for late February, weather permitting. The majority of Cadencia Street, all of Aldea Place, and the impacted section of Romeria Street will be closed, and no parking or driveway access will be available while this work takes place. OMWD will provide additional notification prior to this final paving work.



Until paving is complete, we will continue to post weekly schedule updates at www.olivenhain.com/projects.

As we approach completion of the work on your water infrastructure, I would like to take a moment to express my sincere appreciation for the patience that you have demonstrated throughout the course of these repairs. I had originally authorized a bill credit in the amount of your monthly system access fee based on your meter size to be applied to your October and November bill statements. In recognition of the ongoing disruptions to your water service into December and January, I have asked for credits for these additional months to be applied to your February bill statements.

All of us at OMWD understand that this has been a disruptive emergency project for you, but we fully expect that the improvements we have made to the water infrastructure will benefit your community for years to come. If you have any questions or concerns, please reach out to us at 760-753-6466.

Regards,



Kimberly A. Thorner
General Manager

Azahar/Cadencia/Romeria Streets and Aldea Place Emergency Project Update

February 18, 2026



FINAL PAVING



FINAL PAVING



FINAL PAVING



TRENCH REPAIRS



CADENCIA BASE PAVE REPAIRS



Questions?



Memo

Date: February 18, 2026

To: Olivenhain Municipal Water District Board of Directors

From: John Carnegie, Customer Services Manager

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER RESCINDING LETTER OF INTENT TO EXIT THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY'S GENERAL LIABILITY, PROPERTY, EXCESS CRIME, DAM LIABILITY, AND CYBERSECURITY INSURANCE PROGRAMS**

Purpose

The purpose of this agenda item is to consider rescinding OMWD's letter of intent to exit from the Association of California Water Agencies Joint Powers Insurance Authority's general liability, property, excess crime, dam liability, and cybersecurity joint coverage insurance programs.

Recommendation

The Ad Hoc Insurance Committee, considering of Directors Guerin and Maloni, recommend that OMWD continue participating in ACWA JPIA's joint coverage insurance programs for general liability, property, excess crime, dam liability, and cybersecurity insurance policies for FY 2027. To do so, OMWD must rescind its letter of intent to exit before April 2, 2026.

Alternative(s)

- The board could direct staff not to rescind the letter of intent to exit from ACWA JPIA's insurance programs, formally exit all ACWA JPIA joint protection programs, and pursue alternative providers. However, at this time, staff has not identified other competitive providers. PRISM is a viable provider; however, selecting PRISM would result in higher premiums than those of ACWA JPIA.
- The board could direct staff as otherwise appropriate.

Background

Prior to 2013, OMWD utilized private insurers and performed a competitive selection process every few years.

From 2013 through 2023, OMWD's insurance coverage had been provided through Allied World's WaterPlus program. Year-over-year increases in premiums had been flat or modest until 2021, when FY 2022 premiums increased by over 13 percent. This increase was primarily due to nationwide increases in coverage costs, attributed to factors such as COVID-19, extreme weather, and wildfires.

In March 2022, staff submitted application packages to Glatfelter, Grundy, and Allied World for FY 2023 insurance coverage. Two of these three carriers had insured OMWD in years past, and traditionally, all three had provided quotes upon request. However, Glatfelter and Grundy declined to provide a quote because of wildfire risk at several OMWD facilities. OMWD's insurance broker subsequently reached out to the underwriter for two additional carriers—Liberty Mutual and Travelers—and both carriers also declined to provide a quote based on wildfire scores. Of the five carriers from which staff solicited quotes, staff received one responsive quote from Allied World for their WaterPlus program.

At the May 2022 board meeting, the board instructed staff to obtain quotes from not only independent carriers, but also risk-sharing pools for FY 2024 insurance coverage, and to begin the eligibility assessment process with ACWA JPIA.

In November 2022, staff began compiling application documentation for six insurance programs—California Joint Powers Insurance Authority, Golden State Risk Management Authority, Special District Risk Management Authority, American Family's CalMutuals Joint Powers Risk and Insurance Management Authority, ACWA JPIA, and WaterPlus, now provided by American Family.

Of the six insurance providers, only three submitted quotes to provide insurance coverage in FY 2024. California JPIA advised that it prefers to focus on cities and special districts organized similarly to cities, rather than water districts, and did not submit a quote. GSRMA advised that it was not a good fit for OMWD and did not provide a quote. SDRMA advised that it was unable to provide a quote due to OMWD's loss history, but that OMWD could be eligible to reapply in future years.

At its April 2023 meeting, the board expressed its interest in ACWA JPIA's lower premium (\$447,758 versus \$667,916 with WaterPlus) and higher liability coverage (\$55 million versus \$16 million with WaterPlus). Ultimately, the board voted 3-2 to execute an insurance agreement with ACWA JPIA for OMWD's general liability, property, excess crime, dam liability, and cybersecurity coverage for a term of no less than three years.

ACWA JPIA requires a three-year commitment to join its risk pool, and a one-year advanced notice of intention to exit its programs. In fall 2024, staff began discussing insurance provider options for FY 2027, the first year OMWD would be eligible to explore insurers other than ACWA JPIA. At the time, OMWD was committed to property programs and cybersecurity coverage through June 30, 2026, and liability and dam coverage through September 30, 2026. To be able to conduct a competitive solicitation in FY 2027, OMWD needed to notify ACWA JPIA by July 1, 2025 of its intent to exit per the ACWA JPIA policy.

At the September 2024 meeting of the Safety Committee, then consisting of Directors Hahn and Meyers, staff presented an informational report on FY 2025 insurance coverages, notifying the committee of an increase in property coverage premiums attributable to the new property valuation report and the addition of assets to the property schedule.

At the January 2025 meeting of the Safety Committee, consisting of Directors Hahn and Guerin, staff presented an informational report on options for coverage in FY 2027. The report addressed the increase in premiums for FY 2025, increase in deductible which was also attributable in part to the additions to OMWD's property schedule, ACWA JPIA's exclusion of coverage, and ACWA JPIA's requirement to provide a one-year advance notice of intent to exit its programs. The report also discussed the challenges of obtaining quotes for FY 2027 before July 2025. This included the issues caused by misalignment of coverage periods, and the high likelihood of being denied coverage by other insurers due to fire risk.

The committee directed staff to research which insurance providers might be willing to provide FY 2027 coverage, determine whether a notice of intent to exit is revocable,

estimate the cost associated with obtaining insurance quotes, and report back to the committee.

At the March 2025 meeting of the Safety Committee, staff presented an informational report discussing the options for alternative insurance providers, the notice of intent to exit process, and an estimated cost to obtain quotes.

In an effort to identify viable alternative providers for FY 2027, staff reached out to OMWD's former insurance broker and inquired if WaterPlus and/or the traditional insurance market would be a competitive option. The broker advised that, due to the increased fire risk throughout the state, OMWD's claim history, and OMWD no longer being an existing WaterPlus customer, it would be unlikely to find an insurance provider that would be willing to take OMWD on as new risk, and if successful, it would not be at as favorable a rate as before OMWD became a member of ACWA JPIA's joint protection programs.

Similarly, the broker advised that CalMutuals JPRIMA, which previously provided OMWD with a quote, would not take on the risk without OMWD bundling other insurance programs, specifically workers' compensation. OMWD is currently contracted with SDRMA for workers' compensation and remains satisfied with their service.

The committee recommended that the full board provide direction regarding whether to notify ACWA JPIA of OMWD's intent to exit its joint protection programs and seek alternative insurance coverages for FY 2027.

At its May 2025 meeting, the board directed staff to pursue a competitive process for FY 2027, such that staff submitted to ACWA JPIA in June 2025 a letter of intent to exit the joint protection programs. ACWA JPIA confirmed receipt of the letter and informed staff that, should OMWD decide to continue coverage with ACWA JPIA in FY 2027, the deadline to rescind the letter is April 2, 2026.

Subsequent to the May board meeting, ACWA JPIA has adjusted the coverage period for its property programs—previously July 1 through June 30, now to April 1 through March 30. Its cybersecurity program coverage period remains from July 1 through June 30. The coverage period for its liability programs remains from October 1 to September 30. Having three different coverage periods presents additional challenges with regard to obtaining new coverage.

Fiscal Impact

ACWA JPIA provided estimates to extend current liability and property coverage programs, rather than a formal quote, as rates for the FY 2027 programs will not be available until 30 days prior to the program renewal dates (i.e., April 1 for property programs, July 1 for cybersecurity, and October 1 for liability programs). Based on these estimates, insurance-related costs for FY 2027 with ACWA JPIA will be approximately \$800,000. This represents an approximate increase of eight percent versus FY 2026 premiums, which are anticipated to be \$737,195.

Discussion

The Ad Hoc Insurance Committee met in August 2025 to discuss coverage options for FY 2027. The discussion included information about self-insurance and captives, which could be considered in future fiscal years; providers from which staff intended to seek quotes for FY 2027; and the timeline for the FY 2027 competitive process.

Self-insurance

To investigate the viability of self-insurance at OMWD, staff met with Ed Garbo, risk management consultant and former Risk Manager for the City of Carlsbad; Sarah Reiswig, current Risk Manager for Carlsbad; Jace Schwarm, Assistant City Manager for the City of Encinitas and ACWA JPIA board representative for San Dieguito Water District; and Erin Chapman, Administrative Services & Risk Management Department Manager for Encinitas. Conversations with these individuals confirmed that self-insurance is not a replacement for traditional insurance; rather, it is essentially a method of setting higher deductibles (“self-insured retention”), such that OMWD would pay more claims in-house, and then contract with a provider for excess coverage such that the portion of any valid claim exceeding the self-insured retention would be covered by an outside provider.

Subsequent conversations with Adrienne Beatty, ACWA JPIA’s Chief Executive Officer, and Jennifer Jobe, the JPIA’s Director of Pooled Programs, confirmed that a self-insurance model is not compatible with ACWA JPIA coverages at this time, though ACWA JPIA may explore offering excess coverage to self-insured members at a later date.

To follow the Carlsbad/Encinitas model, OMWD would need to establish a self-insurance enterprise fund which would be used only for the purpose of claims and exposures. For context, the City of Encinitas established its self-insured enterprise fund with an initial

balance of \$500,000. Funds would not return to the general fund if undisbursed. OMWD's biannual budgets would include transfers from the general fund to the self-insurance enterprise fund as necessary, the amounts of which would be based on factors such as reserve balances, average cost of claims, anticipated losses, and recommended target balances based on periodic actuarial assessments. OMWD would also need to budget for excess coverage, and be prepared to meet the excess coverage provider's requirements as to fund balances and how the fund is managed. Further, OMWD would need to consider the additional staffing demands associated with managing more claims in-house.

Self-insurance may be an approach to consider in the future. However, since OMWD has yet to perform an actuarial assessment to determine an appropriate self-insured enterprise fund balance, or to establish the fund itself, which would require a significant commitment of funds that staff has not yet anticipated in the draft FY 2027 budget, staff still does not recommend pursuing self-insurance for FY 2027 coverage purposes.

Captives

A captive insurance company is a mechanism by which a parent company establishes its own insurance company to cover its own risks. This differs from traditional insurance, where a premium is paid to an external insurer who then bears the risk. The main advantage for a public agency such as OMWD in creating a captive is that funds in the captive are not subject to the same restrictions as those managed by the agency directly, thereby allowing for greater participation in the market which in turn can allow for achievement of better investment returns; however, this exposes OMWD to more financial risk.

To investigate the viability of establishing a captive, staff has met with Paul Schoenberger, General Manager at Mesa Water District, who oversaw the creation of a captive at his agency; staff has also consulted with Ms. Beatty from ACWA JPIA as well as OMWD's own General Counsel. Based on staff's assessment that establishing an insurance captive is as much an investment mechanism as a risk management strategy, Finance staff is currently further vetting the concept and will report to the Insurance Committee later in 2026 on the viability of establishing a captive, in accordance with Annual Objective #56 (*Continue insurance captive investigation for the next cost-of-service study, including consultations with specialized brokers and attorneys, and report findings to the Insurance Committee; if action is recommended by the committee, bring to full board for consideration*).

General Counsel advised that creation of a captive would need to be included in a cost-of-service study. OMWD's most recent cost-of-service study covered a Proposition 218

timeframe that ends in three years. Consequently, this mechanism is not available to protect OMWD from risk in FY 2027.

Competitive Process

Staff surveyed San Diego County Water Authority member agencies on their insurance coverage providers to identify potential coverage options not already considered by OMWD. Of SDCWA's 22 member agencies, 14 are ACWA JPIA members, and five are PRISM members. Padre Dam Municipal Water District is insured by SDRMA. The City of Oceanside uses the California JPIA, which does not work with water agencies. SDCWA itself is insured by JPRIMA for liability claims and Swiss Reinsurance for property claims.

In addition to contacting providers employed by neighboring water agencies, staff reached out to Encina Wastewater Authority, Leucadia Wastewater District, and San Elijo Joint Powers Authority. All three purchase coverage from California Sanitation Risk Management Authority.

Further, staff looked into providers for the cities of Carlsbad, Encinitas, Lemon Grove, San Marcos, and Vista. Most of these cities are self-insured, with one also using PRISM for an excess policy. Four cities use California JPIA or California Municipal Excess Liability programs, which are eligible only for purchase by cities. Carlsbad uses Aon for its excess coverage.

The process of surveying neighboring agencies for insurance provider options resulted in nine potential coverage providers not previously considered by OMWD. Insurance providers that had previously declined to provide OMWD with a quote, eight in total, were not considered in this solicitation. Those insurers that confirmed their unwillingness to provide a quote based on factors like wildfire risk scores and claim history are:

- Glatfelter
- Grundy
- Liberty Mutual
- Travelers
- CalMutuals JPRIMA
- WaterPlus
- California JPIA
- Golden State Risk Management Authority

The nine providers additional to ACWA JPIA from which staff solicited proposals were Alliant Insurance Services, Aon, California Intergovernmental Risk Authority, CSRMA, PRISM, Public Entity Risk Management Authority, Safety National, SDRMA, and Swiss

Reinsurance. Of these, six expressed interest in providing a quote and sent staff applications required to obtain an estimate; Alliant, Safety National, and Swiss Reinsurance chose against participation. Additionally, California Intergovernmental Risk Authority expressed interest in providing a quote, but required a \$3,000 application fee, so OMWD did not apply. Similarly, OMWD did not apply to Public Entity Risk Management Authority, which required a \$1,000 application fee.

The four participating providers—Aon, CSRMA, SDRMA, and PRISM—advised that they could only provide an estimate and not a guaranteed quote, as FY 2027 rates would not be released until well into 2026. Staff submitted application documentation to these four insurance programs on December 4, 2025.

Of the four, none provided a responsive quote/estimate by the January 10 deadline. Staff followed up with each and extended the deadline to January 26, but still did not receive a complete quote. After reviewing a summary of OMWD's current ACWA JPIA programs, Aon informed staff that "the cost and coverage provided would be nearly impossible to replicate." CSRMA missed both deadlines to provide estimates. SDRMA advised that it was unable to provide a quote that was competitive with OMWD's current premiums with ACWA JPIA, even when bundled with workers' compensation insurance, but that OMWD could reapply in the spring after new rates are released. PRISM submitted an estimate to provide property, cybersecurity, and excess crime coverage in FY 2027; it did not submit a formal liability estimate prior to staff's deadline, but did follow up verbally on January 29 and offered that liability coverage would range between \$700,000 and \$850,000 (which compares unfavorably to ACWA JPIA's \$513,092 estimate). In addition, PRISM offered that dam liability coverage would range between \$15,000 and \$30,000 (compared to ACWA JPIA's \$4,912).

PRISM's estimated annual premium for property coverage was comparable to ACWA JPIA; however, it required a significantly higher deductible for auto coverage (\$15,000, compared to the current \$500). Additionally, cybersecurity coverage was nearly twice as much as OMWD's current premium, and excess crime was nearly five times as much as OMWD's current premium, though cybersecurity and excess crime represent a minor portion of the total cost for all insurance programs. As mentioned, PRISM did not provide a written estimate for liability, which accounts for most of the total cost for insurance, but the verbal estimated range starts at nearly \$200,000 more than ACWA JPIA's provided estimate.

At this time, no other insurance providers have been able to provide OMWD with a cost estimate for FY 27 coverage for all programs. Of the 17 insurance providers with which staff has engaged over the last four years, not including ACWA JPIA, 15 declined to

provide OMWD with a quote. CSRMA and PRISM remain the only alternatives to ACWA JPIA that are still engaging with staff; however, CSRMA has yet to provide OMWD with any cost estimates despite ongoing and repeated engagement, and PRISM is still unable to provide a written estimate for liability coverage.

Staff believes that remaining with ACWA JPIA for FY 2027 insurance coverage is the most certain and cost-effective choice to retain the coverage OMWD has known over the past three years.

Despite the increases in premiums experienced with ACWA JPIA during the first years of OMWD's participation, ACWA JPIA is cost-effective in the current marketplace. ACWA JPIA is also financially solvent, with a positive net worth and the ability to meet long-term debts and financial obligations. It understands local conditions as it is the provider for 14 of SDCWA's 22 member agencies. It offers high liability limits that were requested by OMWD's board, and is responsive to staff inquiries.

Though ACWA JPIA has not covered all claim costs that OMWD's previous insurer had covered, staff is unable to ascertain if PRISM or CSRMA would provide more claim coverage than ACWA JPIA as neither PRISM nor CSRMA were able to provide written estimates, as noted above.

The Ad Hoc Insurance Committee met on February 5. After discussing insurance options for FY 2027, the committee recommended that the Board of Directors vote to rescind at the February 18 board meeting OMWD's letter of intent to exit.

By rescinding the letter of intent to exit, OMWD would continue as part of ACWA JPIA's joint coverage programs.

Prepared by: Teresa Chase, Administrative Analyst
 Brian Sodeman, Customer Service and Public Affairs Supervisor
 John Carnegie, Customer Services Manager
 Joey Randall, Assistant General Manager
Reviewed by: Kimberly A. Thorner, General Manager
Approved by: Kimberly A. Thorner, General Manager

Memo

Date: February 18, 2026

To: Olivenhain Municipal Water District Board of Directors

From: Leo Mendez, Finance Manager

Via: Kimberly Thorner, General Manager

Subject: **CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT REGARDING ITS INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS FOR WASTEWATER PROJECTS AND APPROVAL OF FINANCING TEAM**

Purpose

The purpose of this item is to consider adoption of a resolution of the Board of Directors regarding its intention to issue tax-exempt obligations to finance wastewater capital improvement projects and to consider approval of the proposed financing team. The debt issuance was incorporated into the District's 2024 Wastewater Rate Study, which the Board approved in 2024, as a funding mechanism to help maintain planned annual wastewater rate adjustments of 5.5%.

Adoption of the resolution does not obligate the Board to issue debt. However, it constitutes the official action required under federal tax regulations to allow the District, if bonds are later issued, to reimburse itself for eligible project costs incurred up to 60 days prior to the adoption of the resolution.

Recommendation

Staff recommends that the Board adopt the attached resolution of intent to issue tax-exempt obligations for wastewater capital improvement projects and approve the proposed financing team.

Alternative

The Board may choose to delay adoption of the resolution to a later date, elect not to adopt the resolution, or not approve the financing team. If the Board opts not to issue debt for wastewater capital improvement projects, the 5.5% annual rate increase assumed in the 2024 Wastewater Rate Study will not be achievable as originally planned.

Background

The 2024 Wastewater Rate Study included an assumed issuance of \$6.5 million in debt to help fund planned wastewater capital improvement projects while keeping annual wastewater revenue adjustments at 5.5%.

One of the District's annual objectives for 2026 (Annual Objective # 51) is to complete this debt issuance to help fund the District's wastewater capital improvement program.

Proceeds from the debt issuance would be used to finance improvements to the District's wastewater system, including rehabilitations, replacements, and modifications at the 4S Wastewater Treatment Plant and within the wastewater collection system, including wastewater pump stations and the Headworks Screening Project.

Staff is proposing that OMWD retain Fieldman as the District's Municipal Advisor and Stradling Yocca Carlson & Rauth as the District's Bond Counsel, as part of its financing team when issuing the debt. These firms have previously provided municipal advisory and bond counsel services to the District and are familiar with the District's financial structure and capital financing needs. OMWD has historically and continually used Fieldman and Stradling Yocca Carlson & Rauth due to their expertise, responsiveness, and familiarity with the District. Their prior experience with the District is expected to support efficiency and compliance in the financing process.

The municipal advisor will advise the District on financing structure, timing, and market considerations, while bond counsel will provide legal advice on the proposed bond issuance and will prepare and review related legal documents.

Fiscal Impact

The District anticipates issuing approximately \$6.5 million in tax-exempt obligations to help finance wastewater capital improvement projects. Over the next 5 years, the District is planning to spend approximately \$19.6 million on wastewater capital improvement projects, including the Headworks Screening project.

While the resolution does not obligate the Board to issue bonds, it does allow the District to reimburse itself for costs incurred for the project back up to 60 days prior to this resolution date once the planned wastewater debt is issued.

Discussion

The attached resolution constitutes an official action by the Board to comply with applicable federal tax requirements related to the issuance of tax-exempt obligations while ensuring the District's ability to reimburse eligible capital expenditures with proceeds from the debt issuance. Adoption of the resolution is a procedural step and does not obligate the District to issue bonds.

The resolution and the proposed financing team were reviewed with the Finance Committee (Director Meyers and Director Maloni) at its February 9 meeting. The resolution has also been reviewed by the District's Bond Counsel, Mr. Lawrence Chan, Partner at Stradling Yocca Carlson & Rauth.

Staff will return to the Board at a future board meeting with a proposed debt issuance for consideration and approval.

Staff and the Financing Team, Ms. Lora Nichols from Fieldman (Municipal Advisor) and Mr. Lawrence Chan from Stradling Yocca Carlson & Rauth (Bond Counsel), will be available to answer any questions the Board may have. A copy of the resolution is attached.

Prepared by: Leo Mendez, Finance Manager
Reviewed by: Leo Mendez, Finance Manager
Approved by: Kimberly A. Thorner, General Manager

Attachments:

Attachment 1 – Presentation

Attachment 2 – Resolution of Intent to Issue Tax-Exempt Obligations

Resolution of intent to issue debt and approval of financing team

Board Meeting
February 18, 2026



Background

- Board-approved 2024 Wastewater Rate Study assumed \$6.5 million debt issuance
 - To keep annual adjustments at 5.5%
- Completion of debt issuance is one of the District's 2026 annual objectives (Annual Objective #51)
- Debt issuance would finance planned wastewater capital improvement projects, including the Headworks Screening project

Today's action

- Consider adoption of a resolution of intent to issue debt
 - Resolution allows reimbursement of eligible costs incurred up to 60 days prior to resolution date
 - Helps satisfy federal tax requirements
 - Approval does not authorize issuance of debt
- Approval of financing team for debt issuance
 - Fieldman (Municipal Advisor)
 - Stradling Yocca Carlson & Rauth (Bond Counsel)
 - Prior experience with OMWD is expected to support efficiency and compliance in financing process

Next Steps

- Staff will commence work with the Financing team
- Staff will return to the Board with the proposed debt issuance and timeline
 - Debt issuance would require separate Board approval

Questions?

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE OLIVENHAIN MUNICIPAL WATER
DISTRICT REGARDING ITS INTENTION TO
ISSUE TAX-EXEMPT OBLIGATIONS

WHEREAS, the Olivenhain Municipal Water District (the “District”) is a municipal water district duly organized and existing under the laws of the State of California; and

WHEREAS, the Board of Directors of the District intends to finance the costs of certain public facilities and improvements, as provided in Exhibit A attached hereto and incorporated herein (collectively, “Project”); and

WHEREAS, the District expects to finance the acquisition of the Project or portions of the Project with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (“Obligations”); and

WHEREAS, prior to the execution and delivery of the Obligations, the District desires to incur certain expenditures with respect to the Project from available monies of the District, which expenditures are desired to be reimbursed by the District from a portion of the proceeds of the sale of the Obligations.

NOW, THEREFORE, the BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS

SECTION 1. The District hereby states its intention and reasonably expects to reimburse Project costs incurred prior to the execution and delivery of the Obligations with proceeds of the Obligations. Exhibit A describes either the general character, type, purpose, and function of the Project, or the fund or account from which Project costs are to be paid and the general functional purpose of the fund or account.

SECTION 2. The reasonably expected maximum principal amount of the Obligations is \$6.5 million.

SECTION 3. This resolution is being adopted not later than 60 days after the date (“Expenditure Date or Dates”) that the District will expend monies for the portion of the Project costs to be reimbursed from proceeds of the Obligations.

SECTION 4. Except as described below, the expected date of execution and delivery of the Obligations will be within eighteen months of the later of the Expenditure Date or Dates and the date the Project is placed in service; provided, however, that the reimbursement may not be made more than three years after the original expenditure is paid. For Obligations subject to the small issuer exception of Section 148(f)(4)(D) of the Internal Revenue Code, the “eighteen month limit” of the previous sentence is changed to “three years” and the limitation of the previous sentence beginning with “; provided, . . .” is not applicable.

SECTION 5. Proceeds of the Obligations to be used to reimburse Project costs are not expected to be used, within one year of reimbursement, directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt service coming due within the next succeeding one-year period on any tax-exempt obligation of the District) or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the District or any entity related in any manner to the District, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

SECTION 6. This resolution is consistent with the budgetary and financial circumstances of the District as of the date hereof. No monies from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the District (or any related party) pursuant to their budget or financial policies with respect to the Project costs. To the best of our knowledge, this Board of Directors is not aware of the previous adoption of official intents by the District that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 7. The limitations described in Section 3 and Section 4 of this resolution do not apply to: (a) costs of issuance with respect to the Obligations; (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations; or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.

SECTION 8. This resolution is adopted as official action of the District in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of District expenditures incurred prior to the date of execution and delivery of the Obligations, is part of the District's official proceedings, and will be available for inspection by the general public at the main administrative office of the District.

PASSED, ADOPTED AND APPROVED at a regular Board meeting of the Board of Directors of the Olivenhain Municipal Water District held on _____, 2026.

Matthew R. Hahn, President
Board of Directors
Olivenhain Municipal Water District

Attest:

Christy Guerin,
Secretary Board of Directors
Olivenhain Municipal Water District

EXHIBIT A
DESCRIPTION OF PROJECT

The Project consists of improvements to the District's wastewater system, including construction of certain rehabilitations, replacements, and modifications at the 4S Wastewater Treatment Plant and the collections system, including wastewater pump stations. The project will consist of installation of new and modified components such as pumps, pipelines, valves electrical and instrumentation systems, mechanical systems, chemical systems, odor control equipment, structural modifications, headworks equipment (automatic bar screens, wash press , and grit classifier), off-specification diversion piping, strainer, and coatings used in the wastewater treatment and collection process to improve the overall wastewater system performance.

Memo

Date: February 18, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Leo Mendez, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **CONSIDER EDUCATIONAL ITEM ON LOCAL AGENCY INVESTMENT
GUIDELINES (ANNUAL OBJECTIVE 57, PART 1)**

Purpose

The purpose of this agenda item is to consider an educational item on local agency investment guidelines. Representatives from PFM Asset Management, Mr. Kyle Tanaka and Mr. Robert Montoya, along with District staff, will present the attached slides to the Board. The presentation provides an overview of the role of an investment policy, statutory investment requirements per California Code, permitted investments per California Code, and OMWD's current practices.

Recommendation

None. This item is for educational purposes only. No action is required.

Alternative

None. This item is for educational purposes only.

Background

This item is presented in furtherance of Annual Objective #57, which directs staff and the Finance Committee to review the District's investment safety, liquidity, and returns relative to current legal requirements for public agency investments. The educational review of local agency investment guidelines represents the first step in this objective and is intended to establish a common understanding of the statutory investment requirements per California Code, permitted investments per California Code, and OMWD's current practices.

Fiscal Impact

None. This item is for educational purposes only.

Discussion

Representatives from PFM Asset Management, Mr. Kyle Tanaka and Mr. Robert Montoya, along with District staff, will present the attached slides and be available to respond to questions from the Board. The presentation includes a high-level overview of investment safety, liquidity, and return priorities per California Code, as well as a summary of where the District's investment program currently stands relative to these objectives.

This item was previously presented to and discussed with the District's Finance Committee (Director Meyers and Director Maloni) at its February 9th meeting, and the committee recommended bringing this item to the full Board. No Board action is requested as part of this agenda item.

Following this educational item, staff will coordinate with the Finance Committee to continue work on Annual Objective 57. Staff will have follow-up discussions with the Finance Committee regarding potential options as part of the next step, while ensuring safety, liquidity, and return priorities per California Code.

Prepared by: Leo Mendez, Finance Manager

Reviewed by: Leo Mendez, Finance Manager

Approved by: Kimberly A. Thorner, General Manager

Olivenhain Municipal Water District

Investment Policy Review

February 18, 2026

Kyle Tanaka, CAMP Program Administrator

Robert Montoya, Institutional Relationship Manager

The Role of the Investment Policy Statement

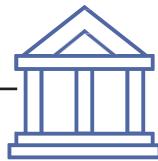
An organization's investment policy statement (IPS) serves as a foundation for implementing a successful investment program. An effective IPS is customized to the needs of the organization and provides critical guidance pertaining to investment objectives, proper governance, portfolio construction, and evaluation criteria.



It guides the objectives, and policies of the organization across evolving needs and varying economic environments



It provides a governance and decision-making framework for managing fiduciary responsibilities



It states how to comply with any applicable laws and regulations

Common Pitfalls of an IPS

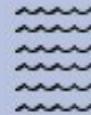
- ▶ **Lack of consensus:** The process should be collaborative
- ▶ **Unclear language:** Guidelines need to be specific to be enforceable
- ▶ **Unrealistic goals:** Persistent failure will quickly render an IPS meaningless
- ▶ **Overly restrictive guidelines:** Policies should be carefully tailored and allow for appropriate flexibility
- ▶ **Failure to enforce and revise when necessary:** When long-term strategy changes or policies are not followed, either the IPS should be amended or a process corrected

California Government Code



Safety

Seek to preserve capital with high-quality investments



Liquidity

Plan for and provide liquidity as needed



Yield

Strategy in line with your return objectives and risk tolerances

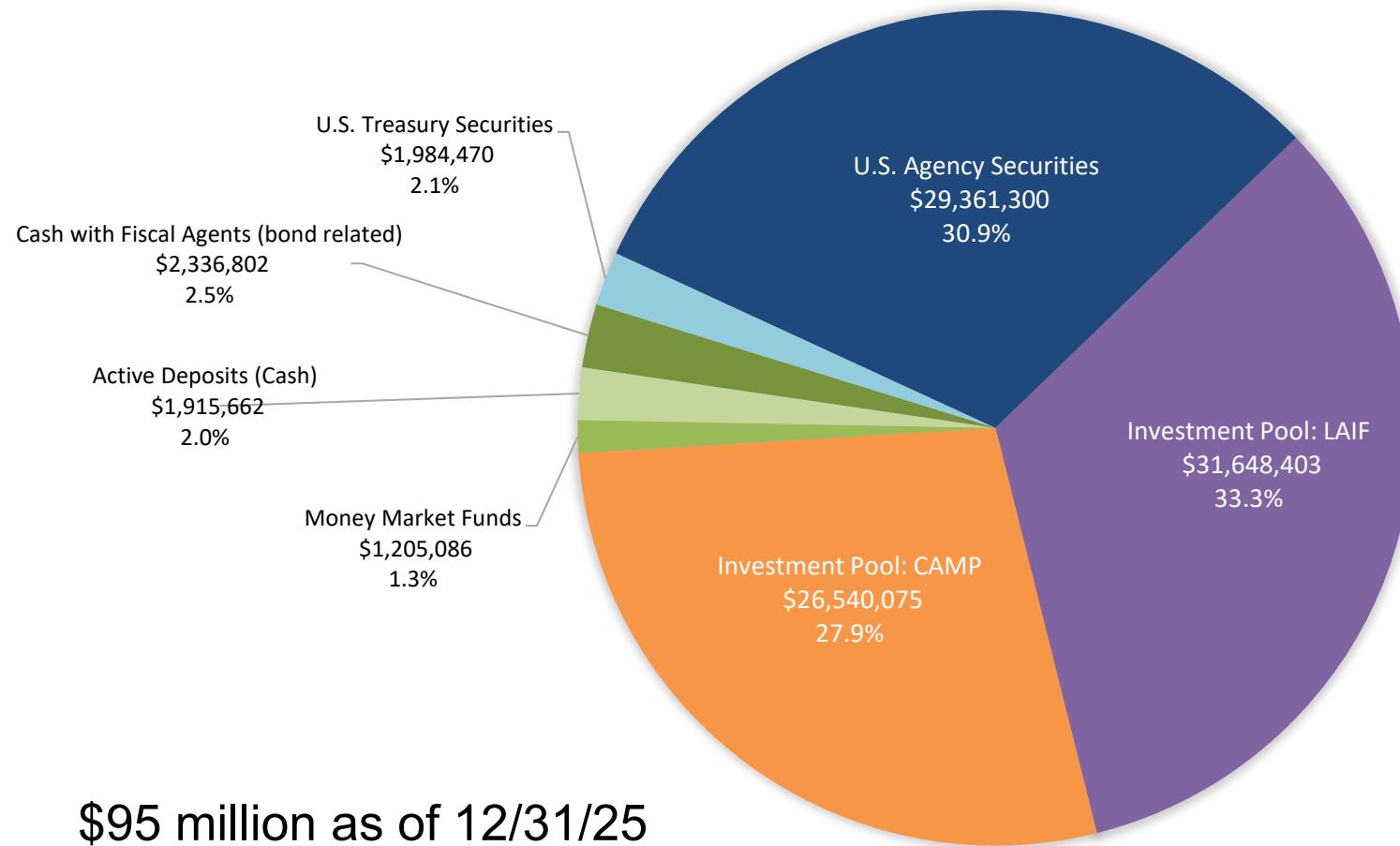
California Code - Permitted Investment Universe

Securities	Access within 1 Day	180 Days	270 Days	1 Year	5 Years	Over 5 Years
Negotiable Certificates of Deposit	U.S. Treasuries	✓ Permitted				Requires Approval
	Federal Agencies	✓ Permitted				
	Municipal Securities	✓ Permitted				
	Commercial Paper	✓ Permitted				
	Bankers' Acceptances	✓ Permitted				
	Medium-Term Corporate Notes		✓ Permitted			
	Asset-Backed Securities (ABS)		✓ Permitted			
	Supranationals		✓ Permitted			
	Public Bank Debt		✓ Permitted			
	Repurchase Agreements		✓ Permitted			
Money Market Funds/Bond Mutual Funds	✓ Permitted					Requires Approval
	✓ Permitted					
Equity Investments	Local Government Investment Pools				X Prohibited	
	Foreign Sovereign					
	Fixed-Income ETFs					
	High-Yield Bonds					
	Private Placements					
	Convertibles					
	Non-U.S. Dollar Investment Grade					
	Emerging Markets Debt					
	Bank Loans					
	Domestic Equities (Large, Mid, Small Cap)					
Real Assets	Int'l Equities (Large, Mid, Small Cap)				X Prohibited	
	Emerging Markets					
	Preferred Stock					
	Equity Mutual Funds and ETFs					
	Commodities					
Complex Derivatives	Real Estate					
	Hedge Funds					
	Private Equity					
	Venture Capital					
	Tangible Assets					
	Complex Derivatives, Futures and Options					

Source: California Government Code Section 53601.

OMWD - Where we are today

OMWD TOTAL CASH AND INVESTMENTS



OMWD - Where we are today

- Safety
 - Investments are high quality and conservative
 - Within legal and policy limits
- Liquidity
 - Cash is available to meet operating needs
 - Upcoming obligations are fully covered
 - No need to sell investments early
- Return
 - Earning a reasonable return for public funds
 - Currently above SDCPI
 - Returns are consistent with safety and liquidity priorities

OMWD - Next Steps

- SB 827 Financial Training - upcoming
- Follow-up with Finance Committee on Options for annual objective 57
- Undertaking agency survey of practices

Disclosures

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Memo

Date: February 18, 2026

To: Olivenhain Municipal Water District Board of Directors

From: Kimberly A. Thorner, General Manager

Subject: **HOLD A PUBLIC HEARING TO CONSIDER A PROPOSED INCREASE TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT BOARD OF DIRECTORS PER DIEM RATE (February 18, 2026 – 5:30 P.M.)**

Purpose

The purpose of this item is to hold a Public Hearing and consider public comments regarding increasing OMWD's Board per diem rate from \$150 to \$250 per meeting and to increase subsequent per diem amounts with the Consumer Price Index (CPI-U) up to a maximum of 5% annually and revisit in 5 years with the Board (2031). The date and time of this public hearing was set by the Board at the January 21, 2026 meeting.

Recommendation

Staff recommends holding the Public Hearing to receive public comments regarding the proposed Board per diem rate increase.

Alternative(s)

N/A. A Public Hearing is required by law.

Background

Water Code §20201 establishes that the governing board of any water district may, by ordinance, provide compensation to members of the governing board, in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, and may, by future ordinance increase the compensation received by members of the governing board above the amount of one hundred dollars (\$100) per day. The OMWD board first adopted an ordinance for per diem compensation in the amount of \$100 on January 1, 1982, but only allowed 6 days per month maximum at that time. In 2000, the OMWD Board updated the amount to \$150 via ordinance and established the 10 days per month maximum in accordance with the Water Code.

At the Finance Committee Meeting earlier in 2025, Director Maloni requested and Director Meyers supported that staff provide a survey of OMWD's Board per diem rate compared to other agencies for review and discussion, as the current per diem was last updated in 2000.

At the May Finance Committee meeting, staff reviewed the Board per diem survey with the Committee. At the September Finance Committee Meeting, this item was reviewed but no recommendation was forthcoming from the committee.

At the December 17, 2025 board meeting, the board voted to hold a Public Hearing regarding increasing OMWD's Board per diem rate to \$250 per meeting, to increase the per diem with the Consumer Price Index (CPI-U) up to a maximum of 5% annually, and to reevaluate the Board per diem rate in 2031.

Fiscal Impact

Insignificant relative to OMWD's total budget. By way of example, the impact to OMWD's operating budget for fiscal year 2026 for increasing the Board per diem per meeting amount from \$150 to \$250 is estimated at approximately \$36,000 (based on an average of six meetings per month per Director).

Also of note is that this section of the Water Code says the per diem can NOT be for more than a total of 10 days in any calendar month. Any increase can become effective 60 days after the adoption of an ordinance.

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Discussion

A public hearing is required prior to adoption of an ordinance to increase the Board per diem and there is a 60-day waiting period before the new rate can take effect. If adopted today, the per diem would be effective April 20, 2026. The code also states that per diem can NOT be for more than a total of 10 days in any calendar month, which is consistent with OMWD Administrative and Ethics Code Section 2.16.

General Counsel Smith opined that the Board should be able to adopt an Ordinance to establish future annual increases based on CPI or some other index, so long as the increases never exceed 5% annually in accordance with Water Code § 20202. Such an ordinance would require a public hearing prior to its adoption (Water Code § 20203), would be effective 60 days after its final passage (Water Code § 20204), and could be subject to a potential voter referendum if protested (Water Code §§ 20204-20207).

Staff reviewed with the Finance Committee in February an update to Article 2 of the Administrative and Ethics Code regarding what meetings qualify for per diem reimbursements. This is set forth in agenda item 16.

Staff published the notice of public hearing in the Union Tribune on February 6, 2026, and February 13, 2026.

Prepared by: Stephanie Kaufmann, Executive Secretary

Reviewed by: Kimberly A. Thorner, General Manager

Approved by: Kimberly A. Thorner, General Manager

Memo

Date: February 18, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ADOPTION OF AN ORDINANCE AMENDING OLIVENHAIN MUNICIPAL WATER DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 2 – Organization of Board of Directors)**

Purpose

The purpose of this item is to consider adoption an Ordinance amending Article 2 of the Administrative and Ethics Code.

Recommendation

If the Board approves an increase to the OMWD Board per diem rate, it is required to update Article 2 of the Administrative and Ethics Code with the attached Ordinance.

Alternative(s)

The board could decide against increasing the per diem rate; however, staff recommends including the language regarding what meetings are subject to per diems as this is required by AB 1234 as official business.

Background

At the December 17, 2025 Board Meeting, the Board voted to hold a Public Hearing regarding increasing OMWD's Board per diem rate to \$250 per meeting, to increase the per diem with the Consumer Price Index (CPI-U) up to a maximum of 5% annually, and to reevaluate the Board per diem rate in 2031.

At the January 21, 2026 Board Meeting, the Board approved setting the time and place for the required Public Hearing for February 18, 2026 at 5:30 p.m.

In reviewing per diem requirements as part of this process, the General Manager discovered that AB 1234 required agencies to adopt a policy in a public meeting specifying the types of meetings members of the Board can receive per diems. The policy sets forth what meetings and events are official business. Presently, the Administrative and Ethics Code states meetings of the Board, Committees, and attendance at events hosted by associations in Article 19 as meetings that attendance and per diems are authorized. The attached language proposed by staff was derived from review of the policies adopted under AB 1234 of other agencies. Staff recommends that the Board adopt this clarification of meetings that are official business regardless of the per diem amount.

Fiscal Impact

Insignificant relative to OMWD's total budget. By way of example, the impact to OMWD's operating budget for fiscal year 2026 for increasing the Board per diem per meeting amount from \$150 to \$250 is estimated at approximately \$36,000 (based on an average of six meetings per month per Director).

Discussion

A public hearing is required when increasing the board per diem rate and will be held on February 18, 2026 at 5:30 p.m. prior to the adoption of an ordinance at the full Board Meeting. The Public Hearing was noticed in the newspaper on February 6th and February 13th. There is a 60-day waiting period before the new rate can take effect. If adopted today, the per diem would be effective April 20, 2026. In addition to the code also stating that per diem can NOT be for more than a total of 10 days in any calendar month, the proposed Ordinance also specifies what meetings qualify for per diem reimbursements.

General Counsel Smith opined that the Board should be able to adopt an Ordinance to establish future annual increases based on CPI or some other index, so long as the increases never exceed 5% annually in accordance with Water Code § 20202.

This item was previewed by the Finance Committee prior to the Board Meeting.

Prepared by: Stephanie Kaufmann, Executive Secretary

Reviewed by: Kimberly A. Thorner, General Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments:

Proposed Per Diem Ordinance

Olivenhain Municipal Water District
**ADMINISTRATIVE AND ETHICS
CODE**

Article No. 2	Page 1 of 10
Title : ORGANIZATION OF BOARD OF DIRECTORS	
Latest Revision Date <i>January 15, 2025</i>	ORDINANCE NO. <i>5265X X</i>

ARTICLE 2. ORGANIZATION OF BOARD OF DIRECTORS

Sec. 2.1 revised by Ordinance No. 5XX / February 18, 2026

Sec. 2.1 revised by Ordinance No. 526 / January 15, 2025

Sec. 2.1 revised by Ordinance No. 506 / January 18, 2023

Sec. 2.1 revised by Ordinance No. 488 / June 16, 2021

Sec. 2.1 revised by Ordinance No. 482 / January 13, 2021

Sec. 2.1 revised by Ordinance No. 480 / December 9, 2020

Sec. 2.1 revised by Ordinance No. 461 / December 12, 2018

Sec. 2.1. revised by Ordinance No. 447 / January 18, 2017

Sec. 2.1. revised by Ordinance 422 / January 14, 2015

Sec. 2.1. revised by Ordinance 413 / February 12, 2014

Sec. 2.1. revised by Ordinance 404 / January 16, 2013

Sec. 2.1. revised by Ordinance 393 / January 18, 2012

Sec. 2.1. revised by Ordinance 385 / February 9, 2011

Sec. 2.1. revised by Ordinance 368 / December 10, 2008

Sec. 2.1. revised by Ordinance 342 / January 12, 2007

Sec. 2.1. revised by Ordinance 331 / June 9, 2006

Sec. 2.1. revised by Ordinance 320 / July 27, 2005

Sec. 2.1. revised by Ordinance No. 299 / November 27, 2002

Sec. 2.1. revised by Ordinance No. 298 / September 18, 2002

Sec. 2.1 **Executive Officers.** All powers, privileges, and duties vested in or imposed upon the District by law and the Municipal Water District Act shall be exercised and performed by the Board of Directors except such powers as the Board may delegate to others by ordinance, resolution or motion.

Effective December 2014, per AB 72, elected water Directors will now be required to take office at noon on the first Friday in December succeeding their election. Outgoing Directors will end their term on the first Friday in December at 11:59 A.M.

The current terms of the Board of Directors of the District are as follows:

<u>DIVISION</u>	<u>CURRENT TERM</u>	<u>DIRECTOR</u>
1	<i>12/02/22</i> <i>03/24/25</i> to 12/04/26	<i>Lanfried</i> <i>San Antonio</i>
2	12/06/24 to 12/01/28	Maloni
3	12/06/24 to 12/06/28	Guerin
4	12/02/22 to 12/04/26	Hahn
5	12/06/24 to 12/01/28	Meyers

The Executive Officers of the Board shall consist of the President, Vice President, Secretary, Treasurer; and they shall serve a two-year term or until their successors are elected. Elections shall be held at the January meeting of the Board in the odd numbered years.

ARTICLE 2. ORGANIZATION OF BOARD OF DIRECTORS

At the Board's first meeting in January of each odd-numbered year, in accordance with Section 71273 of the Municipal Water Code as amended, election of officers shall be rotated sequentially by Director Divisions, commencing with the Office of President, except that the District's Representative serving on the San Diego County Water Authority Board shall not hold the office of President on the Olivenhain Municipal Water District Board. Any Board Director not wishing to hold a particular office may pass on filling that position.

If a Board Member passes on filling a particular position, consensus shall be reached on the remaining Board Officer positions to be filled by the Board. If consensus cannot be reached, all remaining Board Officer positions with the exception of President, shall be voted on individually by a majority vote of the board. All Board Members are eligible for the office of President, Treasurer, Secretary, and appointment to the San Diego County Water Authority representative per Sec. 2.18, provided they have served no less than one year on the Board. The office of President shall always rotate sequentially by division. A board member may pass on filling the office of President.

- A. President. It shall be the duty of the President to preside over the meetings of the Board of Directors, and the President shall authenticate all official records of the District where required by law or as directed by a majority of the Board, and such other duties and responsibilities as required or imposed by law or a majority of the Board of Directors.
- B. Vice-President. The Vice-President shall exercise the powers and duties of the President, if the President is absent or unable to act.
- C. Secretary. The Secretary shall authenticate all official records of the District, and shall maintain in a safe location the official records of the District, certify all records wherever required and where necessary, and perform such other duties and responsibilities as imposed upon the Secretary by law or by a majority of the Board of Directors.

In the absence of the Secretary, the duties of the Secretary shall be performed by the Assistant Secretary.

- D. Treasurer. The Treasurer shall be appointed by the Board of Directors and a Deputy Treasurer may also be appointed by the Board of Directors.

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The Treasurer shall be custodian of all monies deposited in the treasury. Such monies shall be paid out upon the presentation of warrants or demands legally drawn, and without such warrant or demand, shall pay out no money, except the principal and interest of bonds payable by the District when due. The Treasurer shall make payments by warrants drawn against the funds deposited in the commercial accounts of the District. Such warrants, when approved by the General Manager as to authorization of expenditure and availability of appropriated funds, shall be signed by the Treasurer or Deputy Treasurer.

The Treasurer shall, so far as practicable, deposit the money under the treasurer's supervision and control in such institutions and upon such terms as the laws of the State of California may permit and as directed by the Board of Directors, and evidence of such deposits shall be counted and considered as cash in the treasury of the District.

The Treasurer shall purchase, sell or exchange approved securities to the best advantage of the District, with discretion, and with approval of the Board of Directors.

The Treasurer shall report to the Board at least monthly the condition of the District's finances.

In the absence of the Treasurer, the duties of the Treasurer shall be performed by the Deputy Treasurer.

The Treasurer and the Deputy Treasurer shall be bonded in an amount to be determined by the Board of Directors.

The General Manager shall serve as the Assistant Secretary and the Finance Manager shall serve as the Deputy Treasurer.

Sec. 2.2 revised by Ordinance 451 / July 19, 2017

Sec. 2. 2. revised by Ordinance 375 / March 24, 2010

Sec. 2.2. Executive Committees. There may be committees created from time to time to take care of matters which arise and require committee study and recommendation.

Each committee shall have a chairperson and vice chairperson, to be appointed by the President of the Board. Each committee shall meet at stated times to be agreed upon by the committee chairperson, and shall

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consider matters referred to it by the Board, or matters within the scope of its duties, which are presented to it by its members or by the General Manager. Each committee, having authority only to recommend to the Board, shall carry on its work if two or more of its members are present at the Meeting. A meeting of any committee may be called by the President of the Board at any time for consideration of matters requiring immediate attention.

Each committee chairperson shall report to the Board of Directors at the next regularly scheduled Board of Directors' Meeting regarding matters considered at committee meetings.

The Safety, Personnel, and Finance, Committees shall conduct business in Public Session in conformance with the provisions of the Brown Act as amended, Government Code 54950 et. seq. Ad Hoc Committees may be appointed from time to time and shall only meet as necessary. Not more than two Board Directors shall serve on any one committee.

Sec. 2.3. revised by Ordinance 409 / July 24, 2013

Sec. 2.3. Appointment of Staff Personnel. The Board of Directors shall appoint the following staff personnel and fix their compensation: General Manager, Attorney, Auditor, and any other employee who may not be subject directly to the supervision of the General Manager.

Sec. 2.4. revised by Ordinance No. 423 / Mar. 18, 2015

Sec. 2.4 revised by Ordinance No. 368 / Dec. 10, 2008

Sec. 2.4. revised by Ordinance No. 356 / Dec. 5, 2007

Sec. 2.4. revised by Ordinance No. 321 / Sept. 20, 2005

Sec. 2.4. revised by Ordinance No. 310 / May 14, 2004

Sec. 2.4. Time and Place of Regular Board Meetings. There shall generally be one regular Board Meeting per month scheduled by annual calendar to be presented to the Board for consideration on or before November of each calendar year. The regular Board Meeting shall usually be held with notice on the second or third Wednesday of every month at 4:00 P.M. In the event a second regular Board Meeting is scheduled for a particular month, it shall usually be held with notice on the fourth Wednesday of that month, also at 4:00 P.M. The annual calendar is considered in compliance with the standing policy of the Board of Directors that when a regular Board Meeting conflicts with holidays or conferences for the Association of

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California Water Agencies (ACWA) or California Special District Association (CSDA), the regular Board Meeting shall be scheduled so as not to conflict with the aforementioned conferences or holidays. Rescheduled Board meetings shall comply with Section 2.7 of the Administrative and Ethics Code for adjourned and continued meetings. One or both regular Board Meetings shall be held prior to the monthly San Diego County Water Authority Board Meeting.

The meetings are held in the room designated as the Boardroom at the offices and principal place of business of the District located at 1966 Olivenhain Road, Encinitas, California.

Sec. 2.4.1. DELETED by Ordinance No. 321 / Sept. 20, 2005

Sec. 2.4.1. revised by Ordinance No. 310 / May 14, 2004

Sec. 2.4.1. revised by Ordinance No. 305 / October 22, 2003

Sec. 2.4.1. revised by Ordinance No. 295 / July 24, 2002

Sec. 2.5. Call for Special Meeting. A special meeting may be ordered at any time by the President of the Board of Directors, or by members of the Board of Directors constituting a majority of the Board by delivering personally or by mail, written notice to each Board Director and to each local newspaper of general circulation, radio or television station requesting notice in writing. The call and notice shall be posted at least 24 hours prior to a special meeting in a location that is freely accessible to members of the public.

Such notice must be delivered personally or by mail at least twenty-four hours before the time of such meeting as specified in the notice. The order shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the Board of Directors.

Written notice need not be given to any Board Director who files a written waiver of notice at or before the meeting or for any Board member actually present at the meeting.

Sec. 2.6. Emergency Meetings. The Board may hold an emergency meeting without complying with the 24-hour notice and posting requirements if an emergency exists as defined in Government Code Section 54956.5. The President of the Board, or his/her designee, shall telephone any local newspaper of general circulation, radio, or television station, which has requested notice of special meetings one hour prior to the emergency meeting.

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If telephone services are not functioning, local newspapers of general circulation, radio, or television stations requesting notice of special meetings shall be contacted as soon after the emergency meeting as possible and advised of the purpose and actions taken at this meeting. The Board shall not meet in closed session during any emergency meeting.

All special meeting requirements, other than the 24-hour notice and posting requirements, shall be followed at the emergency meeting. Minutes of the emergency meeting, a list of persons the District notified or attempted to notify, a copy of the roll call vote, and any action taken shall be posted for a minimum of ten (10) days, in a public place, as soon after the emergency meeting as possible.

Sec. 2.7. Adjourned and Continued Meetings. The Board may adjourn or continue any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment or continuance. Less than a quorum of the Board may adjourn from time to time. The Clerk or Secretary of the District may adjourn a meeting if all Board members are absent as provided in the Brown Act.

A copy of any order of adjournment shall be posted on the door of the meeting room within twenty-four (24) hours after the time of adjournment continuance to a subsequent date. Notice of continued meetings held within twenty-four (24) hours of the meeting shall be posted on the door of the meeting room immediately after the meeting setting the continuance date. If an order of adjournment or continuance does not state a meeting time, the Board's normal meeting time for regular meetings shall be the designated time.

Sec. 2.8. Quorum. A quorum necessary for the transaction of business at any meeting of the Board shall be declared to exist whenever there are present at least three Board Directors. However, any regular or special meeting of the Board of Directors at which a quorum is not present may be continued from time to time until a quorum is present to transact the business of the Board.

Section 2.9. revised by Ordinance 385 / January 26, 2011

Sec. 2.9. Voting. Except as otherwise provided by law or ordinance, the decision of the Board of Directors shall be expressed and determined by motions duly made and adopted by a majority vote of the Board Directors who are present provided a quorum exists. A roll call vote shall be had if requested by any Board Director. When not requested or ordered by the President, a

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roll call vote shall be deemed dispensed with. A roll call vote shall be taken on all Ordinances.

Sec. 2.10. Order of Procedure at Meetings. Except as otherwise provided by law or Ordinance, the business of the meetings of the Board of Directors and the order of procedure shall be as provided by "Robert's Rules of Order, revised." The President shall preside at all meetings of the Board, and in his/her absence, the Vice-President. In the absence of both the President and Vice-President, the presiding officer shall be selected by a majority vote of the members of the Board attending such meeting.

Section 2.11. revised by Ordinance 486 / April 14, 2021

Sec. 2.11. Agenda Posting and Public Comment. The Agenda for regular meetings shall be posted in a location accessible to the public at least seventy-two (72) hours in advance of the meeting date. The Agenda shall specify the time and location of the meeting and a brief general description of each item listed. No action shall be taken on any item not appearing on the Agenda except as provided by Government Code Section 54954.2 or any successor statute. The Agenda shall provide an opportunity for members of the public to address the Board. The Board may adopt reasonable regulations from time to time limiting the amount of time for public input and individual speakers on Agenda items.

Sec. 2.12. Minutes of the Board Meetings. The Minutes of the Meetings of the Board of Directors shall be recorded and kept permanently by the Secretary in a book maintained for that purpose entitled "Book of Minutes of the Meetings of the Board of Directors, Olivenhain Municipal Water District." Unless otherwise expressly directed by the Board at the time of their adoption, the Ordinances and Resolutions adopted by the Board may be referred to in the Minutes by number and title only, but the same shall be recorded in full in books kept for that purpose entitled "Book of Ordinances" and shall authenticate the Minutes, Ordinances and Resolutions after they have been transcribed and approved by the Board of Directors and placed into the appropriate books and when so authenticated shall constitute the official Minutes, Ordinances and Resolutions of the Board of Directors of the Olivenhain Municipal Water District.

Sec. 2.13. Official Seal of the District. The following design is hereby determined to be and it is hereby adopted as and for the official seal of the Olivenhain Municipal Water District:

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A CIRCLE WITH THE WORDS: "OLIVENHAIN MUNICIPAL WATER DISTRICT," INSCRIBED AROUND THE PERIMETER THEREOF WITH THE WORDS: "ORGANIZED APRIL 6, 1959" AND "CALIFORNIA" IN THE CENTER THEREOF.

Section 2.14. revised by Ordinance 486 / April 14, 2021

Section 2.14. revised by Ordinance 320 / July 27, 2005

Sec. 2.14. Agenda Creation. The General Manager shall prepare the Agenda for all meetings of the Board of Directors so that the Agenda can be posted in a location accessible to the public at least seventy-two (72) hours in advance of the meeting date. The General Manager shall place on the Agenda all matters reasonable to be brought before the Board within his/her knowledge, and any matters requested to be placed on the Agenda by any two Board Directors. The General Manager shall place on the Consent Calendar all items, which appear to be routine or which he/she believes will require no discussion by the Board.

Items may be removed from the Consent Calendar by request of a Board Director or the General Manager. No reason must be given for the request. The President will call all items on the Consent Calendar by Agenda number item. The request to remove from the calendar any item must be made prior to or at the end of the time of the call. All items not removed may then be voted upon at the conclusion of the Consent Calendar Call by one (1) motion and by one (1) vote. A Board Director may have his/her vote recorded differently on the various items on the Consent Calendar. A Consent Calendar item will be identified by a "C" in front of the Agenda item number.

Sec. 2.15. Closed Sessions. The Board may hold closed sessions on Agenda items as provided in the Brown Act.

Sec. 2.16. revised by Ordinance No. 5XX / February 18, 2026

SeeSec. 2.16. Directors Fees, Expenses. Effective ~~April 17, 2000~~April 20, 2026, each Board Director shall receive compensation in an amount not to exceed ~~one two~~ hundred fifty dollars (\$~~150~~250.00) per day for each day's ~~act of official service set forth in section 2.17, attendance at meetings of the Board or for each day's service rendered as a Board Director by request of the Board~~, not to exceed a total of ten (10) days in any calendar month ~~or more than one per day~~, together with expenses incurred in the performance of his/her duties requested or authorized by the Board.

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Beginning in April 2027, and annually thereafter, the daily compensation shall adjust by the percentage change in the Consumer Price Index (CPI-U for San Diego) February to February Data, up to five percent (5%), unless a majority of the Board declines to accept the indexed change.

Sec. 2.17. revised by Ordinance No. 5XX / February 18, 2026

Sec. 2.17. Official Service. The following activities shall be considered service rendered in an official capacity that is eligible for compensation:

- 1) Attendance by any Director at a board meeting of the District, whether regular, special, or emergency.
- 2) Attendance by any Director at a board committee meeting or hearing of the District, of which they are a member
- 3) Attendance at District-related activities if the Director is designated by the Board as the District's primary representative, which shall be deemed to be approved in advance by Board action.
- 4) Attendance at orientation, educational activities, site visits, lobbying trips, tours, trainings, and briefings for Board member(s) organized by District staff.
- 5) Attendance at training programs that Board members must take as required by law (e.g., ethics training, cybersecurity, and sexual harassment prevention training) located in the State of California or webinars.
- 6) Attendance by any Director in their official capacity at water or wastewater related conferences, seminars, or educational events set forth in Article 19.
- 7) All other activities must be approved in advance by the Board and compensation specifically authorized in order to be considered service rendered in an official capacity that is eligible for compensation under this Ordinance.

Sec. 2.1718. Director Absence. Any Board Director who will be absent from the State for a period of sixty (60) days or more must receive permission from the Board of Directors prior to the expiration of the 60-day period. Failure to receive permission shall constitute abandonment of the position and shall create a vacancy on the Board of Directors.

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Section 2.18. added by Ordinance 483 / January 13, 2021

Sec. 2.4819. San Diego County Water Authority Representative. The Board shall select a representative by majority vote to fill its seat on the San Diego County Water Authority Board. If OMWD acquires a second seat on the San Diego County Water Authority Board in the future, the same process for selection shall be followed. Only a member of the Board or the General Manager may be selected to serve as the San Diego County Water Authority representative for OMWD. The term of appointment shall comply with the County Water Authority Act stated term of office of six years, and until their successors are appointed and qualified. The OMWD representative to the San Diego County Water Authority Board may be removed by a majority vote of the OMWD Board at any time without cause and serves at the will of the OMWD Board.

Memo

A

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

PRESIDENT

Any report will be oral at the time of the Board meeting.

Memo

B

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

GENERAL MANAGER

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

February 18, 2026

Board of Directors
 Olivenhain Municipal Water
 District 1966 Olivenhain Road
 Encinitas, CA 92024

The following are brief highlights of the District's departmental operations for the months of January 2026:

Operations & Maintenance	January 2026	December 2025
David C. McCollom Water Treatment Plant (DCMWTP)	391.8 million gallons	451.7
DCMWTP Average Daily Production	12.6 million gallons	14.6
DCMWTP Peak Day Production	19.9 million gallons	19.0
Source Water Blend (% State Project Water)	57.3%	59%
Total Deliveries to Vallecitos Water District	269.35 acre feet 87.77 million gallons	288.16 acre feet 93.90 million gallons
4S and Rancho Cielo Sewer Systems Total Inflow	40.36 million gallons	38.6 million gallons
4S and Rancho Cielo Sewer Systems Average Daily Inflow	1,301,972 gallons	1,247,544 gallons
4S and Rancho Cielo Sewer Systems Peak Day Inflow	1,699,852 gallons	1,342,324 gallons
4S and Rancho Cielo Sewer Systems Low Day Inflow	1,202,332 gallons	1,168,490 gallons
4S Water Reclamation Facility (4SWRF) Average Daily Production	385,320 gallons	400,276 gallons
4SWRF Peak Day Production	921,684 gallons	889,590 gallons
4SWRF Total to Recycled Water Distribution System	11.95 million gallons	12.4 million gallons
4S Recycled Water Storage Pond Volume	142 acre feet	116 acre feet
Repaired Potable Water Main Leak(s)	2	1
Repaired Potable Water Service Lateral Assembly Leak(s)	2	2
Repaired Recycled Water Main Leak(s)	0	0
Repaired Recycled Water Service Lateral Leak(s)	0	0
Repaired Hit Fire Hydrant Lateral Assembly Leak(s)	1	0
Replaced Valve(s) Monthly Total	1	2
Replaced Valve(s) Calendar Year to Date	1	38
Recycled Water Use Site Inspections & Visits	16	58
Recycled Water Use Site Cross Connection Tests	1	4
Cross Connection Site Surveys	1	3
Backflow Inspections & Testing (New)	5	5
IT Help Requests	14	12
Customer Services	January 2026	December 2025
Customer Calls and Inquiries	1,674	1,675
Total Monthly Bills Issued	23,021	23,016
Service Orders	522	493
New Potable Meters	0	0
New Fire Meters	0	1
New Recycled Water Meters	3	0

Advanced Metering Infrastructure (AMI) Troubleshooting Investigations	165	166
Customer Services - Continued	January 2026	December 2025
Stopped/Underperforming Meters Replaced	131	126
Meter Accuracy Tests Performed	7	28
Water Use Evaluations	8	12
Water Use Violation Reports	0	1
Workshops, Events, and Tours	2	1
High-Efficiency Clothes Washer Rebate Applications	2	2
Weather-Based Irrigation Controller Rebate Applications	4	1
Hose Irrigation Controller Rebate Applications	0	0
High-Efficiency Rotating Nozzle Rebate Applications	0	0
High-Efficiency Toilet Rebate Applications	0	0
Rain Barrel Rebate Applications	0	0
Flow Monitor Device Rebate Applications	0	1
Turf Removal Project Rebate Applications	1	1
Social Media Posts	17	16
News Releases/Media Advisories	2	0
EFRR	January 2026	December 2025
Special Use/Event Permits	2	2
Parking Notices	71	55
Incident Reports	8	10
Vehicle Count	5,936	3,982
Trail Use Count	13,639	9,503
Days Closed Due to Rain/Red Flag	2	0/0
Days Interpretive Center (IC) Open	13	16
Number of IC Visitors	505	412
Volunteer Trail Patrol Shifts	6	6
Volunteer Docent Hours	64	78
Total Number of Docents	66	66
Finance	January 2026	December 2025
Infosend Payments (ACH and Credit Card)	15,461	15,895
California Bank & Trust Lockbox Payments	1,837	2,081
Over the Counter Payments	245	401
Check-free, Metavante and Chase	3,497	4,450
Finance Calls and Walk-ins	20	33
Service Orders/New Meters Processed	0	1
Service Orders Closed Out	1	2
Purchase Orders	9	15
Inventory Items Received	954	1,097
Invoices Processed	464	547
Payroll Direct Deposits Processed	247	250
Payments to Vendors	231	238

ENGINEERING DEPARTMENT

Engineering Manager Lindsey Stephenson Highlights for January 2026:

Gardendale and Village Park West Pressure Reducing Stations Replacement Project construction continued at the Village Park West PRS site, nearing completion of site restoration. The Reservoirs Safety Improvements Project is underway. The 4S Ranch Water Reclamation Facility Headworks Screening System, Off-Specification and Wet Weather Diversion, and Strainer Improvements Project continued through the submittal review phase and the contractor has continued exploratory work on-site. The OMWD Cathodic Protection Improvements Project FY 2026 continued; Staff continued: planning and design efforts on multiple CIP projects, including preparing the 10-year CIP for upcoming budget cycle; leak responses; supporting developer projects; assisting other departments with engineering-related work; and managing OMWD's facilities, including the onboarding of the newly contracted landscape maintenance company, cathodic systems, cell sites, and right of ways.

HUMAN RESOURCES DEPARTMENT

Human Resources Manager Jennifer Joslin Highlights for January 2026:

Human Resources staff distributed the employee mid-year performance reviews for presentation by the Supervisors and Managers. Held a Better Way Committee meeting to review a nomination. Conducted recruitments for the vacant Cathodic Protection Technician and Utility I, II, and III positions. Held interviews for Financial Analyst I. Human Resources and payroll staff created and distributed the required Affordable Care Act (ACA) 1095 forms for all employees regarding their health insurance coverage for 2025. Hosted the monthly employee forum. Participated in the annual Employment Law Update webinar conducted by Liebert Cassidy Whitmore. Attended the California Water Environment Association San Diego section annual awards banquet. Hosted a Safety Committee meeting. Safety staff provided support and coordination on multiple liability claims. Commenced review of the Emergency Response Plan following the Risk and Resiliency Assessment certification.

Requests Received Pursuant to the Public Records Act (January 1-31):

<u>Requestor</u>	<u>Documents Requested</u>
Dan Plaut	Weigand Parcel Purchase Price
Berkeley Research Group	Historical Residential Water Rate Information
Mariposa Landscape, Inc.	Landscape Maintenance Services RFP - Copies of all bids, evaluation sheets, and the recommendation.
Modern Office Solutions	Current office equipment contract

OPERATIONS & MAINTENANCE

Operations Manager Jesse Bartlett-May Highlights for January 2026:

WTP staff began the Membrane Replacement Project, starting with Train 9, performed an acid cleaning on the sodium hypochlorite generation system, repaired a broken flow control actuator

on membrane Train 3, and are preparing to temporarily suspend fluoridation per the Board of Directors' decision at the January 21st, 2026, board meeting. Inspections and repairs were performed to both the EQ basins and bandscreen at the 4S WRF. La Cresta HOA in Carlsbad was fully converted to recycled water for irrigation, saving over 2.25 million gallons of drinking water each year. System Operators continued to provide support to Engineering on multiple Capital Improvement Projects, including the 10th Street PRS Project, Wanket Tank Refurbishment, Village Park West PRS Replacement Project, and the Encinitas Blvd Pipeline Project. Construction, with support from System Operators, made repairs to a hit hydrant at Dove Canyon and Carmel Valley Road, performed water main repairs on Rancho Santa Fe Road, and performed an after-hours leaking valve replacement on Calle Timiteo Road in La Costa. Construction also responded to a broken 8-inch saddle and made repairs on Dalia Drive in the Del Mar Country Club and responded to a leak on Sereno View Lane and a 2-inch copper service leak on Manchester Ave. Operations staff continue to support the emergency repairs on Azahar and Cadencia Streets.

CUSTOMER SERVICES DEPARTMENT

Customer Services Manager John Carnegie Highlights for January 2026:

Mailed a letter providing impacted residents on Cadencia Street, Aldea Place, and Romeria Street with a construction update; hosted a public tour of OMWD facilities; held rain harvesting workshop in partnership with San Dieguito Water District and Santa Fe Irrigation District; submitted to SWRCB an Annual Inventory Report, including monthly supply and demand figures for CY 2025; participated in DWR's training on the recently updated SWRCB Leak Registry specifications; submitted letter of support for AB 35, which would exempt Prop 4 climate bond funding from the Administrative Procedure Act, preventing delays in disbursing funds; completed on-site inspections of select SDCWA's Permanent Special Agricultural Water Rate program participants; and submitted Water Resources Development Act grant applications in the amount of \$11.2 million to the offices of Senators Schiff and Padilla, and Representatives Peters and Levin, for the rehabilitation and modernization of infrastructure at David C. McCollom Water Treatment Plant.

At EFRR, held four "Habitat" field trips for Escondido Unified School District students; completed Staging Area trail and fencing repairs resulting from flooding on New Year's Day; removed oak tree that fell on lower creek viewing area causing trail closure; mapped all invasive Cape ivy within EFRR's boundary; hosted "Bill the Bug Guy" presentation in the interpretive center; held quarterly meeting and training for EFRR volunteers; and trained new temporary ranger.

FINANCE DEPARTMENT

Finance Manager Leo Mendez Highlights for January 2026:

Kicked-off biennial budget process and distributed budget calendar and files to managers; completed and submitted OMWD's and OMWD Financing Authority's financial transactions report for fiscal year 2025 to the State Controller's Office; completed calendar year 2025 tax filings including employee W-2s and contractor 1099s; completed continuing disclosure reports for the District's outstanding debt, commenced work on OMWD's investment policy and strategy annual objective for 2026, commenced work on OMWD's planned wastewater debt issuance for

2026; continued to provide oversight of IT audit in response to hosting services outage including next steps; continued work on Pinnacles CFD formation project and held meeting with developer and CFD team; reviewed sections of the draft Urban Water Management Plan and provided feedback, selected candidates and participated in interviews for Financial Analyst I vacancy; completed mid-year performance reviews; completed 6-month expectations for new Project Accountant II and continued to train on new duties; attended 2-day public funds investments seminar hosted by the California Debt and Investment Advisory Commission and California Municipal Treasurers Association.

ASSISTANT GENERAL MANAGER:

The Assistant General Manager reports the following for January 2026:

Attended San Diego North Economic Development Council Board meeting, Doheny Desalination Presentation with consultants, and OMWD Safety Committee meeting. Continued project management assistance on Azahar/Cadencia/Romeria Streets and Aldea Place Emergency Leak. Worked with Department Managers to finalize 2026 Annual Objectives and complete employee mid-year reviews. Dedicated significant time to EPA Grant Procurement Requirements and Workplan, Urban Water Management Plan preparation, North San Diego Water Reuse Coalition coordination, DCMWTP fluoridation review and FY26 District-wide insurance evaluation.

GENERAL MANAGER:

The General Manager reports the following for January 2026:

General Manager Thorner participated on the City of San Diego Interview Panel for a utility management consultant, hosted an employee forum, met on the DCMWTP Basin Rehab Program, chaired the LAFCO Special Districts Advisory Committee Meeting and was re-elected Chair, participated in the Member Agency Managers meeting, attended a presentation on Doheny Ocean Desalination Project, held Financial Analyst interviews, attended several meetings on the Pinnacles Community Facilities District, had a meeting regarding LAFCO's Municipal Service Review for OMWD, held a GM staff meeting, held a Staff Leadership meeting, held a Safety Committee Meeting, hosted a meeting with Padre Dam MWD to discuss OMWD's automated metering infrastructure, attended a meeting at Metropolitan Water District on Cybersecurity, attended the California Water Environment Association San Diego Section Annual Awards Banquet, and dedicated significant time to preparing and reviewing board items, reviewing the Via Ambiente Bridge documents, reviewing grant applications, preparing SDCWA comments, board member briefings, and reviewing legal and personnel matters.

Memo

C

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CONSULTING ENGINEER

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.



MEMORANDUM

To: Kimberly Thorner, Esq., Olivenhain MWD Board of Directors

From: Don MacFarlane, Consulting Engineer

Subject: Metropolitan Water District of Southern California (MWD)
Committee Meetings

Date: February 9, 10, 2026

This is a report on the Finance, Affordability, Asset Management, and Efficiency, the One Water and Adaptation, and the Engineering, Operations, and Technology Committee meetings, held on February 9, 10, 2026. This report is based on the Board webcast, presentations and reports.

Finance, Affordability, Asset Management, and Efficiency Committee –

1. Water Transactions and Revenues – Through December 2025, water transactions were 5 percent less than budget while revenues were 2 percent less than budget.
2. FY 2027 and 2028 Biennial Budget Workshop #1 – Staff presented a “Baseline” Budget and 10-Year Financial Forecast that excludes increases in staffing, CIP, operating equipment, and PWSC. Staff also presented an Estimated Overall Rate Increase for the next two years and subsequent eight years. Key drivers are noted below the tables.

Baseline Budget and 10-Year Financial Forecast, Rate Increase

CY	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Rate	7.5%	7.5%	6.5%	6.5%	5.0%	5.0%	4.5%	4.5%	4.0%	4.0%

- a. End of some federal funding (\$47 million)
- b. Lower assumed stored water sales (\$60 to \$25 million)
- c. Increased personnel, materials, utilities, security, etc.
- d. DCP planning costs, debt service for CIP, supply, conservation, and operating equipment.
- e. Lower power costs and higher property tax revenues.

Estimated Overall Rate Increase

CY	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Rate	9.5%	9.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%

MEMORANDUM

Metropolitan Water District of Southern California

Feb 9, 10, 2025 Committee Meetings

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- a. Increasing base CIP by \$284 million over 2-years due to aging assets and rising regulatory requirements, driving replacement and refurbishment. This adds 0.5 to 1.0 percent to the rate per year.
- b. Replacing critical operating equipment adds \$35 million over two-years. Over 50 percent of vehicles are in poor, or very poor condition. This adds 0.4 percent in FY 2027.
- c. Additional staffing is needed to support operations, maintenance, and CIP. Since 2020, most new positions have not been funded. This adds approximately 0.5 percent per year through 2032.
- d. Funding 45 MGD, Stage 1 PWSC, \$3.6 billion total. \$150 million is budgeted in the next two years for final design and pre-construction services. This adds 0.5% for FY 2027 and 2028, 1.5 percent for the next two years, 2.5 percent for the following two years, and 4.0 percent for the last four years.

Over the 10-year forecast, untreated and treated volumetric water costs would need to approximately double.

Selected Committee Questions and Comments, and Staff Responses, in the Order asked:

1. Committee members complimented staff on the hard work to prepare the budget and forecast, for asking the hard questions, and for controlling costs as much as possible. The Committee members were very concerned about the level of increases. Committee members acknowledged that all of MWD's water supplies are at risk.
2. There was a lot of discussion about the reserve policy and the impact on rates. (The policy was updated in July 2025.) MWD's expenditures are forecast to increase from just under \$2.5 billion, to over 4.5 billion in 10 years. There is significant risk, if reserves do not keep pace.
3. 70 to 80 percent of MWD's costs are fixed while approximately 30 percent of revenues are fixed. State Water Project (SWP) costs are approximately \$420 million fixed and \$800 million total. Staff is moving towards a higher percentage of fixed revenues, but it will take time to achieve.
4. If MWD has to pay a portion of the cost of subsidence on the California Aqueduct, can ad valorem tax revenues be used? Yes
5. Did low rate increases in the past cause the high proposed increases? Yes, partially. Deferred maintenance, deferred hiring, use of reserves and one-time revenues all contributed.
6. How high would ad valorem taxes need to be increased to cover SWP fixed costs? The rate would need to be increased from the current rate of 0.007 percent, to 0.0105.
7. Need to consider affordability. What can we do to reduce both the baseline and estimated budget and rate increases? Rate increases should be closer to inflation; this is what

MEMORANDUM

Metropolitan Water District of Southern California

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customers expect. The Board and staff may need to make some hard decisions. May need to limit expenses to just what we “need.”

8. Staff and Board may need to review and discuss the level of service and reliability that MWD provides.

One Water and Adaptation Committee –

1. Water Supply and Drought Management (WSDM) –

- a. The SWP allocation has been increased to 30 percent and could increase further. 30 percent equates to approximately 570 TAF of supply to MWD. While January was relatively dry, cold storms are approaching the Northern Sierra watershed.
- b. Currently, supplies and forecast demands for calendar year 2026 are approximately in balance.
- c. Northern Sierra precipitation is 117 percent of average, while the snowpack is only 43 percent of average. Upper Colorado River precipitation is 89 percent of median, while the snowpack is 61 percent of median. Staff commented that, since snow records have been kept in the Upper Colorado River watershed, these are the worst snow conditions ever seen, and are tracking to be the driest year on record. Without improvement, runoff to Lake Powell could decrease by up to 1.5 MAF of what was forecast.

2. Update on Basin States Discussion Regarding Post-2026 Colorado River Operating Guidelines – Despite ongoing discussions, and most of the Basin States’ governors meeting in Washington DC, there has been no progress on the consensus solution, which is due February 14th. Colorado maintains it is not subject to mandatory conservation while Arizona maintains it is necessary for the Upper Basin States to conserve. Additional notes:

- a. USBR released its draft EIS on the Operating Guidelines which defines the bounds of their River operating decisions. MWD, California, and the other states are preparing comments. The DEIS analyzes a range of operations alternatives, describes assumptions, and identifies impacts to MWD’s supply, Intentionally Created Surplus (ICS), and Hoover power generation.
- b. Because of the forecast for Lake Powell to reach record low water levels in 2026, approaching the minimum power pool elevation, USBR has started consultations on possible operational changes. The first action will be to release 500 TAF from Flaming Gorge Reservoir to Lake Powell. Subsequent actions could include reduced releases from Lake Powell to Lake Mead, potentially up to 1.5 MAF a year.

Engineering, Operations, and Technology Committee –

MEMORANDUM

Metropolitan Water District of Southern California

Feb 9, 10, 2025 Committee Meetings

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1. January 2026 Demands – 79 TAF, approximately 7 TAF less than in 2025.
2. Target Percentage of SWP Water Delivered to the Skinner Water Treatment Plant (and OMWD Raw Water Supply) – 50 percent.
3. Certification of the Final EIR for PWSC – Staff made a presentation on the Project and the CEQA process and recommended certification of the EIR and related CEQA actions. One of the Committee members made a substitute motion to certify the EIR, with conditions that would restrict project expenditures, until there was further analysis and assessment of other water supply options. Other Committee members and the general manager acknowledged the importance of the assessment of options, and Board review of future expenditures, and assured the Committee they will be addressed. They disagreed with the motion because it could impede partnership and grant funding work, and the timely resolution of potential litigation. The motion passed 9 yes to 3 no votes. Subsequent to the Committee meeting, the general manager addressed the concerns of the Committee members who voted for the substitute motion. At the full Board meeting, the staff recommendation for certification of the EIR, with no conditions, was approved.
4. Asset Management Program Update – Staff made a presentation on updates with a conclusion that MWD needs to fund replacement and refurbishment at approximately \$1.4 billion in each biennial budget. The FY 2027 and 2028 contains \$1.276 billion. Other notes:
 - a. The increase needs to happen in the near-future. Staff modeled a slow ramp-up to \$1.4 billion by 2042, and it did not adequately reduce risks.
 - b. MWD asset book value is \$31 billion while the asset replacement cost is estimated at \$46 billion.
 - c. MWD has been benchmarking with other utilities and updating its model.
 - d. 407 high-risk projects have been identified, and 82 percent of the Colorado River Aqueduct projects are high-risk.

AVEK – Antelope Valley -East Kern

CWA – San Diego County Water Authority

CAMP 4W – Climate Adaptation Master Plan for Water

CVWD – Coachella Valley Water District

DCP – Delta Conveyance Project

EIR – Environmental Impact Statement

DWR – California Department of Water Resources

EIS – Environmental Impact Statement

IID – Imperial Irrigation District

LRP – Local Resources Program

MCL – Maximum Contaminant Level

MGD – Million Gallons per Day

MAF – Million acre-feet

MWD – Metropolitan Water District of Southern California

PFAS – Per- and Polyfluoroalkyl Substances PWSC – Pure Water Southern California

SWP – State Water Project

TAF – Thousand acre-feet

USBR – United States Bureau of Reclamation

Memo

D

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

GENERAL COUNSEL

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.



TO: Olivenhain Municipal Water District

FROM: Alfred Smith

DATE: February 18, 2026

RE: New Virtual Meeting Laws for Committees
150152-0005

I. INTRODUCTION.

Recent amendments to the Brown Act effective January 1, 2026, allow board members to virtually attend certain committee meetings. These amendments modify Government Code section 54953.8 to allow streamlined remote meeting procedures. Most notably, these recent amendments allow a director's virtual attendance to still count towards a quorum (1) provided the Committee is wholly advisory, and (2) provided the Committee's subject matter jurisdiction does not focus on elections, budgets, police oversight, privacy, removing from, or restricting access to, materials available in public libraries, or taxes or related spending proposals.

The recent amendments also allow directors with disabilities to remotely attend meetings, with such attendance counting towards the necessary quorum, just as if a director attended the meeting in-person.

II. BACKGROUND.

The traditional Brown Act remote meeting options still apply notwithstanding the recent amendments to Government Code section 54953.8. Accordingly, directors may still virtually attend meetings, provided that each teleconference location is identified in the agenda for the meeting, and provided that each teleconference location is accessible to the public. A majority of directors must still attend the meeting in-person.

Directors may still also virtually attend meetings where there is "just cause" or an "emergency circumstance." However, a majority of directors must still attend meetings in-person. Such members attending for "just cause" are required to attend through both audio and visual technology, and there are limits to the number of meetings that such members can attend remotely for "just cause" under the statute. If the meeting occurs once a month or less, this exception may be used two times per year. The grounds for "just cause" are set forth in Government Code Section 54953.8.3(c)(1)-(7) as follows:

- (1) Childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate

remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

- (2) A contagious illness that prevents a member from attending in person.
- (3) A need related to a physical or mental condition that is not subject to subdivision (c) of Section 54953.
- (4) Travel while on official business of the legislative body or another state or local agency.
- (5) An immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner of the member that requires the member to participate remotely.
- (6) A physical or family medical emergency that prevents a member from attending in person.
- (7) Military service obligations that result in a member being unable to attend in person because they are serving under official written orders for active duty, drill, annual training, or any other duty required as a member of the California National Guard or a United States Military Reserve organization that requires the member to be at least 50 miles outside the boundaries of the local agency.

III. NEW OPTIONS FOR ELIGIBLE SUBSIDIARY BODIES.

A. Committee Meetings.

Recent amendments to Government Code section 54953.8 create new remote meeting options for "Eligible Subsidiary Bodies" allowing agencies to hold public meetings where all directors may remotely attend the committee meeting -- so long as there is one designated physical meeting location that has a staff member present. There are certain other requirements and limitations for this "Eligible Subsidiary Body" teleconferencing option, including a requirement for the agency that created the "Eligible Subsidiary Body" to first adopt a Resolution making certain findings set forth in Government Code section 54953.8.6(a)(4)(A), and to renew this Resolution every six months.

The definition of "Eligible Subsidiary Body" is set forth in Government Code section 54953.8.6(b)(1) and requires that each entity meet each of the following criteria:

- (A) Is described in subdivision (b) of Section 54952.
- (B) Serves exclusively in an advisory capacity.

- (C) Is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, grants, or allocations of funds.
- (D) Does not have primary subject matter jurisdiction, as defined by the charter, an ordinance, a resolution, or any formal action of the legislative body that created the subsidiary body, that focuses on elections, budgets, police oversight, privacy, removing from, or restricting access to, materials available in public libraries, or taxes or related spending proposals.

Under Administrative Code Article 2, section 2.2, the Board of Directors organizes certain Standing Committees that are subject to the Brown Act for their meetings. As relevant here, Administrative Code Article 2, section 2.2 sets forth the following Committees: (1) Safety Committee, (2) Personnel Committee, and (3) Finance Committee.

Government Code section 2.06.010.01 expressly provides that “Committees shall have no authority to vote on committee agenda items or otherwise render decisions that are binding upon the Board.” Based upon this, all three of the Standing Committees meet the requirements (A)-(C) because they are legislative bodies of a local agency that are purely advisory and are not authorized to take final action on items. However, the Standing Committees have different outcomes with respect to requirement (D) in Government Code section 54953.8.6(b)(1):

- **Safety Committee and Personnel Committee are “Eligible Subsidiary Bodies”** - The Safety Committee and Personnel Committee meet the definition of “Eligible Subsidiary Body” set forth in the statute and would be able to utilize the alternative teleconference meeting protocols in Government Code section 54953.8.6 in accordance with the requirement set forth therein, including the requirement for the legislative body that created the committees (*i.e.*, the Board) to first make the requisite findings in Government Code section 54953.8.6(a)(4)(A) and every six months thereafter.
- **Finance Committee is not an Eligible Subsidiary Body** - However, the Finance Committee’s jurisdiction includes the review of financial and budget matters. Therefore, even though it is advisory in nature, it has a primary subject matter jurisdiction that focuses on budgets/spending proposals and therefore does not meet the criterion in Government Code section 54953.8.6(b)(1)(D) above. Accordingly, the Finance Committee is not an “Eligible Subsidiary Body” and cannot use the teleconference procedures for such entities under the Brown Act.

B. Directors with Disabilities.

The recent amendments to Government Code section 54953(c) allow directors with a disability¹ to participate remotely from locations other than those identified in the meeting agenda (*i.e.*, directors can participate from home without opening their home to the public). Such directors must participate through both audio and visual technology, except that any member with a disability, as defined in Section 12102 of Title 42 of the United States Code, may participate only through audio technology if a physical condition related to their disability results in a need to participate off camera. The director must also disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the director, and the general nature of the member's relationship with any of those individuals. Such directors with disabilities can count towards the quorum needed for meetings the same as if they were attending in one of the physical locations.

IV. CONCLUSION.

Recent amendments to Government Code section 54953.8.6 allow directors to virtually attend meetings of both the Safety Committee and Personnel Committee. A director's remote attendance counts toward quorum requirements. There are no limits on the number of times a director may virtually attend committee meetings each year. Directors with disabilities may also virtually attend committee meetings with their remote attendance counting towards establishing a quorum.

¹ Defined in Gov. Code Section 54953(e)(1) as "physical disability or a mental disability as those terms are defined in Section 12926 and used in Section 12926.1, or a disability as defined in Section 12102 of Title 42 of the United States Code."

Memo

E

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE

Any report will be oral at the time of the Board meeting.



SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING JANUARY 22, 2026

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report
2. 2026 Board meeting dates amendment.
The Board approved amending the September Formal Board of Directors meeting date from September 24, 2026, to September 17, 2026.
3. Adopt the Water Authority's 2026 Long-Range Financing Plan.
The Board adopted the 2026 Long-Range Financing Plan including:
 1. Updated Rate Stabilization Fund Policy
 2. Excess Revenue Procedure Policy, and;
 3. Updated Statement of Debt Management and Disclosure Policy
4. Approve memorandum of understanding with City of San Diego and County of San Diego for implementation of Integrated Regional Water Management Program activities.
The Board approved the MOU with the City and the County for IRWM planning and implementation activities.
5. Professional services contract with Woodard & Curran for Integrated Regional Water Management Program services.
The Board awarded a professional services contract, with such non-material modifications as approved by the General Manager or General Counsel, to Woodard & Curran, for a not-to-exceed amount of \$503,255, with a termination date of June 30, 2029, with the option to extend the contract for up to an additional 18 months, and authorized the General Manager, or designee, to execute the contract.
6. Public works contract with Level Crane Systems to furnish and install a 10-ton bridge crane system at the Operations and Maintenance Center in Escondido.
The Board awarded a public works contract, with non-material modifications as approved by the General Manager or General Counsel, to Level Crane Systems, in the amount of \$269,086, to furnish and install a 10-ton bridge crane system at the Operations and Maintenance Center (OMC) in Escondido, and authorized the General Manager, or designee, to execute the contract.
7. Adopt positions on various bills.
The Board adopted a position of Support on the Drought Relief Obtained Using Government Help Today Act of 2025 or the "DROUGHT Act of 2025" (Peters)
and;
The Board adopted a position of Support on AB 35 (Alvarez), Proposition 4 Administrative Procedure Act (APA) Exemption.



8. Approval of Minutes

The Board approved the minutes of the Formal Board of Directors' meeting of November 20, 2025.

9. Board Officer Appointment: Secretary

The Board approved the appointment of Director Teresa Acosta to the position of Secretary of the Board.

10. Board of Director Retirement Resolution: Director Ditas Yamane, City of National City.

The Board adopted Resolution No. 2026-01, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Ditas Yamane upon her retirement from the Board of Directors.

Memo

F

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

LEGISLATIVE REPORT

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.



TO: Olivenhain Municipal Water District
FROM: Ashley Walker, Senior Policy Advisor, Nossaman LLP
Jennifer Capitolo, Jennifer M. Capitolo and Associates LLC
DATE: February 4, 2026
RE: February 2026 Public Policy Report

State Legislative Updates:

Status of the Legislature: The second year of the two-year legislative session resumed on January 5. The first week back to session was quite busy, with a “State of the State” address and the governor’s January budget proposal announcements.

Two-year bills are eligible to move forward again this year, with the deadline for introducing new legislation set for February 20. Bills that did not pass the first house during the first year of the session had until January 16 to be approved by the assigned policy committee(s), and until January 31 to be passed by the first house, to remain active. Conversely, bills that have already passed the first house will be afforded more time to progress through the legislative process.

Senate Pro Tempore Monique Limón has resumed her leadership role and made changes to senate committee membership.

Governor Newsom’s January Budget Proposal: The governor released the FY 2026-27 state budget proposal on January 9. The proposal outlines \$348.9 billion in spending for the upcoming fiscal year. The governor’s budget notes a benefit from a welcome surge in state revenues in 2025, indicative of an improved revenue outlook. The current budget exceeds 2025 projections by \$42.3 billion, primarily due to increases in personal income tax receipts.

The governor’s budget forecast is higher than the Legislative Analyst’s Office projection by \$28.9 billion or 4.7 percent. The LAO incorporated a significant risk of a stock market downturn in its forecast. The governor’s forecast does not assume that risk.

It is important to note that this budget proposal represents the beginning of negotiations with the legislature about a spending plan. The governor will release a May revision in mid-May, and the legislature will pass a final budget in June.

Legislation: The legislature continues introducing bills this week and will do so until the introduction deadline on February 20. Nossaman is reviewing all bills introduced and will provide suggestions on positions as appropriate.

- **AB 35 (Alvarez): Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria:** This bill would exempt Proposition 4 spending from the Administrative Procedure Act. Exempting Proposition 4 funding from the APA is consistent with long-standing precedent for natural resource bonds, including Proposition 84 and Proposition 68. Full exemption would enable funds to be deployed more quickly and efficiently, ensuring that protracted administrative processes do not hold up vital community projects. The bill is sponsored by County of San Diego and supported by ACWA, along with a broad coalition of other water industry organizations.
OMWD Current Position: Support.

Other Legislative Initiatives: Nossaman has been engaged in ongoing supplementary legislative items, as outlined below.

- **Proposition 4 – Climate Bond:** The governor's proposed budget appropriates \$2.1 billion from Proposition 4 in the 26-27 fiscal year, to fund various grant programs. We continue to monitor the release of those funds administered by California Natural Resources Agency and various departments within the Agency. However, the requirement to comply with the APA is delaying the release of funds. We are supporting AB 35 in an effort to help expedite funding.

Governor's Actions and Executive Orders: The following actions have been taken by the state since the last report. This list is compiled from CalOES, California Health and Human Services, California Department of Public Health, and FEMA.

- January 6 – Governor Newsom announced housing push to keep survivors in their communities.
- January 6 – Governor Newsom announced proposed effort to close insurance gaps for LA fire survivors, expands mortgage relief.

Regulatory Updates:

State Water Resources Control Board:

Fees: 2026 Drinking Water, Water Quality, and Water Rights: State Water Resources Control Board is holding a series of stakeholder meetings to discuss drinking water, water quality, and water rights fees. The dates for the first round of meetings include:

- Water Quality: March 5, 2026 at 9:00 a.m.
- Water Rights: March 5, 2026 at 1:00 p.m.
- Drinking Water: March 6, 2026 at 9:00 a.m.



Olivenhain Legislative Report 2025-26 Report as of 2/4/2026

Support

AB 35 **(Alvarez, D)** **Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024:** Administrative Procedure Act: exemption: program guidelines and selection criteria.

Current Text: 01/14/2026 - Amended [HTML](#) [PDF](#)

Introduced: 12/02/2024

Last Amended: 01/14/2026

Status: 01/27/2026 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary: The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, approved by the voters as Proposition 4 at the November 5, 2024, statewide general election, authorized the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.

Current law authorizes certain regulations needed to effectuate or implement programs of the act to be adopted as emergency regulations in accordance with the Administrative Procedure Act, as provided. Current law requires the emergency regulations to be filed with the Office of Administrative Law and requires the emergency regulations to remain in effect until repealed or amended by the adopting state agency. This bill, notwithstanding the above, would exempt the adoption of regulations needed to effectuate or implement programs of the act from the requirements of the Administrative Procedure Act, as provided. The bill would require a state entity that receives funding to administer a competitive grant program established using the Administrative Procedure Act exemption to do certain things, including develop draft project solicitation and evaluation guidelines and to submit those guidelines to the Secretary of the Natural Resources Agency, except as provided. The bill would require the Secretary of the Natural Resources Agency to post an electronic form of the guidelines submitted by a state entity and the subsequent verifications on the Natural Resources Agency's internet website. (Based on 01/14/2026 text)

Position: Support

Notes:

1/27/2026 Letter of support submitted to Assemblymember Alvarez's Office

AB 259 **(Rubio, Blanca, D)** **Open meetings: local agencies: teleconferences.**

Current Text: 04/21/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/16/2025

Last Amended: 04/21/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was JUD. on 5/14/2025)(May be acted upon Jan 2026)

Summary: The Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Current law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would extend the alternative teleconferencing procedures until January 1, 2030. (Based on 04/21/2025 text)

Position: Support

Notes:

2/25/25 filed letter of support and shared with all cc's.

3/5/25 - signed on to CSDA coalition letter of support.

Watch

AB 372 (Bennett, D) Office of Emergency Services: state matching funds: water system infrastructure improvements.

Current Text: 08/29/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/03/2025

Last Amended: 08/29/2025

Status: 09/11/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/3/2025) (May be acted upon Jan 2026)

Summary: Current law charges the Office of Emergency Services (OES) with coordinating various emergency activities within the state. The California Emergency Services Act, contingent upon an appropriation by the Legislature, requires the OES to enter into a joint powers agreement pursuant to the Joint Exercise of Powers Act with the Department of Forestry and Fire Protection to develop and administer a comprehensive wildfire mitigation program relating to structure hardening and retrofitting and prescribed fuel modification activities. Current law authorizes the joint powers authority to establish financial assistance limits and matching funding or other recipient contribution requirements for the program, as provided. This bill, contingent upon appropriation by the Legislature, would establish the Rural Water Infrastructure for Wildfire Resilience Program within the OES for the distribution of state matching funds to urban wildland interface communities, as defined, in designated high fire hazard severity zones or very high fire hazard severity zones to improve water system infrastructure, as prescribed. The bill would require the OES to work in coordination with the Department of Water Resources, the State Water Resources Control Board, the Office of the State Fire Marshal, and other state entities as the OES determines to be appropriate, to achieve the purposes of the program. (Based on 08/29/2025 text)

Position: Watch

AB 532 (Ransom, D) Water rate assistance program.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/11/2025

Last Amended: 07/17/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/18/2025)(May be acted upon Jan 2026)

Summary: Current federal law, the Consolidated Appropriations Act, 2021 requires the federal Department of Health and Human Services to carry out a Low-Income Household Drinking Water and Wastewater Emergency Assistance Program, which is also known as the Low Income Household Water Assistance Program, for making grants to states and Indian tribes to assist low-income households that pay a high proportion of household income for drinking water and wastewater services, as provided. Current law requires the Department of Community Services and Development to administer the Low Income Household Water Assistance Program in this state, and to receive and expend moneys appropriated and allocated to the state for purposes of that program, pursuant to the above-described federal law. The Low Income Household Water Assistance Program was only operative until March 31, 2024. This bill would repeal the above-described requirements related to the Low Income Household Water Assistance Program. (Based on 07/17/2025 text)

Position: Watch

AB 638 (Rodriguez, Celeste, D) Stormwater: uses: irrigation.

Current Text: 07/03/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/13/2025

Last Amended: 07/03/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/18/2025)(May be acted upon Jan 2026)

Summary: The Stormwater Resource Planning Act requires the State Water Resources Control Board, by July 1, 2016, to establish guidance for purposes of the act. This bill would require the board, by December 1, 2026, to develop recommendations for stormwater capture and use for the irrigation of urban public lands, as defined. The bill would require the recommendations to address, but not be limited to, opportunities for the use of captured stormwater for irrigation to offset the use of potable water, as specified, and recommendations for, among other things, pathogens and pathogen indicators and total suspended solids. Prior to approving the recommendations, the bill would require the board to solicit and receive written public comment on proposed recommendations. (Based on 07/03/2025 text)

Position: Watch

AB 942 **(Calderon, D)** Electricity: climate credits.

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 07/17/2025

Status: 08/29/2025 - From committee: Do pass and re-refer to Com. on RLS. (Ayes 5. Noes 2.) (August 29). Re-referred to Com. on RLS.

Summary: Current law vests the Public Utilities Commission (PUC) with regulatory authority over public utilities, including electrical corporations. Current law requires the PUC to continue a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200% of the federal poverty guidelines, as specified, which is referred to as the California Alternate Rates for Energy (CARE) program. Current law also requires the PUC to continue a program of assistance to residential customers of the state's 3 largest electrical corporations consisting of households of 3 or more persons with total household annual gross income levels between 200% and 250% of the federal poverty guideline level, which is referred to as the Family Electric Rate Assistance (FERA) program. Current law, except as provided, requires revenues received by an electrical corporation as a result of the direct allocation of greenhouse gas allowances to be credited directly to residential, small business, and emissions-intensive trade-exposed retail customers of the electrical corporation, commonly known as the California Climate Credit. This bill would exclude residential customers from receiving the California Climate Credit if they are not enrolled in the CARE or FERA program and their total electricity bills for the previous year were less than \$300. (Based on 07/17/2025 text)

Position: Watch

AB 990 **(Hadwick, R)** Public water systems: emergency notification plan.

Current Text: 02/20/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/20/2025

Status: 09/11/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 6/30/2025)(May be acted upon Jan 2026)

Summary: Current law prohibits a person from operating a public water system without an emergency notification plan that has been submitted to and approved by the State Water Resources Control Board. Current law requires the emergency notification plan to provide for immediate notice to the customers of the public water system of any significant rise in the bacterial count of water or other failure to comply with any primary drinking water standard that represents an imminent danger to the health of the water users. This bill would authorize and encourage a public water system to provide notification to water users in their preferred language when updating the emergency notification plan, if resources are available. (Based on 02/20/2025 text)

Position: Watch

AB 1146 **(Papan, D)** Water infrastructure: dams and reservoirs: water release: false pretenses.

Current Text: 06/23/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 06/23/2025

Status: 08/29/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/18/2025)(May be acted upon Jan 2026)

Summary: Would prohibit the release of stored water from a reservoir owned and operated by the United States in this state if the release is done under false pretenses, which the bill would define to mean a release of water from a reservoir owned and operated by the United States in a manner that is knowingly, designedly, and intentionally under any false or fraudulent representation as to the purpose and intended use of the water. The bill would authorize the State Water Resources Control Board or the Attorney General, as provided, to bring an action for injunctive relief for a violation of the above-described prohibition. By expanding the scope of a crime, the bill would impose a state-mandated local program. (Based on 06/23/2025 text)

Position: Watch

AB 1413 **(Papan, D)** Sustainable Groundwater Management Act: groundwater adjudication.

Current Text: 09/02/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025 (Spot bill)

Last Amended: 09/02/2025

Status: 09/11/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/9/2025) (May be acted upon Jan 2026)

Summary: Current law requires the Department of Water Resources to periodically review the groundwater sustainability plans developed by groundwater sustainability agencies pursuant to the act to evaluate whether a

plan conforms with specified laws and is likely to achieve the sustainability goal for the basin covered by the plan. Current law requires a groundwater sustainability agency to evaluate its groundwater sustainability plan periodically. This bill would require a groundwater sustainability agency to, at least once every 7 years, review, and update if appropriate, its sustainable yield to ensure that the sustainable yield is based on the best available information and best available science, as defined, and will achieve sustainable groundwater management. The bill would also require a groundwater sustainability agency to provide an opportunity for public review and comment before making a determination whether to update its sustainable yield. To the extent that these requirements impose additional duties on groundwater sustainability agencies that are local agencies, the bill would impose a state-mandated local program. (Based on 09/02/2025 text)

Position: Watch

AB 1486 (Soria, D) Climate resiliency: research farms: grant program.

Current Text: 01/22/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 01/22/2026

Status: 01/29/2026 - Read third time. Passed. Ordered to the Senate. (Ayes 75. Noes 0.) In Senate. Read first time. To Com. on RLS. for assignment.

Summary: The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 makes \$300,000,000 available, upon appropriation by the Legislature, for improving climate resilience and sustainability of agricultural lands, including, among other things, by making \$15,000,000 available, upon appropriation by the Legislature, to the State Department of Education, in consultation with the Department of Food and Agriculture, for purposes of providing grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes, to develop research farms to improve climate resiliency, as specified. This bill would provide, for purposes of the grants, that Agricultural Experiment Stations and Agricultural Research Institutes are designated by the University of California and the California State University. (Based on 01/22/2026 text)

Position: Watch

ACA 11 (Macedo, R) California Water Resiliency Act.

Current Text: 03/24/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 03/24/2025

Status: 03/25/2025 - From printer. May be heard in committee April 24.

Summary: This measure, the California Water Resiliency Act, would require the Treasurer to annually transfer an amount equal to 1% of all state revenues from the General Fund to the Water Conveyance and Capacity Infrastructure Fund, which the measure would create. The measure would continuously appropriate moneys in the fund to the California Water Commission for its actual costs of implementing these provisions and for administering grants for the entitlement, repair, design, and construction of water infrastructure projects that will maintain or expand the availability of clean, safe drinking water for homes and businesses, and water for agricultural uses, consistent with area of origin water rights. (Based on 03/24/2025 text)

Position: Watch

SB 239 (Arreguín, D) Open meetings: teleconferencing: subsidiary body.

Current Text: 04/07/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/30/2025

Last Amended: 04/07/2025

Status: 01/27/2026 - Read third time. Passed. (Ayes 29. Noes 11.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Summary: The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified. Current law, until January 1, 2026, authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and 2/3 of the neighborhood city council votes to use alternate teleconference provisions, as specified. This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the subsidiary body to post the agenda at each physical

meeting location designated by the subsidiary body, as specified. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. (Based on 04/07/2025 text)

Position: Watch

SB 556 **(Hurtado, D)** **Habitat enhancement and restoration: floodplains.**

Current Text: 07/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 07/17/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/20/2025)(May be acted upon Jan 2026)

Summary: Current law, the Wildlife Conservation Board within the Department of Fish and Wildlife administers various habitat conservation and restoration programs. This bill would require, upon appropriation by the Legislature, the sum of \$21,500,000 to be allocated to the board for floodplain acquisition, habitat restoration, and associated conservation projects on floodplains in the Counties of Kern, Kings, and Tulare, as provided. (Based on 07/17/2025 text)

Position: Watch

SB 557 **(Hurtado, D)** **Child abuse: family resource centers.**

Current Text: 01/05/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 01/05/2026

Status: 01/29/2026 - Read third time. Passed. (Ayes 39. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Summary: Current law requires the Office of Child Abuse Prevention in the State Department of Social Services to use federal funding to undertake specified activities, including, among other things, supporting coordination and sharing of best practices implemented by family resource centers with other agencies, when the best practices reflect strategies and outcomes that were achieved and supported by evidence-informed programs and data. Current law authorizes a county to establish a child abuse multidisciplinary personnel team within that county to allow provider agencies to share confidential information in order for provider agencies to investigate reports of suspected child abuse or neglect, as specified, or for the purpose of child welfare agencies making a detention determination. Current law specifies that the multidisciplinary personnel team may include a representative of a local child abuse prevention council or family-strengthening organization, including, but not limited to, a family resource center. Current law defines "family resource center," for purposes of these provisions. This bill would instead define "family resource center" to mean a family-friendly entity serving as a hub for multigenerational, family-centered, and family-strengthening support services that are provided at no cost or low cost to participants, embedded in communities, culturally sensitive, reflective of, and responsive to, community needs and interests, build communities of peer support for families, and include cross-system collaboration to assist in transforming families and communities through reciprocity, development of social connections that reduce isolation and stress, and asset development based on impact-driven and evidence-informed approaches with the goal of preventing child abuse and neglect and strengthening children and families. (Based on 01/05/2026 text)

Position: Watch

SB 594 **(Padilla, D)** **Waste discharge permits: landfills.**

Current Text: 06/24/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 06/24/2025

Status: 07/17/2025 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.S. & T.M. on 6/9/2025)(May be acted upon Jan 2026)

Summary: The California Integrated Waste Management Act of 1989 prohibits a regional water quality control board from issuing a waste discharge permit for a new landfill, or a lateral expansion of an existing landfill, that is used for the disposal of nonhazardous solid waste if the land has been primarily used at any time for the mining or excavation of gravel or sand, except as specified. This bill would prohibit a state agency from issuing a waste discharge permit for a new Class III landfill, as defined, unless certain conditions are met, including, but not limited to, the county board of supervisors for the county in which the proposed project resides has held a separate publicly noticed hearing to consider whether the proposed landfill is consistent with the goals, policies, and objectives of the environmental justice element of the county's general plan. To the extent that the bill would require counties to perform additional duties related to application for a new Class III landfill, this bill would impose a state-mandated local program. (Based on 06/24/2025 text)

Position: Watch

SB 599 (Caballero, D) Atmospheric rivers: research: forecasting methods: experimental tools.

Current Text: 04/24/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 04/24/2025

Status: 09/11/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/10/2025)(May be acted upon Jan 2026)

Summary: Current law establishes the Atmospheric Rivers Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations and Hazard Resiliency (AR/FIRO) Program in the Department of Water Resources. Current law requires the department to operate reservoirs in a manner that improves flood protection, and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers. This bill would, for novel forecasting methods researched, developed, and implemented by the department, require the department to include the use of experimental tools that produce seasonal and subseasonal atmospheric river forecasts, as defined. (Based on 04/24/2025 text)

Position: Watch

SB 601 (Allen, D) Water: waste discharge.

Current Text: 07/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 07/10/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/20/2025)(May be acted upon Jan 2026)

Summary: The State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality and prescribe waste discharge requirements in accordance with the Porter-Cologne Water Quality Control Act (act) and the National Pollutant Discharge Elimination System (NPDES) permit program. Under the act, the State Water Resources Control Board is authorized to adopt water quality control plans for waters for which quality standards are required by the federal Clean Water Act, as specified, and that in the event of a conflict, those plans supersede regional water quality control plans for the same waters. This bill would authorize the state board to adopt water quality control plans for nexus waters, which the bill would define as all waters of the state that are not also navigable, except as specified. The bill would require any water quality standard that was submitted to, and approved by, or is awaiting approval by, the United States Environmental Protection Agency or the state board that applied to nexus waters as of May 24, 2023, to remain in effect, as provided. (Based on 07/10/2025 text)

Position: Watch

SB 724 (Richardson, D) Public housing: lead testing.

Current Text: 05/05/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 05/05/2025

Status: 08/28/2025 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/20/2025)(May be acted upon Jan 2026)

Summary: Current law prohibits a person from using any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption, except when necessary for the repair of leaded joints of cast iron pipes. Current law requires a community water system to compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system, as provided. This bill would require the owner of a public housing unit that is owned or managed by a city, county, city and county, or city, county, or city and county housing authority, to provide information to the residents of the public housing unit regarding any applicable existing program that offers free testing of the water for lead. (Based on 05/05/2025 text)

Position: Watch

SB 742 (Pérez, D) Electricity: electrical infrastructure: permanently abandoned transmission facilities: emergency response: liaisons.

Current Text: 01/15/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025 (Spot bill)

Last Amended: 01/15/2026

Status: 01/26/2026 - Read third time. Passed. (Ayes 39. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Summary: Current law requires electrical corporations to construct, maintain, and operate their electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire, as specified. Current law requires electrical corporations to annually prepare and submit wildfire mitigation plans to the Office of Energy Infrastructure Safety for review and approval. This bill would require the commission, on or before January 1, 2027, 2028, to update a general order to require each electrical corporation to remove all permanently abandoned transmission facilities, as specified. This bill would require that an electrical corporation's wildfire mitigation plan also include an accounting of all transmission facilities, including permanently abandoned transmission facilities, and include a plan for how and when each permanently abandoned transmission facility will be removed and the wildfire mitigation measures that are being implemented to prevent hazards, as provided. (Based on 01/15/2026 text)

Position: Watch

SB 872 ([McNerney, D](#)) Department of Water Resources: supervision of dams and reservoirs.

Current Text: 01/06/2026 - Introduced [HTML](#) [PDF](#)

Introduced: 01/06/2026

Status: 01/07/2026 - From printer. May be acted upon on or after February 6.

Summary: Current law prohibits the construction of any new dam or reservoir or the enlargement of any new dam or reservoir until the owner has applied for and obtained from the Department of Water Resources written approval of plans and specifications. Current law authorizes the department, in connection with approving a dam or reservoir, to require certain data, investigations, reports, and any other appropriate information as may be necessary. This bill would make a nonsubstantive change in these provisions. (Based on 01/06/2026 text)

Position: Watch

Total Measures: 20

Total Tracking Forms: 20

Memo

G, H

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

TWELVE MONTH CALENDAR / OTHER MEETINGS /

REPORTS / BOARD COMMENTS

Any report will be oral at the time of the Board meeting. Please refer to the TWELVE MONTH Calendar (attached) for meetings attended.

TWELVE MONTH CALENDAR OF EVENTS (AS OF 2/4/26)

Date(s)	Event	Time	Location	Attending Board Member(s)	Additional Information (Speakers' Topic, Cohosts, etc.)
JANUARY 2026					
28-Jan	Conference Call with the General Manager RE: CWA Issues			Meyers	
28-Jan	Conference Call with the General Manager RE: ACWA DC preparation			Maloni	
28-Jan	COWU Luncheon	11:30 AM - 1:00 PM	The Butcher Shop	Meyers, Hahn	
28-Jan	Safety Committee Meeting	2:30 PM	Boardroom	Hahn	
29-Jan	New IT Device Meeting			Maloni	
31-Jan	CWEA Awards Banquet		Rancho Bernardo Inn	Hahn, Meyers	
FEBRUARY 2026					
2-Feb	SDCWA Voting Structure and Governance Meeting	10:30 AM		Meyers, Maloni	
5-Feb	Ad Hoc Insurance Committee Meeting	2:30 PM		Guerin, Maloni	
6-Feb	Conference Call RE: Finance Committee Meeting			Maloni	
9-Feb	Finance Committee Meeting	3:00 PM		Meyers, Maloni	
17-Feb	Board Meeting Pre-Briefing			Hahn	
17-Feb	Water Exchange Meeting			Meyers	
17-Feb	ACWA DC Briefing			Maloni	
17-Feb	Board Meeting Pre-Briefing			Hahn	

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CORRESPONDENCE

Any correspondence is attached.

Board of Directors
Matthew R. Hahn, President
Neal Meyers, Vice President
Christy Guerin, Secretary
Scott Maloni, Treasurer
Ebin Lanfried, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

January 27, 2026

Assemblymember David Alvarez
1021 O Street, Suite 1000
Sacramento, CA 95814

RE: AB 35: Proposition 4 Administrative Procedure Act Exemption - SUPPORT

Dear Assemblymember Alvarez:

On behalf of Olivenhain Municipal Water District, I am writing in support of AB 35, which would exempt Proposition 4 spending from the Administrative Procedure Act. OMWD provides 87,000 northern San Diego County customers with water, wastewater, recycled water, hydroelectric, and recreational services.

Exempting Proposition 4 funding from the APA is consistent with long-standing precedent for natural resource bonds, including Proposition 84 and Proposition 68. Full exemption would enable funds to be deployed more quickly and efficiently, ensuring that protracted administrative processes do not hold up vital community projects. Agencies such as State Water Resources Control Board, Department of Water Resources, and Department of Food and Agriculture have noted that a standard process, complete with review by Office of Administrative Law, could result in delays of 12 to 18 months before communities receive awards. These delays run counter to the overwhelming voter support for Proposition 4 and to voters' desire to see critical projects start on time.

In fact, there are pressing issues, including border rivers, groundwater recharge, water recycling, and wildfire prevention, that require immediate funding. Existing programs were created using the processes dictated by prior bonds. Therefore, programs most able to spend funds quickly will be required to restructure to meet the regulatory requirements established by the September Appropriations bill. For example, SWRCB's drinking water funding program will be adversely affected because, under current rules, all program funding is covered by SWRCB's Intended Use Plan, which allows flexibility in using different funding sources for different projects, including Proposition 4 funds. Without an exemption



from the APA process, Proposition 4 funding would have to be removed from the IUP, limiting the ability to use a broad mix of funding to achieve the state's goals of providing a safe and reliable drinking water supply.

Importantly, an exemption from the APA does not eliminate transparency, consultation, or public engagement. Agencies will continue to follow robust fiscal, reporting, and oversight requirements. Many agencies have already gone through extensive public processes for these existing programs. Instead, the exemption will streamline implementation, maintain consistency across programs, and avoid creating barriers to delivering critical funding where it is most needed.

Without an APA exemption, the delays already emerging threaten the success of essential projects across the state, including many that are shovel-ready. Providing this exemption will accelerate timelines, reduce administrative burdens, and honor voters' commitment to California's communities.

For the reasons stated above, OMWD supports AB 35. Should you have any questions, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Sincerely,



Kimberly A. Thorner
General Manager

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American Academy of Pediatrics

DEDICATED TO THE HEALTH OF ALL CHILDREN[®]



Received

FEB 02 REC'D
Olivenhain Municipal
Water District

January 28, 2026

Olivenhain Municipal Water District Board of Directors
Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, CA 92024

Dear Olivenhain Municipal Water District Board of Directors,

The leadership of American Academy of Pediatrics, California Chapter 3 (AAP-CA3) extends its strong support of Olivenhain Municipal Water District (OMWD) continuing community water fluoridation (CWF) to their customers. For 12 years, OMWD has provided CWF, a health intervention that the Centers for Disease Control and Prevention (CDC) identified as one of the ten great public health achievements of the 20th century¹ and has contributed to the nearly 22 million people in California served by fluoridated public water supplies.²

Tooth decay is one of the most common chronic diseases in children and adults.³ For those who have the time, money, and resources, a cavity is simply an annoyance. For many children and adults, tooth decay can more seriously affect daily quality of life and can contribute to more serious health consequences. For children, chronic pain due to toothaches is associated with difficulty in eating, sleeping, learning, and proper nutrition.⁴ Among adults, untreated cavities and tooth loss can have negative effects on an individual's self-esteem and employability. Nearly one-third of low-income adults in the U.S. have a hard time interviewing for a job due to the condition of their mouth and teeth.⁵ In addition, tooth decay has been shown to be a risk factor for strokes and mortality, especially among African Americans.¹⁰

In fact, due to the increase in decay rates and need for related dental treatments under general anesthesia, some jurisdictions, including Calgary, Canada, have decided to re-introduce CWF after discontinuing in 2011.^{5,6}

For the five elementary schools serviced by OMWD, 14% of the children have experienced dental decay and 7% have untreated dental decay,⁷ putting them at risk for quality-of-life issues, as well as emergency department visits and hospitalizations for more serious health concerns when dental decay remains untreated. Evidence shows that school children living in communities where there is CWF, on average, have 2.25 fewer decayed teeth compared those children living in areas without community water fluoridation.⁸

At a time when so many families lack dental insurance or struggle to pay their household bills, fluoridation offers an easy, inexpensive preventive strategy that everyone benefits from simply by turning on their tap. For most cities, every \$1 invested in water fluoridation gives a return on investment of \$20 and saves individuals \$32 annually by avoiding dental treatment cost and missed school and work days.¹¹ Community water fluoridation is the most cost-effective, evidence-based oral health practice, benefiting people of all ages and income levels. By continuing CWF, OMWD can be part of the solution to combat chronic disease in children and adults and increase your community members' quality of life.

We look forward to continuing to work together for the health of the community. Please feel free to reach out if you have any questions or concerns.

Productive collaborative relationships, particularly in communities of high need, are critically important in ensuring that children receive high-caliber care. For over 20 years, AAP-CA3 has worked closely with pediatricians and community partners to ensure children receive the best care. We will continue to participate in collaborative efforts to improve health outcomes. AAP-CA3 is pleased to support efforts to improve the lives of the children and families in San Diego and Imperial Counties.

Sincerely,



Christine Johnson, MD
Chapter President
American Academy of Pediatrics, CA Chapter 3
cjohnsonsd@gmail.com



Meredith FM Kennedy, MPH
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Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: AUTHORIZATION TO ATTEND UPCOMING MEETINGS /
CONFERENCES / SEMINARS

The Board may desire to attend a meeting that requires Board approval.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: FUTURE AGENDA ITEMS

The Board may have items to be considered at a Future Board meeting.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: CONSIDER PUBLIC COMMENTS

There may be public comments before the Board meeting is adjourned.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: CLOSED SESSION

It may be necessary to go into Closed Session.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: OPEN SESSION

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: ADJOURNMENT

We are adjourned.

North County water board votes to temporarily stop fluoridation – San Diego Union-Tribune

www.sandiegouniontribune.com/2026/01/22/north-county-water-board-votes-to-temporarily-stop-fluoridation/

Barbara Henry

January 22, 2026



Stock Image of water flowing from a kitchen faucet. (Getty Images)

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The Olivenhain Municipal Water District needs to suspend its water fluoridation program for up to 90 days to look into employee safety concerns, a majority of the district's board decided Wednesday.

While the topic of putting fluoride into drinking water has been a hot-button political issue of late and President Trump's Health & Human Services Secretary Robert F. Kennedy Jr. is encouraging states to ban fluoride in drinking water contending it's a toxic substance, OMWD board member Christy Guerin said the board's action Wednesday wasn't political.

Instead, it was in response to safety concerns related to handling of the huge fluoride bags, said Guerin, a former Encinitas mayor and formerly worked as a district director for former U.S. Rep. Brian Bilbray, R-Carlsbad.

“The operators have made it clear how dangerous this is,” she said after the district’s plant director gave a slideshow presentation of the multi-step process that employees follow to put the 2,200-pound bags of powdered fluoride into the treatment plant’s processing system, a process that happens about once a week during peak summer water use periods.

Guerin was on the water board 15 years ago when it made the decision to establish the fluoridation program and said it was “a difficult decision” because “many people in the community were not happy” with it. At Wednesday’s meeting, she initially made a motion to pursue stopping the program permanently. That proposal, which would require State Water Control Board approval, was on the agenda and had been recommended by district staff, in part as a cost-saving measure.

If the board had taken that action, it would have been the first termination of a water fluoridation program in San Diego County, district officials said.

After Guerin’s motion failed to win a second, board member Scott Maloni put forward the temporary suspension proposal, saying they couldn’t “leave this operator safety issue unaddressed.” He said a temporary suspension would allow the district to see if it can improve its process for putting the big bags of powdered fluoride into the water treatment system, as well as time to seek more information on fluoride bag suppliers and other fluoride-related issues. Earlier in the evening, he said that he didn’t believe fluoridation was harmful, but the district’s customer base is wealthy with access to topical fluoride treatments and might not need fluoridated water.

As long as the suspension lasts less than 90 days, the district will not need to seek permission from the State Water Control Board, district General Manager Kimberly Thorner said.

While the board’s majority said the temporary suspension was a good idea, board member Neal Meyers said he didn’t see why the district was suddenly pursuing this course of action. OMWD has operated its water fluoridation program for 13 years and has never had an employee injury or hazard exposure report during that period, he noted. Thorner confirmed his statement.

Meyers said the only actual safety issue now being reported is that the powdered fluoride bags recently delivered to the treatment plant by outside contractors sometimes have cuts in the plastic. During their presentation, district management employees showed a photo of one bag tear incident involving a small amount of fluoride powder that spilled onto a wooden pallet. They said they’ve had several other tears on bags in the past year or so. The bags come from China, the only place where the district currently can obtain 2,200-pound bags of fluoride, they said.

In the recent spill incident, district employees alerted the truck driver, told him they couldn't accept the bag because of the tear and then took proper safety precautions during the cleanup, so there doesn't seem to be any reason to seek an emergency suspension, Meyers said, adding, "In my view, our safety practices work."

Prior to Wednesday's meeting, the board had received dozens of e-mails, both from fluoride supporters and opponents, but only proponents — 18 in all — spoke in person or online via ZOOM during the meeting. Many of them were dentists and they stressed that tooth decay problems, particularly among young children, have drastically decreased nationally in the decades since fluoridation began. They said there was ample scientific evidence that fluoridation worked, and said the district would regret cancelling its program, mentioning that Calgary did so in 2011 and has recently reversed its decision due rising rates of childhood dental decay.

District employees didn't have a start date for the temporary suspension on Wednesday. OMWD covers a 48-square-mile area and serves about 87,000 water customers in Encinitas, Carlsbad, San Diego, Solana Beach, and neighboring communities, the district's web site states.

Torn Fluoride Bags Push North County Water Board To Hit Pause

 fluoridealert.org/news/torn-fluoride-bags-push-north-county-water-board-to-hit-pause

January 23, 2026

A torn industrial bag of fluoride at a North County treatment plant has prompted a 90-day timeout on water fluoridation for tens of thousands of customers, at least for now.

The Olivenhain Municipal Water District board voted Wednesday to temporarily stop adding fluoride to the public water supply for up to 90 days after staff raised worker-safety concerns about handling large bags of powdered fluoride at a treatment plant. The pause applies only to Olivenhain's system and is intended to give staff time to review handling procedures, look at alternative suppliers and bolster operator training. Board members repeatedly described the move as an operational safety step, not a broader policy reversal on fluoridation.

During the public meeting, the board heard dozens of comments before approving the suspension. Eighteen in-person or online speakers, many of them dentists, urged the board to keep fluoridation in place, according to [The San Diego Union-Tribune](http://The%20San%20Diego%20Union-Tribune).

The district started fluoridating on July 24, 2013, and now serves about 48 square miles and roughly 87,000 customers in Encinitas, Carlsbad, Solana Beach and nearby areas, according to the [Olivenhain Municipal Water District](http://Olivenhain%20Municipal%20Water%20District). District materials note that fluoridation costs nearly \$160,000 a year and that securing fluoride has gotten tougher in recent years because of supply-chain vulnerabilities.

Board Cites Worker-Safety Incidents

Staff told the board that sealed 2,200-pound bags of powdered fluoride had arrived with cuts or tears several times over the past year, according to the newspaper. In a recent incident, employees refused a damaged shipment and carried out a controlled cleanup.

The bags, which staff said were sourced from overseas and were the only practical bulk size they could get, were described as a handling risk. That was enough for some board members to push for a pause while they figured out whether there is a safer way to keep the program running.

General Manager Kimberly Thorner told the board that because the halt is expected to last fewer than 90 days, the district does not need permission from the State Water Resources Control Board to proceed, according to [The San Diego Union-Tribune](http://The%20San%20Diego%20Union-Tribune).

Public Health Stakes

Public health officials have long called community water fluoridation a proven tool against tooth decay. Community systems that fluoridate see about a 25% reduction in cavities, and experts recommend a fluoride level of 0.7 milligrams per liter to balance benefits and safety, according to the [Centers for Disease Control and Prevention](#).

Supporters who spoke at the meeting warned that even a temporary halt could chip away at gains in children's oral health, particularly for families who struggle to afford or access regular dental care.

What Comes Next

A separate motion to end fluoridation permanently went nowhere when it failed to draw a second. Instead, the board adopted the temporary stoppage to give staff time to research safer suppliers and handling practices.

Under state guidance, the district could pursue a formal exemption or variance if it ultimately decided to shut down the program for good. During the suspension, staff were directed to return with options for the board to consider, according to [Olivenhain Municipal Water District](#) materials. The district says it will post updates and board packets online and notify customers as the review moves forward.

Customers with questions are being encouraged to contact the district's customer service office and to keep an eye on upcoming board agendas for further reports. Officials stressed that the measure is temporary and said they are aiming for a fix that protects both employee safety and community dental health.

Original article online at: <https://hoodline.com/2026/01/torn-fluoride-bags-push-north-county-water-board-to-hit-pause/>

Torn Fluoride Bags Push North County Water Board To Hit Pause

 hoodline.com/2026/01/torn-fluoride-bags-push-north-county-water-board-to-hit-pause/

January 23, 2026



Source: [Imani](#) on [Unsplash](#)

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[San Diego-](#)

WATER DESALINATION REPORT

The international weekly for desalination and advanced water treatment since 1965

Volume 62, Number 4

26 January 2026

Chile

STRIKING MINE WORKER'S STOP SWRO

Canadian-headquartered Capstone Copper said that unionized workers at its Mantoverde copper mine in Chile went on strike on 2 January and have now interrupted SWRO plant operations. The company said that striking union members entered the desal plant facilities on the evening of 18 January and interfered with the SWRO's electrical system, resulting in the interruption of water supply to Mantoverde.

Late last week, the company said that the strikers have continued to prevent access and the restart of facility operations at the desal plant, which is located 40km (25 mi) from the mine. At Mantoverde, on-site water reserves were continuing to be used for essential services. However, sulfide operations were temporarily suspended and oxide operations were expected to be halted unless the water supply is restored.

The company is currently seeking judicial support to regain access to the desal plant to restore water supply to the mine and resume operations. Meanwhile, it says it remains willing to engage in discussions to seek a resolution with the union.

The original 10,368 m³/d SWRO (2.7 MGD) was designed and supplied by Valoriza Agua (now Sacyr S.A.) in 2014. It was expanded to 22,464 m³/d (5.9 MGD) in 2023, and is located at Corral de los Chanchos Bay, Chile.

Company News

4TH RANKED DESAL SUPPLIER ACQUIRED

Spain's NMDC Group, an EPC and marine dredging firm, announced that its wholly owned subsidiary, NMDC Infra, signed a strategic acquisition agreement to acquire 51% of Lantania Aguas, Grupo Lantania's desal and water specialist.

Lantania Aguas will operate under the name Lantania NMDC Water, and Group Lantania will retain the remaining 49% of the company.

In 2022, Lantania hired former Abengoa Water and Energy CEO Pedro Almagro to launch a new desalination division. The company, which was ranked fourth in desal production capacity contracted in 2024-2025, already had had a role in consortium building the 600,000 m³/d (158.5 MGD) Jubail

SWRO project in Saudi Arabia, and when it is operational, will have 1.55 million m³/d (409.5 MGD) in operation.

Lantania NMDC Water will combine NMDC's commercial and technical capabilities with Lantania's experience, credentials, and expertise in desalination, wastewater treatment, and water reuse to create a leading global operator in water infrastructure. The rebranded company will comprise over 300 professionals, and a current project backlog totaling more than AED 2 billion [\$544 million] spread across several countries, a solid foundation that supports its growth outlook.

Caribbean

ISLAND GETS NEW SWRO

Last week, Florida-based Seven Seas Water announced the opening of its 9,084 m³/d (2.4 MGD) Barnacle Point SWRO plant in Antigua. This was the second SWRO plant that the company inaugurated for Antigua Public Utilities (APUA) in the past twelve months.

The plant has been producing water since November 2025 and is located adjacent to APUA's existing Ivan Rodrigues SWRO plant, to leverage existing infrastructure. It will serve communities in the island's northwestern corridor.

The plant was delivered under Seven Seas' water-as-a-service delivery model employing a 12-year BOOT agreement.

Singapore

HYFLUX TRIAL RESUMES

As testimony in the trial of Hyflux founder and former CEO Olivia Lum and five other executives continues, a securities expert testified that Hyflux executives did not give a full picture of the new Tuaspring project in 2011, and that "red flags" would have been raised if investors had known that water sales from the integrated water and power project would be used to subsidize the cost from the power plant.

When the plant began sending electricity to Singapore's grid in 2016, there was an oversupply and prices had dropped. Hyflux began to lose money. It finally declared bankruptcy in 2018, and it has been speculated that Hyflux's 34,000 retail investors were owed S\$900 million (\$663 million).

Meanwhile, criminal investigations were initiated against the executives, and in 2022, two civil lawsuits were filed in the Singapore High Court, and six violations in the Securities and Futures Act and the Companies Act.

If convicted, each of the accused may face up to seven years in prison, a fine of up to \$196,270, or both, while Lum and the four independent directors could also face up to two years in prison, a maximum fine of \$115,760, or both.

The trial is scheduled to conclude on 5 February.

Lessons Learned

MY FAVORITE PLANT

In 2020 and again in 2024, *WDR* asked some veteran desalters to name their favorite desal plant or most memorable project, and briefly explain what made it so unforgettable. There were 37 responses that were included, two or three at a time, in *WDR* over several weeks. There are now some more memorable projects to be added to the collection, beginning with a low-pressure membrane plant and followed by a SWRO plant:

Diana Mourato-Benedek, PhD, membrane pioneer

David C. McCollom Water Treatment Plant

Olivenhain, California 2002

My absolute favorite project is the Olivenhain Water District's David C. McCollom Water Treatment Plant in North San Diego County, California. When the original 25 MGD plant was opened in April 2002, it was the largest immersed UF membrane plant in the world, and Zenon's first large US drinking water plant that used our submerged ZeeWeed UF membrane.

Besides those two important Zenon 'firsts', Olivenhain was particularly important to me because it was the first time that our paradigm-shift UF technology was validated for a large US drinking water plant, which would open a large market for us. For me, it was even more personal, since I played a key role in the development of ZeeWeed and, as vice president of municipal systems, I was now responsible for its commercialization.

Due to the project's size and importance, I was personally involved in an Arizona pilot study that was required by Boyle Engineering before they would recommend the technology to their client. I also had to convince Boyle's membrane expert, Steve Duranceau, that immersed membranes were a cost-effective replacement for pressurized membranes.

Because of our success in MBR applications, and three much tougher drinking water applications, two in Canada, and a containerized Arizona project for CH2M Hill, we were very confident. In fact, we considered drinking water to be an 'easy' application.

Memcor, Aquasource, and Pall, all offering pressurized membranes, were our main competitors. We were the only company offering an immersed membrane product operating under vacuum. The competition was fierce.

Since the plant was fed with pressurized water from the dam immediately behind it (see photo, below), it was obvious that without a creative solution, our competitors would claim that the application was better suited for pressurized membranes. Together, Zenon CEO Andrew Benedek and Steve Low, my senior applications manager, developed a concept to recover energy from the dam's spill water to run the blowers. They



worked closely with Boyle's Ernie Kartinen and his team, and with JW Contracting's Stan Simmons, to ensure that the immersed concept worked.

After many "NOs", we finally got a "YES", and 23 years later, the plant is still operating and providing exceptional water quality. Furthermore, we used our membranes to filter process wastewater and, because there were no sewers in the area, installed the first membrane concentrate filtration system to increase the plant recovery and reduce the volume of waste to be hauled off.

A little bit of creativity often goes a long way, and it made the difference in this project. Today, immersed membranes are an industry standard, and being called the "Mother of ZeeWeed" by former colleagues and clients fills me with pride.

Before the Olivenhain startup, and soon after Zenon was awarded the Collingwood, Ontario, drinking water plant, the Memcor sales manager pulled me onto the dance floor at the 2001 New Orleans AWWA conference. He told me to enjoy my win, because this was my last one. My answer: "Watch me." After being awarded the Olivenhain project, which was followed by many others, he never asked me to dance again.

Not much later, to explain our technology difference, my team and I had to wear "We suck – They blow" T-shirts at the WEFTEC conference, courtesy of our CEO, Dr Andrew Benedek. Considering that this occurred on the heels of the Clinton/Lewinsky scandal, it was not an easy wear.

Many of the people that were involved in the plant installation are still active today, including Kim Thorner, who was the lawyer with whom I had the toughest negotiations ever. In 2007, Kim was promoted to general manager of Olivenhain Water District, a position she still holds.

Epilogue: In 2004, the plant was expanded to 34 MGD, and in 2022, it celebrated 20 years of successful service. In 2027, Zenon was acquired by GE Water, and its ZeeWeed membranes have been a part by Veolia Water's technology portfolio since 2022. Boyle Engineering was acquired by AECOM, and CH2M Hill is now Jacobs. Steve Duranceau is now a professor at the University of Central Florida. Andrew Benedek went on to found Anaergia, from which he retired in 2023. Steve Low followed Andrew and Diana to Anaergia, as director of application engineering. Diana and Andrew moved to Rancho Santa Fe, California, in 2005, and she told *WDR*, "We actually moved to this area because we wanted to drink ZeeWeed water!" She retired in 2023 to co-found and direct the Benedek Climate Change Foundation, a non-profit organization.

Neil Hawkins, independent consultant

Cayman Brac SWRO upgrade, 2003

Without a doubt, Water Authority Cayman's (WAC) Brac SWRO plant on Cayman Brac, a small island 145km (90 mi) north of Grand Cayman, is my favorite project. My association with the plant dates to 2003, when I was part of the team that was dispatched from Grand Cayman for 5 weeks, to commission an upgrade to the 560 m³/d SWRO plant initially furnished by Reliable Water in 1991. Since 1989, the Brac plant has been operated by Ocean Conversion Ltd (OCL), a Consolidated Water Company (CWCO) subsidiary. The project was turned over to WAC in 1996, who has owned and operated it ever since.

The design and planning of the upgrade went back some time, and most of the equipment had been warehoused on the island for a couple of years. WAC was exerting pressure to finish the upgrade, and I suggested to OCL's Gerard Pereira that I could be part of the team to complete the works—a team that also included Jeremy Yates, the venerable Flo Pelletier (Maga Systems), who built the control panel, and two electricians.

One big challenge was that once the preparations were made and the trigger pulled, the plant would be offline for an estimated 10-15 days, until the upgrade was commissioned, so the island would have to rely on its storage tanks. Therefore, it was imperative that we completed as much work as possible, prior to the shutdown.

For three weeks, we traveled to Brac each Monday, and returned every Friday, on a series of memorable flights on Island Air's small, prop-powered planes, highlighted by one Monday morning flight, when we were joined by the governor and his wife. On that flight, the pilot saw fit to lean backwards from the cockpit to interrupt a particularly salacious story being told by one of our electricians, to spare the first lady's blushes.

WAC's plant manager, Bernstein Banks, and his nominated successor, Paul Connolly, were onsite to oversee our work, and they provided endless mirth during the project, and ever since we have known them.

Prior to the start of the project, Gerard, Flo, and I took a fact-finding preparatory site trip. During that trip, Flo insisted that we relocate the Wheately high-pressure pump's soft-start cabinet contents from outside the control room to a new MCC bucket that housed a DOL starter that we couldn't use. Although the geometry was altogether different, Flo promised it would be a "two-hour project", despite Gerard's skepticism.

When commissioning time came, the old plant was removed, except for the Wheately HP pump, which was to be reused with (pre-yellow) ERI PXs to increase production. We raced against time to complete the work and indeed, did so without the tank levels dropping below 30%. However, the “two-hour project” morphed into two and a half days, much to the merriment of all, and has gone down in lore, accordingly.



Energy Recovery's 'pre-yellow' PX ERDs

That commissioning week remains a highlight of my time in the industry. When one of the owner's staff was initially told that we were going to Brac for a few weeks, he was overheard telling a colleague, “All they're going to do is work and drink”, and that's what we did. It was an outrageous, hilarious, and ultimately successful upgrading of the plant. The only one who seemed disappointed was a disgruntled “programmer” who came to the site on the final Saturday and sulked his way through final startup.

Since then, I've been fortunate to have returned several times. The first was in 2011, as a representative of NanoH2O, to do our first membrane performance contract with WAC. I also returned in 2017, with my friend and colleague, Bradley Sessions, as AQC (Idaho) Ltd, to upgrade the plant with new HPP and ERI PXs, along with a new control system which I built from scratch (with wire numbers and markers for the first time).

The Brac plant staff and administrative staff, past and present, have always been wonderful to work with, and I should like to thank them all for their kind treatment of me over the years. I dedicate my memories in this small piece to my friend, the late Cameron Freddie Baumann without whom the world is a sadder place. We laughed from morning 'til night.

Epilogue: Gerard Pereira formed H2Oracle, Ltd in 2018, and in 2023-2024, with Neil's assistance, the company completed another Brac upgrade for WAC, doubling the plant's production capacity.



Brac team (from left): Freddie Baumann, Flo Pelletier, Warren Pluralpant, Neil Hawkins, Jeremy Yates, top unknown photo-bomber

IN BRIEF

The **agenda for CalDesal's 2026 Annual Conference**, which will be held on in Sacramento, California, on 12-13 February is now available at <https://www.caldesal.org/events>.

PEOPLE

Lance Johnson has stepped back from his role at Nitto Hydranautics as he settles into a new, permanent residence in Sicily. He told *WDR*, “I fully expect to remain engaged in the water sector and anticipate exploring advisory or consulting roles where my background and experience can be effectively applied. I look forward to re-engaging with the industry in this capacity in due course. He may be contacted at landalson@gmail.com.

OMWD Converts La Cresta at Colinas de Oro Community to Recycled Water for Irrigation - Water News Network

 waternewsnetwork.com/omwd-converts-la-cresta-at-colinas-de-oro-community-to-recycled-water-for-irrigation

Gayle Falkenthal

January 27, 2026

Encinitas, CA — Today, Olivenhain Municipal Water District began supplying recycled water to the HOA community of La Cresta at Colinas de Oro in Carlsbad. Using recycled water for the HOA's irrigation needs will save over 2.25 million gallons of drinking water each year.

"Converting irrigation to recycled water exemplifies responsible stewardship," said OMWD Board Director Lanfried. "It's about making sensible choices whenever possible. This drought-resilient alternative for irrigation saves drinking water for future needs."

These Are America's 5 Most Dog-Friendly Cities

 www.islands.com/2093239/america-most-dog-friendly-cities/

Kala Barba-Court

February 8, 2026

[Travel Guides](#)



Julia Suhareva/Shutterstock

Moving to a new city is no walk in the park. Finding a place that fits all your criteria — affordability, the housing market, decent weather — is overwhelming enough, but dog owners have even more boxes to check. Are there dog parks and trails to keep your dog happily occupied? Are veterinary clinics up to par? Are pets welcomed, tolerated, or shunned in public spaces?

Out of the 94 million pet-owning U.S. households, 68 million have dogs, according to the [American Pet Products Association's](#) 2025 National Pet Owner Survey — and they're very much part of the family. "The growing presence of dogs in both public and private life is reshaping societal definitions of family, intimacy, and even identity," animal behavior researcher Eniko Kubinyi told the [Association for Psychological Science](#). Considering [Pew Research Center](#) findings that 61% of U.S. pet owners would move for their pet's well-being, it's no surprise that cities with off-leash spaces, dog-friendly beaches, veterinary clinics and hospitals, food and beverage establishments, and pet-friendly rentals are hot commodities for pet parents.

So what are these pet-friendly cities? Researching factors like pet-friendly activities, rentals, expenses, and amenities led us to five dog-friendly U.S. cities that meet the needs of both owners and pets. Whether you're drawn to hiking trails, dog-friendly beaches, affordable pet care, walkable urban centers, or year-round weather ideal for walkies and zoomies, these are the cities that welcome our four-legged friends with open arms.

Portland



Hrach Hovhannisyan/Shutterstock

When it comes to attracting potential movers, Portland has its bases covered. Oregon's largest city offers food trucks for foodies, diverse districts and hip neighborhoods for urbanites, and large swaths of nature for the adventurous. It's also extremely pet-friendly, which is a relief to pet parents. The city's off-leash program, [DOLA](#) (dog off-leash areas), currently includes 30 fenced and unfenced areas for your furry friend to run around in. You're likely to cross paths with fellow dog parents while walking through the Douglas fir forests of [Powell Butte Nature Park](#) or throwing a frisbee at the dog off-leash area at Mount Tabor Park, [Oregon's century-old park offering scenic views](#). Just remember to leash and scoop – or risk a [\\$150 fine](#).

Dog-owning Portlanders don't have to give up their social lives, either. [Tin Shed Garden Café](#) welcomes pooches of all shapes and sizes on its dedicated garden patio, offering doggie meals and water stations. Or partake in an after-work brew at [Lucky Labrador Brew](#)

[Pub](#) or [Midtown Beer Garden](#), just two of the many pet-friendly spots around town. There are also a ton of Portland hotels that accept pets — pet travel brand [BringFido](#) lists over 170 establishments in the city so far — for tourists and staycationers.

Dog trails and F&B establishments aside, Portland addresses a crucial factor for pet owners — your dog's health. [VetCandy](#) magazine named Portland one of the best U.S. cities for veterinarians, and the city also hosts the [Cedar Mill Veterinary Hospital](#), which was included in [Newsweek](#)'s America's Best Animal Hospitals in 2025.

Denver



Larry Barrett/Shutterstock

In a [Reddit](#) discussion on the most dog-friendly city in the U.S., pet owners sang praises for Denver, Colorado, [describing](#) its dogs as "noticeably well socialized." Delving deeper into the city's pet-friendly outdoor spaces and local establishments, it's easy to see why these Denver doggos are Very Good Boys.

According to the [Trust for Public Land's](#) 2025 ParkScore Index, parks are accessible to 96% of Denver residents within a half-mile walk. The same goes for dogs: [Denver's official website](#) lists 17 downtown dog park locations for off-leash play, while larger parks like Confluence Park or the sprawling [City Park](#) — home to Denver Zoo, [Colorado's oldest and one of America's most sustainable zoos](#) — allow leashed pets. Local establishments are

paw-sitively welcoming to dogs as well, with a city ordinance requiring patios and exterior exits at pet-friendly restaurants and bars, making it easier for dogs and patrons to coexist in social settings.

The Denver real estate market is attractive to potential pet-owning renters as well. About 77% of [Zillow's](#) Denver listings allow pets — a huge draw for dog-owning renters. The city also ranked seventh nationally for veterinarian access and is home to [Belcaro Animal Hospital](#), which [Newsweek](#) named one of the best in the country. And pet care doesn't cost an arm and a leg, either: dog food company [Ollie](#) found that Denver veterinarian costs were lower than average for vaccinations, dental cleaning, neutering, and office visits compared to 24 other U.S. cities.

Austin



Olena Miroshnichenko/Getty Images

To say Austin, Texas, is dog-friendly is an understatement. "Austin is a very, very dog friendly city and most stores and restaurants downtown will have a fresh water bowl out for pups AND treats available for them," [shared](#) a local on the subreddit [r/AskAustin](#) — a statement proven by the Texan city's frequent mentions on dog-friendly city [polls](#). Since 2010, Austin has been a [no-kill city](#), kickstarting animal foster programs, spay-and-neuter initiatives, and adoption events throughout the community.

Austin currently has 16 dog off-leash areas (DOLAs), four of them fenced, with [three more slated to open](#) in the near future. Dogs — leashed, of course — can sniff their way along the trails of [McKinney Falls State Park](#) or get an invigorating workout at [Shoal Creek Trail](#). While Austin enjoys roughly [300 days of sunshine](#) per year and average temperatures around 70 degrees Fahrenheit, the summer heat can leave you and your dog panting, so early-morning and late-evening walks are preferred.

No need to fret, though, because there are more than enough pet-friendly establishments to take refuge in. [Chalmers](#), a barbecue and live music venue, has a fenced-in space for dogs, while [The Tailgate ATX](#) isn't just your typical dog-friendly space, but a tight-knit community — memberships connect dog owners on a regular basis, and pups enjoy the dedicated dog park. Beyond that, there are trendy dog-friendly hotels, coffee shops, bars, and even a yoga studio where you and your dog can pull some meditative stretches together. [Five of America's top-rated veterinary hospitals](#) call Austin home, charging significantly more affordable rates than those in cities like Los Angeles or New York.

New York City



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Dogs with an urban postal code aren't necessarily unhappy dogs — especially if they live in a [walkable city full of restaurants and parks](#) like New York City. While apartment sizes may be small and pet-friendly rentals are snapped up quickly, what the city lacks in square footage and backyards, it makes up for with walkable neighborhoods, dog-friendly establishments, and over 100 off-leash and dog run parks across its five boroughs.

Different neighborhoods tout their own strengths: the Upper West Side has roomy sidewalks for walkies; Astoria offers scenic waterfront views; Park Slope has a tight-knit community of dog owners. Pet-friendly hotels are stepping up their game — pampered doggies are being checked in to [Michelin Guide hotels](#), lapping up bottled Evian and wearing bespoke robes. For eats and drinks, New Yorkers have [Barking Dog](#), where half-priced drinks during Yappy Hour make it easy to socialize with fellow dog owners; or head to the Williamsburg pet-friendly dive bar, [Lucky Dog](#), for its backyard patio and IPAs.

Taking the subway in New York City is [one of the best ways to blend in like a local](#). The best part? You can take your pet along with you in the subway, railroads, and buses, provided they're in carriers. When it comes to pet care, [seven of America's best veterinary hospitals](#) are located in New York City alone, not to mention the city's smaller veterinary clinics and the 22 other highly-rated veterinary establishments across the state. However, pet health care comes at a steep price: [Bank of America Institute's](#) data on pet ownership showed that New Yorkers spent about 18% more than the U.S. average on pet-related expenses and veterinary care between January and April 2025, trailing behind Seattle and San Francisco.

San Diego



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Spoiled with [267 days of sunshine](#) each year, San Diego has the ideal climate for long trail walks and romps by the shore with your dog. The weather cools from November and lasts through early spring, dropping to mild temperatures between 50 and 65 degrees Fahrenheit. Meanwhile, summers are short and bearable, with average highs of 77 degrees Fahrenheit — perfect weather for San Diego's dog-friendly outdoors.

Fenced and unfenced dog parks dot the city, but longer hiking paths through [Elfin Forest Recreational Reserve](#) and [Los Peñasquitos Canyon Preserve](#) can get you and your dog the exercise you need. Dogs also have access to four beaches, and many dog owners flock to Ocean Beach's [Dog Beach](#) for its 24-hour off-leash access. Those who've found their sea legs can participate in Imperial Beach's [Surf Dog Competition](#), or at least start training with paddleboard lessons. All this proximity to sand and surf means San Diego boasts plenty of pet groomers and self-service dog wash facilities — someone's got to get that sand out of their fur.

When it comes to pet-friendly restaurants, pet travel brand [BringFido](#) lists 711 F&B establishments across the city, reviewed by dog owners themselves. And while San Diego has three highly-rated animal hospitals and veterinary clinics, veterinary costs are higher than average.

Methodology



Vasil Dimitrov/Getty Images

These five dog-friendly cities were chosen based on data from Forbes Advisor, U.S. News & World Report, Tractor Supply Co, FloridaRentals, Lawnstarter, Remitly, Zillow, and WalletHub. We selected the cities mentioned multiple times and fit specific criteria: Portland for its dog-centric outdoor activities, Denver for its pet-friendly rentals, Austin for its affordable veterinary costs, New York for its walkability, and San Diego for its year-round mild weather. These selections were cross-checked and supported with data from the Trust for

Public Land's ParkScore reports, Newsweek's list of Best Animal Hospitals, Bank of America Institute, Zillow, and TotalVet. For dog-friendly establishments, activities, dog park information, and veterinary costs, we consulted official city websites and tourism boards.

Recommended
