

**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, MAY 20, 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: 841 1240 9228
Passcode: 679418

For Zoom Call-in Only:

Call: (669) 900-9128
Meeting ID: 841 1240 9228
Passcode: 679418

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

- * Annual Fourth Grade Poster Contest Winners
- * Austin M., Olivenhain Pioneer Elementary School
- * Yohan R., Monterey Ridge Elementary School
- * Kira S., Stone Ranch Elementary School
- * Phillip Reed – Utility III – Lateral Transfer
- * Jeff Fuchs – Utility III – 5 Years
- * AJ Baza – Utility II – Promotion
- * Even Padilla – Utility I – New Hire
- * Victor Rodriguez – Utility I – New Hire
- * Eddie Rodriguez – Cathodic Protection Technician – Rehire
- * Jeff Herrmann – Water Treatment Plant Operator II – Promotion
- * Neal Meyers – Director – 5 Years

- 8. CONSIDER APPROVAL OF THE MINUTES OF THE APRIL 15, 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 A RESOLUTION APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE UNITED STATES BUREAU OF RECLAMATION’S “WATERSMART: SMALL-SCALE WATER EFFICIENCY PROJECTS GRANTS FOR FISCAL YEAR 2026” PROGRAM AND AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION |
| C-d | CONSIDER ACCEPTANCE OF THE 162 S. RANCHO SANTA FE WATER SERVICE INSTALLATION (SPACE RANCHO SANTA FE, LLC.) INTO OMWD’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED |
| C-e | CONSIDER ACCEPTANCE OF THE OMWD CATHODIC PROTECTION IMPROVEMENTS PROJECT FY 26 INTO OMWD’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED |
| C-f | CONSIDER FILING A NOTICE OF COMPLETION WITH THE SAN DIEGO COUNTY RECORDER FOR THE COMPLETION OF A SERVICE LINE REPLACEMENT AT 127 S. EL CAMINO REAL |

10. CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT HONORING MARLO REED FOR OVER 25 YEARS OF SERVICE UPON HIS RETIREMENT AS INSPECTOR II AND DECLARING MAY 20, 2026, AS MARLO REED DAY
11. PROVIDE A FINAL UPDATE OF THE GENERAL MANAGER’S EMERGENCY DECLARATION OF THE AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE EMERGENCY LEAK REPAIR PROJECT, APPROPRIATE \$40,000 TO CLOSE OUT THE PROJECT AND ORDER THE NOTICES OF COMPLETION WITH THE SAN DIEGO COUNTY RECORDER
12. CONSIDER AN APPROPRIATION OF \$208,000 TO THE “REPLACE PIPELINES CIP” AND \$100,000 TO “REPLACE VALVES CIP” PROJECT BUDGETS FROM THE CAPITAL RESERVE FUND
13. CONSIDER THE FOLLOWING ACTIONS RELATED TO THE EDGEFIELD LANE EMERGENCY LEAK REPAIR:
 - A. REVIEW THE FINAL UPDATE TO THE GENERAL MANAGER’S EMERGENCY DECLARATION FOR THE EDGEFIELD LANE LEAK REPAIR PROJECT
 - B. AUTHORIZE APPROVAL OF AN APPROPRIATION TO THE PROJECT BUDGET IN AN AMOUNT OF \$90,000 FROM THE CAPITAL RESERVE FUND AND A NOT TO EXCEED CONTRACT WITH CASS ARRIETA IN THE AMOUNT OF \$60,000 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
 - C. ADOPT A RESOLUTION MAKING CEQA FINDINGS AND ORDERING A NOTICE OF EXEMPTION BE FILED WITH THE SAN DIEGO COUNTY CLERK AND THE STATE CLEARINGHOUSE AT THE GOVERNOR’S OFFICE OF PLANNING AND RESEARCH AND ACCEPT THE PROJECT INTO OMWD’S SYSTEM
 - D. AUTHORIZE THE FILING OF THE NOTICE OF COMPLETION WITH THE SAN DIEGO COUNTY RECORDER
14. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT’S ADMINISTRATIVE AND ETHICS CODE (Article 3 – Organization of Staff and Article 4 – Classified Positions)
15. PUBLIC HEARING TO CONSIDER ANNUAL WORKFORCE VACANCY REPORT IN COMPLIANCE WITH ASSEMBLY BILL 2561 (5:30 P.M.)
- 16a. CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT ELECTING TO HAVE WASTEWATER SERVICE FEES WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR
- 16b. CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT ELECTING TO HAVE WASTEWATER SERVICE FEES WITHIN THE RANCHO CIELO SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR
- 16c. CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT ELECTING TO HAVE WASTEWATER SERVICE FEES FOR THE SANTALUZ AFFORDABLE HOUSING AREA, BLACK MOUNTAIN RANCH EAST CLUSTERS PROJECT, AND AVION AREA WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR

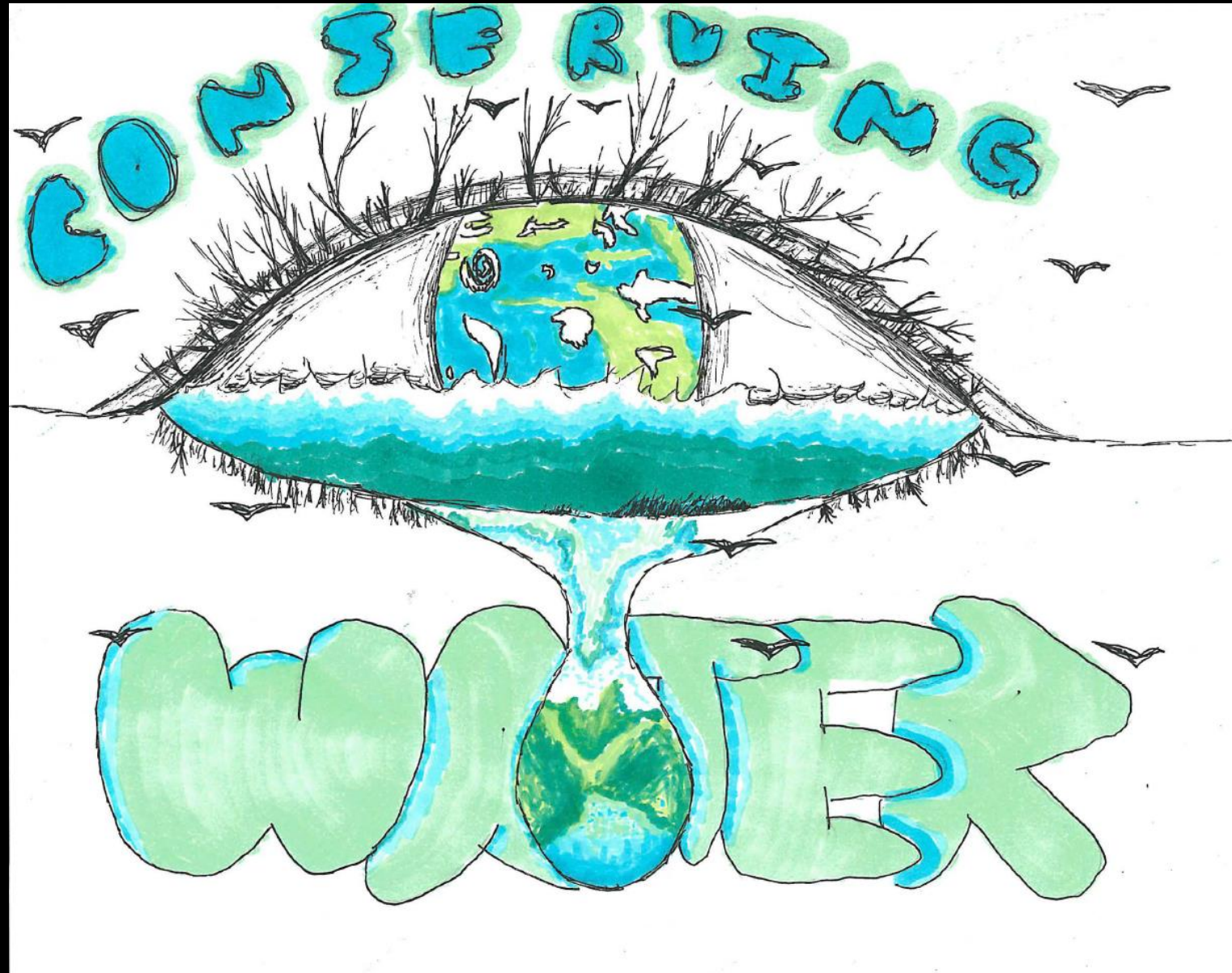
17. CONSIDER AND DISCUSS APPROVAL OF OMWD BECOMING A MEMBER OF THE CALIFORNIA STATEWIDE COMMUNITY DEVELOPMENT AUTHORITY (CSCDA), AUTHORIZATION OF CSCDA TO FORM A COMMUNITY FACILITIES DISTRICT FOR THE PINNACLE AT SANTA FE VALLEY PROJECT, AND APPROVAL OF ACQUISITION AGREEMENT RELATING THERETO
18. REVIEW AND DISCUSS WASTEWATER DEBT FINANCING OPTIONS INCLUDING STAFF'S RECOMMENDATION AND CONSIDER APPROVAL OF A RESOLUTION 1) AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK ("IBANK") FOR FINANCING A CAPITAL IMPROVEMENT PROJECT, 2) AUTHORIZING THE NEGOTIATION OF AN OBLIGATION PAYABLE TO IBANK FOR THE FINANCING OF A CAPITAL IMPROVEMENT PROJECT IF IBANK APPROVES SAID APPLICATION, AND 3) DECLARING OF OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF AN OBLIGATION, AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH
19. CONSIDER ADOPTION OF A RESOLUTION PROCLAIMING SUPPORT FOR ASSOCIATION OF CALIFORNIA WATER AGENCIES' "VISION FOR OUR WATER FUTURE" INITIATIVE
20. 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
21. CORRESPONDENCE
22. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS
23. FUTURE AGENDA ITEMS
24. CONSIDER PUBLIC COMMENTS
25. CLOSED SESSION
 - A) CONSIDER GENERAL COUNSEL REVIEW [PURSUANT TO GOVERNMENT CODE SECTION 54957]
 - Additional Facts: Preliminary input provided on May 20, 2026; full review to be held on June 17, 2026.
26. OPEN SESSION
27. ADJOURNMENT



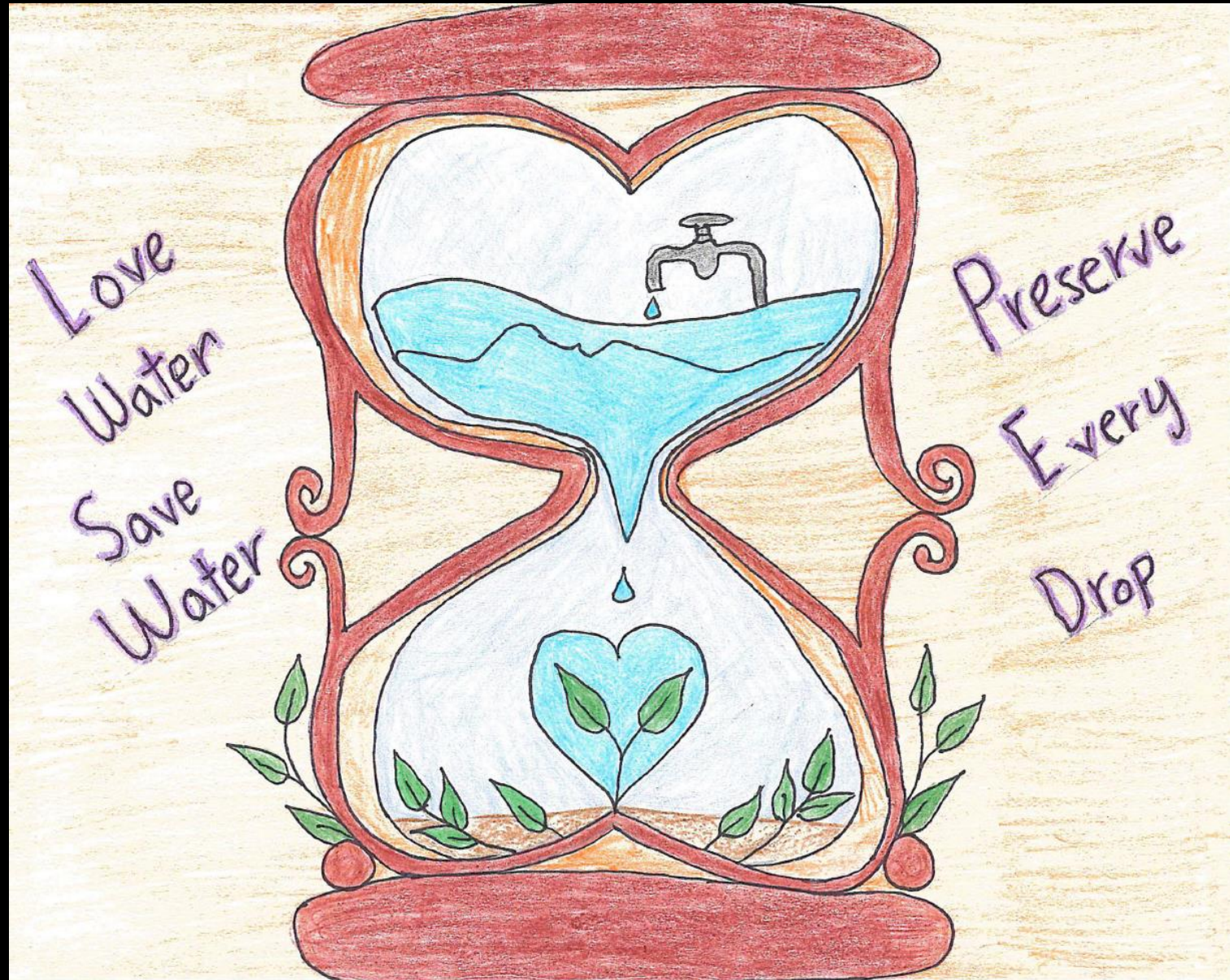
ANNUAL FOURTH GRADE POSTER CONTEST WINNERS



Congratulations to 2026 "Love Water, Save Water" Winner
Austin M.



Congratulations to 2026 "Love Water, Save Water" Winner
Yohan R.



Congratulations to 2026 "Love Water, Save Water" Winner
Kira S.





Congratulations!





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: May 20, 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:

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

Prepared by: Lisa Maxwell, Accountant I
Georgeanna Clark, Project Accountant II
Reviewed by: Jared Graffam, Accounting Supervisor
Leo Mendez, Finance Manager
Approved by: Kimberly A. Thorner, General Manager

Olivenhain Municipal Water District
Proposed Motions for May 20, 2026 Board of Directors Meeting
April 2026 Activities
Consent Calendar Item # C-a

Proposed Motions:

I. That the following warrants and transfers be approved:

| | | | | | | |
|--|---------------------|-----------------|----|-----------------|----|-----------------|
| Regular Account | Warrants - by check | 038227 | to | 038330 | \$ | 371,388.21 |
| | Warrants - by EFT | EFT000000003594 | to | EFT000000003763 | | 2,157,973.54 |
| | | | | | | 2,529,361.75 |
| ACH Payments - Payroll | | | | | | 237,825.37 |
| Wire - SDCWA - Monthly Purchased Water Payment | | | | | | 1,265,418.40 |
| ACH Payments - Payroll | | | | | | 247,072.87 |
| Wire - SDCWA - Quarterly Capacity Fees | | | | | | 14,787.00 |
| | | | | | | \$ 4,294,465.39 |

Major Category of Disbursements

Total warrants from the District's checking account:

\$ 2,529,361.75

Following is a breakdown of this total by major categories:

Category

| | | |
|-------------------------|----|--------------|
| Outside services | \$ | 1,343,403.96 |
| Inventory and supplies | | 407,124.97 |
| Utilities | | 235,058.83 |
| Insurance | | 176,935.99 |
| Repairs and maintenance | | 331,666.21 |
| Water Refunds | | 9,292.74 |
| Other | | 9,073.05 |
| Permit Fees | | 16,806.00 |

| | | |
|-------|----|--------------|
| Total | \$ | 2,529,361.75 |
|-------|----|--------------|

Sincerely,



Leo Mendez/Finance Manager

Olivenhain Municipal Water District
Proposed Motions for May 20, 2026 Board of Directors Meeting
April 2026 Activities

California Bank and Trust

Regular Account

| | | | | | |
|---------------------|--|----|-----------------|----|--------------|
| Warrants - by check | 038227 | to | 038330 | \$ | 371,388.21 |
| Warrants - by EFT | EFT000000003594 | to | EFT000000003763 | | 2,157,973.54 |
| | | | | | 2,529,361.75 |
| | 4/9/2026 ACH Payments - Payroll | | | | 237,825.37 |
| | 4/14/2026 Wire - SDCWA - Monthly Purchased Water Payment | | | | 1,265,418.40 |
| | 4/23/2026 ACH Payments - Payroll | | | | 247,072.87 |
| | 4/30/2026 Wire - SDCWA - Quarterly Capacity Fees | | | | 14,787.00 |
| | | | Total | \$ | 4,294,465.39 |

ACH Payments - Payroll

For Board Consideration and Approval

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

| Number | Date | Name | Amount | Inv Reference |
|--------|-----------|------------------------------------|-----------|--|
| 038227 | 4/1/2026 | Andrea Bardo | 80.02 | REF:1096296_223180 |
| 038228 | 4/1/2026 | Art Schrubb | 2,200.00 | SETTLEMENT AGREEMENT |
| 038229 | 4/1/2026 | AT & T | 740.04 | Utilities - Phone |
| 038230 | 4/1/2026 | Teresa L Chase | 121.75 | EXPENSE REIMBURSEMENT |
| 038231 | 4/1/2026 | Michael Altschuler | 116.57 | REF:1094280_116790 |
| 038232 | 4/1/2026 | Nick Boess | 1,962.50 | TUITION REIMBURSEMENT |
| 038233 | 4/1/2026 | Pacific Pipeline Supply | 84.86 | SUPPLIES |
| 038234 | 4/1/2026 | Peterson, Sean | 100.00 | 10 YEAR SERVICE AWARD |
| 038235 | 4/1/2026 | Rick Valencia | 81.73 | REF:1053266_103035 |
| 038236 | 4/1/2026 | Rob Kreutzer | 45.23 | MILEAGE REIMB (7/16/25-3/18/26) |
| 038237 | 4/1/2026 | San Diego County | 875.00 | SPLASH LAB-OLIVENHAIN PIONEER |
| 038238 | 4/1/2026 | Sharon Donahoo | 85.00 | SETTLEMENT AGREEMENT |
| 038239 | 4/1/2026 | Streakwave Wireless Inc | 1,042.94 | SUPPLIES |
| 038240 | 4/1/2026 | University Communications, Inc. | 475.00 | EDUC AWARENESS CAMPAIGN |
| 038241 | 4/1/2026 | US Bank | 2,190.51 | Copiers & Printers |
| 038242 | 4/1/2026 | Vanessa Rivera | 133.04 | MILEAGE REIMB (2/12-3/23/26) |
| 038243 | 4/1/2026 | Walters Wholesale Electric Co | 877.10 | SUPPLIES |
| 038244 | 4/8/2026 | California State Disbursement Unit | 123.23 | Garnishment |
| 038245 | 4/8/2026 | Charles P Crowley Company, Inc. | 3,006.69 | SODIUM HYDROXIDE PUMP RPLCMNT |
| 038246 | 4/8/2026 | Coast Waste Mgmt Inc | 747.39 | WASTE DISPOSAL SERVICES |
| 038247 | 4/8/2026 | Edco Waste & Recycling | 734.42 | Utilities - Waste Hauling |
| 038248 | 4/8/2026 | Encinitas Ford | 3,656.44 | PU93 SUPPLIES |
| 038249 | 4/8/2026 | Intl Builders Inc | 2,004.08 | REF:1094121_164640 |
| 038250 | 4/8/2026 | Jean Hess | 140.93 | REF:1058469_103675 |
| 038251 | 4/8/2026 | Jennette Company Inc. | 4,500.00 | WWTP - REPIPE CHEMICAL PUMPS |
| 038252 | 4/8/2026 | Napa Auto Parts | 826.85 | 3/26 SUPPLIES |
| 038253 | 4/8/2026 | One Source Distributors | 1,709.25 | SUPPLIES |
| 038254 | 4/8/2026 | Pacific Pipeline Supply | 2,414.82 | SUPPLIES |
| 038255 | 4/8/2026 | Recon Environmental | 1,602.06 | REF:1092224_303305 |
| 038256 | 4/8/2026 | Republic Services | 3,972.93 | WASTE DISPOSAL SERVICES |
| 038257 | 4/8/2026 | Republic Services #661 | 998.28 | WASTE DISPOSAL SERVICES |
| 038258 | 4/8/2026 | San Diego Gas & Electric | 62,833.80 | Utilities - Electrical |
| 038259 | 4/8/2026 | Tiffany Tann | 273.46 | REF:1080286_150265 |
| 038260 | 4/8/2026 | TX Child Support SDU | 463.88 | Garnishment |
| 038261 | 4/8/2026 | Walters Wholesale Electric Co | 1,313.35 | SUPPLIES |
| 038262 | 4/8/2026 | West Yost & Associates, Inc | 9,820.95 | Cross-connection inspections and testing |
| 038263 | 4/15/2026 | American Backflow Specialities | 180.00 | CALIBRATION SERVICES |
| 038264 | 4/15/2026 | Ara Toub | 171.82 | REF:1095926_159640 |
| 038265 | 4/15/2026 | AT & T | 31.91 | Utilities - Phone |
| 038266 | 4/15/2026 | Becky Konrad | 134.54 | REF:1095581_196420 |
| 038267 | 4/15/2026 | Clark Rorbach | 91.58 | REF:1094662_203185 |
| 038268 | 4/15/2026 | Corodata Shredding, Inc | 119.74 | PAPER SHREDDING SERVICES |
| 038269 | 4/15/2026 | County Of San Diego | 4,226.00 | 7885 PASEO ALISO |
| 038270 | 4/15/2026 | County Of San Diego | 12,580.00 | 9541 OLD COURSE ROAD |
| 038271 | 4/15/2026 | Devanshu Kant | 13.98 | REF:1048748_160780 |
| 038272 | 4/15/2026 | Ferguson Enterprises Inc. #1083 | 3,055.79 | Inventory |
| 038273 | 4/15/2026 | Gayra LLC | 146.80 | REF:1088627_168880 |
| 038274 | 4/15/2026 | Holly Stipe | 48.16 | REF:1095134_235235 |
| 038275 | 4/15/2026 | Joanne K Olson | 24.19 | REF:1088420_201220 |
| 038276 | 4/15/2026 | Mark Shaw | 154.08 | REF:1089679_191705 |
| 038277 | 4/15/2026 | Mary Rabilloud | 90.90 | REF:1094894_231380 |
| 038278 | 4/15/2026 | Naumann Hobbs - San Diego | 306.02 | FK01 SUPPLIES |
| 038279 | 4/15/2026 | Norma Chapin | 103.44 | REF:1095161_122045 |
| 038280 | 4/15/2026 | Pacific Pipeline Supply | 7,983.57 | Inventory and Supplies |
| 038281 | 4/15/2026 | Patrizie Properties Inc | 148.32 | REF:1095212_226365 |
| 038282 | 4/15/2026 | Rachel Bauerlein | 22.70 | REF:1095356_224285 |
| 038283 | 4/15/2026 | Rancho Santa Fe Community Svs | 16,890.39 | 3/26 16.5 AC/FT RECYCLED WTR |
| 038284 | 4/15/2026 | Ray Hartman | 57.75 | REF:1059221_134115 |
| 038285 | 4/15/2026 | Republic Services #661 | 9,391.56 | WASTE DISPOSAL SERVICES |
| 038286 | 4/15/2026 | Robert Cantrell | 62.34 | REF:1004824_207175 |
| 038287 | 4/15/2026 | S D G & E | 264.85 | Utilities - Electrical |
| 038288 | 4/15/2026 | San Diego Gas & Electric | 25,070.49 | Utilities - Electrical |
| 038289 | 4/15/2026 | Santa Fe Irrigation Dist | 2,239.69 | 008128-009 |
| 038290 | 4/15/2026 | Shengnan Luo | 2,354.27 | REF:1049694_137905 |
| 038291 | 4/15/2026 | State Water Resources | 70.00 | D1 CERT - DIEGO ZARAGOZA |
| 038292 | 4/15/2026 | Sydney White | 54.42 | REF:1088999_195810 |
| 038293 | 4/15/2026 | Ten-Seng Guh | 94.33 | REF:1093607_160520 |
| 038294 | 4/15/2026 | Verizon Connect Fleet USA, LLC | 1,220.21 | Vehicle Tracking |
| 038295 | 4/15/2026 | West Yost & Associates, Inc | 911.00 | NW Quadrant |
| 038296 | 4/22/2026 | AT & T | 1,286.61 | Utilities - Phone |
| 038297 | 4/22/2026 | California State Disbursement Unit | 123.23 | Garnishment |
| 038298 | 4/22/2026 | Capitol Enquiry | 139.79 | 2026 POCKET DIRECTORY (QTY 5) |
| 038299 | 4/22/2026 | City Treasurer | 4,681.17 | 620000109372 |
| 038300 | 4/22/2026 | Corodata | 361.13 | OFFSITE RECORDS STORAGE |
| 038301 | 4/22/2026 | Evan Dewindt | 1,125.00 | TUITION REIMBURSEMENT |
| 038302 | 4/22/2026 | Edco Waste & Recycling | 1,415.00 | Utilities - Waste Hauling |
| 038303 | 4/22/2026 | Jason Emerick | 1,351.85 | CWEA CONFERENCE EXP REIMB. |
| 038304 | 4/22/2026 | Encinitas Ford | 1,595.29 | PU110 SUPPLIES |
| 038305 | 4/22/2026 | Ferguson Enterprises Inc. #1083 | 2,884.47 | SUPPLIES |
| 038306 | 4/22/2026 | Glory Palecek | 171.25 | REF:1092907_103505 |
| 038307 | 4/22/2026 | Home Depot/Gecf | 5,027.32 | 3/26 SUPPLIES |
| 038308 | 4/22/2026 | James Houtman | 99.27 | REF:1055197_220135 |
| 038309 | 4/22/2026 | Kathleen Birnbaum | 125.00 | SETTLEMENT CLAIM |
| 038310 | 4/22/2026 | Michael Tusan | 9.37 | REF:1076052_207405 |

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

| Number | Date | Name | Amount | Inv Reference |
|-----------------|-----------|---|------------|---|
| 038311 | 4/22/2026 | Neal Meyers | 50.46 | PADRE DAM EVENT MILEAGE REIMB |
| 038312 | 4/22/2026 | Pacific Pipeline Supply | 2,247.42 | SUPPLIES |
| 038313 | 4/22/2026 | Republic Services | 1,988.07 | WASTE DISPOSAL SERVICES |
| 038314 | 4/22/2026 | Reward Strategy Group, Inc. | 17,550.00 | Comprehensive Salary Survey |
| 038315 | 4/22/2026 | San Diego Gas & Electric | 117,933.06 | Utilities - Electrical |
| 038316 | 4/22/2026 | Tom Stang | 27.57 | REF:1097001_167800 |
| 038317 | 4/22/2026 | TX Child Support SDU | 463.88 | Garnishment |
| 038318 | 4/22/2026 | Walters Wholesale Electric Co | 1,602.36 | WWTP SUPPLIES |
| 038319 | 4/29/2026 | AT & T | 821.42 | Utilities - Phone |
| 038320 | 4/29/2026 | Bryan Shupe | 28.21 | REF:1095132_237235 |
| 038321 | 4/29/2026 | Cielo Holdings, LLC | 195.69 | REF:1088949_303285 |
| 038322 | 4/29/2026 | Euna Solutions, Inc | 4,000.00 | COST ALLOCATON SOFTWARE |
| 038323 | 4/29/2026 | Irene Audet | 476.83 | REF:1087813_112780 |
| 038324 | 4/29/2026 | Kelly Jernigan | 157.60 | REF:1087275_241830 |
| 038325 | 4/29/2026 | Nicole Hansult | 9.21 | REF:1074153_240110 |
| 038326 | 4/29/2026 | Pacific Pipeline Supply | 323.86 | Supplies |
| 038327 | 4/29/2026 | San Diego Gas & Electric | 1,740.61 | Utilities - Electrical |
| 038328 | 4/29/2026 | TASC | 125.00 | Q1 2026 TRUSTEE FEE |
| 038329 | 4/29/2026 | Tracey Baez | 45.27 | REF:1092812_103920 |
| 038330 | 4/29/2026 | West Yost & Associates, Inc | 537.00 | NW Quadrant |
| EFT000000003594 | 4/1/2026 | Airgas | 223.61 | WTP SUPPLIES |
| EFT000000003595 | 4/1/2026 | Dudek | 18,050.00 | Surge Analysis for Del Dios SPS |
| EFT000000003596 | 4/1/2026 | Escondido Metal Supply | 104.63 | PARKS DEPT SUPPLIES |
| EFT000000003597 | 4/1/2026 | Kyocera | 14.00 | TONER |
| EFT000000003598 | 4/1/2026 | Hasa | 10,125.24 | WWTP CHEMICALS |
| EFT000000003599 | 4/1/2026 | Wageworks | 278.00 | 3/26 FSA ADMIN FEES |
| EFT000000003600 | 4/1/2026 | North County Powder Coating | 199.06 | WWTP - PARTS COATING SERVICES |
| EFT000000003601 | 4/1/2026 | Joe's Paving Inc | 67,869.59 | ROMERIA STREET |
| EFT000000003602 | 4/1/2026 | Evoqua Water Technologies | 232.74 | WWTP HEADWORKS SOFTENER SVC |
| EFT000000003603 | 4/1/2026 | San Elijo Joint Powers Auth. | 21,189.84 | 2/26 9.70 AC/FT RECYCLED WATER |
| EFT000000003604 | 4/1/2026 | McMaster-Carr Supply Co. | 1,534.12 | SUPPLIES |
| EFT000000003605 | 4/1/2026 | Ninyo & Moore | 13,759.50 | Geotechnical Services for the Azahar & Cadencia Emergency |
| EFT000000003606 | 4/1/2026 | Core & Main LP | 1,170.32 | SUPPLIES |
| EFT000000003607 | 4/1/2026 | Bee Rescue LLC | 280.00 | 2218 13TH STREET |
| EFT000000003608 | 4/1/2026 | Volt Management Corp DBA | 551.67 | INTERN W/E 3/6/2026 |
| EFT000000003609 | 4/1/2026 | PTS Communications | 75.00 | 760-489-9971 |
| EFT000000003610 | 4/1/2026 | Martin Marietta Materials Inc | 1,003.10 | YARD MATERIALS |
| EFT000000003611 | 4/1/2026 | Rincon Consultants Inc. | 8,834.50 | 2025 UWMP development |
| EFT000000003612 | 4/1/2026 | KDC Inc. dba | 25,115.08 | PLC Replacement Project Construction (Potable/Recycled) |
| EFT000000003613 | 4/1/2026 | PlanetBids, LLC | 10,264.21 | 2026/2027 SUBSCRIPTION FEE |
| EFT000000003614 | 4/1/2026 | McGrath RentCorp dba | 748.86 | PARKS TRAILER RENTAL |
| EFT000000003615 | 4/1/2026 | Hemlock Industries Inc. dba | 1,920.54 | SUPPLIES |
| EFT000000003616 | 4/1/2026 | Armano Advisory LLC | 4,354.88 | OMWD IT INTERNAL AUDIT |
| EFT000000003617 | 4/1/2026 | Eurofins Drinking Water adn Wastewater West.LLC | 1,432.95 | WTP LAB SERVICES |
| EFT000000003618 | 4/1/2026 | Aqua Metric | 556.83 | Inventory |
| EFT000000003619 | 4/1/2026 | Engineered Fluid Inc | 35,853.48 | Palms Reservoir Replacement 3 EFI PR Stations |
| EFT000000003620 | 4/1/2026 | West Coast Sand & Gravel | 889.85 | YARD MATERIALS |
| EFT000000003621 | 4/1/2026 | Express Services Inc | 19,144.35 | TEMP LABOR PPE 022226 |
| EFT000000003622 | 4/1/2026 | CDW Government Inc | 67,935.25 | Falcon Complete - Flex License (1 year) - 1 license |
| EFT000000003623 | 4/1/2026 | NBS | 12,170.75 | QTRLY ADMIN SERVICES |
| EFT000000003624 | 4/1/2026 | Univar Solutions Usa Inc | 1,128.60 | WTP CHEMICALS |
| EFT000000003625 | 4/1/2026 | Insight Public Sector, Inc. | 23,554.99 | ManageEngine OpManager Software Renewal |
| EFT000000003626 | 4/1/2026 | Infrastructure Engineering Corporation | 3,245.00 | VARIOUS FIRE FLOWS |
| EFT000000003627 | 4/1/2026 | Dell Computers | 40,391.19 | PowerProtect DD6400 / DD6300 Upgrades and Extensions |
| EFT000000003628 | 4/1/2026 | Harrington Industrial Plastics Inc | 285.87 | WWTP SUPPLIES |
| EFT000000003629 | 4/1/2026 | JWC Environmental Inc. | 5,000.66 | WWTP SUPPLIES |
| EFT000000003630 | 4/8/2026 | Standard Insurance Co. | 6,599.69 | 4/26 LTD & LIFE INSURANCE PREM |
| EFT000000003631 | 4/8/2026 | Prudential Overall Supply | 1,001.04 | OMWD HQ MAT SVC/SHOP SUPPLIES |
| EFT000000003632 | 4/8/2026 | First Choice Technology | 149.22 | 13001474 |
| EFT000000003633 | 4/8/2026 | Evoqua Water Technologies | 3,925.00 | WWTP SERVICES |
| EFT000000003634 | 4/8/2026 | San Elijo Joint Powers Auth. | 52,865.38 | 3/26 24.2 AC/FT RECYCLED WTR |
| EFT000000003635 | 4/8/2026 | McMaster-Carr Supply Co. | 194.70 | SUPPLIES |
| EFT000000003636 | 4/8/2026 | DXP Enterprises, Inc. | 13,016.57 | WTP Parts & Labor |
| EFT000000003637 | 4/8/2026 | Sunbelt Rentals, Inc. | 3,025.62 | WTP - MAN LIFT RENTAL |
| EFT000000003638 | 4/8/2026 | CyberlinkKASP Technology | 10,859.70 | HOSTING SERVICES |
| EFT000000003639 | 4/8/2026 | Cogsdale Corporation | 2,250.00 | MEKORMA CUSTOMIZATION |
| EFT000000003640 | 4/8/2026 | Volt Management Corp DBA | 536.76 | INTERN W/E 031326 |
| EFT000000003641 | 4/8/2026 | Traffic Safety Solutions | 2,580.00 | EL CAMINO REAL |
| EFT000000003642 | 4/8/2026 | Interstate Battery Of San Diego Inc | 334.25 | SHOP SUPPLIES |
| EFT000000003643 | 4/8/2026 | Alpha Analytical Labs, Inc. | 10,928.02 | WWTP LAB SERVICES |
| EFT000000003644 | 4/8/2026 | Alpha Mechanical, Inc | 8,235.08 | HQ VRF & CONTROLS |
| EFT000000003645 | 4/8/2026 | DocuSign, Inc. | 3,450.00 | E-SIGNATURE BUSINESS PRO |
| EFT000000003646 | 4/8/2026 | Industrial Solution Services, Inc. | 7,830.01 | WTP CHEMICALS |
| EFT000000003647 | 4/8/2026 | On-Sight Safety Optics, Inc. | 600.00 | Employee Prescription Safety Glasses (PPE) |
| EFT000000003648 | 4/8/2026 | Martin Marietta Materials Inc | 3,340.69 | YARD MATERIALS |
| EFT000000003649 | 4/8/2026 | Rusty Wallis Inc. | 3,300.00 | WTP CHEMICALS |
| EFT000000003650 | 4/8/2026 | Mobitex Technologies Inc. | 2,463.75 | SUPPLIES |
| EFT000000003651 | 4/8/2026 | SoCal Saltworks LLC | 6,926.19 | WTP CHEMICALS |

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

| Number | Date | Name | Amount | Inv Reference |
|-----------------|-----------|-------------------------------------|------------|---|
| EFT000000003652 | 4/8/2026 | Gallade Chemical | 5,153.46 | WTP CHEMICALS |
| EFT000000003653 | 4/8/2026 | Brenntag Pacific Inc | 7,214.81 | WTP CHEMICALS |
| EFT000000003654 | 4/8/2026 | USA Blue Book | 1,148.58 | WWTP SUPPLIES |
| EFT000000003655 | 4/8/2026 | Global Power Group Inc | 965.83 | WWTP PREVENT MAINT SERVICES |
| EFT000000003656 | 4/8/2026 | Infosend | 11,839.58 | WATER BILL STATEMENTS |
| EFT000000003657 | 4/8/2026 | American Messaging | 68.41 | L1-072035 |
| EFT000000003658 | 4/8/2026 | Nossaman LLP | 55,840.96 | 2/26 LEGAL SERVICES |
| EFT000000003659 | 4/8/2026 | Rockwell Construction Services LLC | 1,520.00 | Construction Mgmt Services PLC Replacement Project (Potable/Recycled) |
| EFT000000003660 | 4/8/2026 | Insight Public Sector, Inc. | 4,336.94 | KNOWBE4 TRAINING 4/1/26 - 3/27 |
| EFT000000003661 | 4/8/2026 | ESS | 672.00 | WWTP FIRE ALARM |
| EFT000000003662 | 4/8/2026 | Konecranes Inc | 33,677.07 | DCMWTP Bridge Crane Repairs |
| EFT000000003663 | 4/8/2026 | Water for People | 63.00 | WTRPL 4/9/2026 |
| EFT000000003664 | 4/15/2026 | ACWA - JPIA | 169,356.08 | 5/26 GROUP INSURANCE PREM. |
| EFT000000003665 | 4/15/2026 | Boot World Inc | 200.00 | Safety Boots |
| EFT000000003666 | 4/15/2026 | Airgas | 560.99 | TANK RENTAL |
| EFT000000003667 | 4/15/2026 | Peterson Structural Engineers, Inc. | 910.00 | Reservoirs Safety Improvements Project |
| EFT000000003668 | 4/15/2026 | Grangetto's Ag. Supply | 301.61 | PARKS SUPPLIES |
| EFT000000003669 | 4/15/2026 | Joe's Paving Inc | 41,897.56 | MOUNTAIN VISTA @ OVERLAND |
| EFT000000003670 | 4/15/2026 | Sunbelt Rentals, Inc. | 289.78 | CONCRETE MIXER RENTAL |
| EFT000000003671 | 4/15/2026 | Hazen and Sawyer | 8,401.75 | DCMWTP STAGE 4 UPGRADES PJT |
| EFT000000003672 | 4/15/2026 | Sloan Electric | 21,032.72 | WTP SERVICES |
| EFT000000003673 | 4/15/2026 | Radwell International, Inc. | 1,386.44 | WTP SUPPLIES |
| EFT000000003674 | 4/15/2026 | HDR Engineering, Inc. | 12,125.00 | Engineering Services for Steel Pipeline Condition Assessment |
| EFT000000003675 | 4/15/2026 | Volt Management Corp DBA | 372.75 | INTERN W/E 032026 |
| EFT000000003676 | 4/15/2026 | G. Briest Consulting, Inc. | 7,356.56 | ENGINEER CONSULTING SERVICES |
| EFT000000003677 | 4/15/2026 | PWLC I, INC | 1,770.00 | HQ BASIN #1 PLANTS |
| EFT000000003678 | 4/15/2026 | On-Sight Safety Optics, Inc. | 400.00 | Employee Prescription Safety Glasses (PPE) |
| EFT000000003679 | 4/15/2026 | Martin Marietta Materials Inc | 768.19 | YARD MATERIALS |
| EFT000000003680 | 4/15/2026 | Be Gone Graffiti | 1,700.00 | CAMINO SIN PUENTE #3 SERVICES |
| EFT000000003681 | 4/15/2026 | SoCal Saltworks LLC | 6,978.27 | WTP CHEMICALS |
| EFT000000003682 | 4/15/2026 | California Office Cleaning, Inc. | 12,705.00 | HQ (Engineering) Janitorial Services for (1) Year |
| EFT000000003683 | 4/15/2026 | Express Services Inc | 1,392.30 | TEMP LABOR PPE 032926 |
| EFT000000003684 | 4/15/2026 | Samba Holdings Inc | 181.76 | 3/26 DRIVER MONITORING SVCS |
| EFT000000003685 | 4/15/2026 | Utility Service Co. Inc | 242,338.96 | QUARTERLY TANK MAINTENANCE |
| EFT000000003686 | 4/15/2026 | Carollo Engineers | 43,810.25 | Design Engineer Services DCMWTP Membrane Train Rehabilitation Program |
| EFT000000003687 | 4/15/2026 | Integrity Municipal Systems | 1,303.00 | WWTP ODOR CNTL SCRUBBER SVC |
| EFT000000003688 | 4/15/2026 | DLM Engineering Inc | 6,938.10 | ENGINEER CONSULTING SERVICES |
| EFT000000003689 | 4/22/2026 | Airgas | 169.14 | WTP TANK RENTAL |
| EFT000000003690 | 4/22/2026 | Underground Service Alert | 467.95 | DIG ALERT TICKETS |
| EFT000000003691 | 4/22/2026 | Vallecitos Water District | 39,051.49 | RECLAIMED WATER SALES |
| EFT000000003692 | 4/22/2026 | Southern Counties Lubricants, LLC. | 10,701.18 | FUEL SUPPLIES |
| EFT000000003693 | 4/22/2026 | Trench Shoring | 113.78 | SUPPLIES |
| EFT000000003694 | 4/22/2026 | AG Tech Llc | 4,160.25 | WWTP BIOSOLIDS WASTE DISPOSAL |
| EFT000000003695 | 4/22/2026 | Evoqua Water Technologies | 6,310.85 | WWTP SERVICES |
| EFT000000003696 | 4/22/2026 | Ninyo & Moore | 6,258.50 | AS NEEDED GEOTECHNICAL SVCS |
| EFT000000003697 | 4/22/2026 | Brightview Landscape Services | 17,532.00 | Wanket Reservoir (SDWD/SEJPA) Landscape Maintenance |
| EFT000000003698 | 4/22/2026 | Fallbrook Printing Corp | 630.17 | Printing Services FY 2026 |
| EFT000000003699 | 4/22/2026 | Bee Rescue LLC | 500.00 | 266 GLOXINA STREET |
| EFT000000003700 | 4/22/2026 | Cecilia's Safety Service | 17,065.00 | Traffic safety multiple locations |
| EFT000000003701 | 4/22/2026 | Volt Management Corp DBA | 521.85 | INTERN PPE 032726 |
| EFT000000003702 | 4/22/2026 | NexusTek Phoenix | 7,505.62 | CLOUD STORAGE SERVICES |
| EFT000000003703 | 4/22/2026 | Liquid Environ. Solutions of CA | 50,240.00 | WWTP WASTE DISPOSAL SERVICES |
| EFT000000003704 | 4/22/2026 | Transnet Investigative Group Inc. | 145.00 | PRE-EMPLOYMENT BACKGROUND |
| EFT000000003705 | 4/22/2026 | Alpha Mechanical, Inc | 697.67 | SANTA FE VALLY HVAC SERVICES |
| EFT000000003706 | 4/22/2026 | WREGIS | 0.87 | RENEW ENERGY SERVICES |
| EFT000000003707 | 4/22/2026 | E.H. Wachs Company | 718.70 | SUPPLIES |
| EFT000000003708 | 4/22/2026 | Martin Marietta Materials Inc | 1,307.98 | YARD MATERIALS |
| EFT000000003709 | 4/22/2026 | Ignacio Tool Supply Inc. | 42.46 | SHOP TOOLS |
| EFT000000003710 | 4/22/2026 | Be Gone Graffiti | 1,265.00 | CAMINO ORILLA SEWER LIFT STATION |
| EFT000000003711 | 4/22/2026 | Rincon Consultants Inc. | 13,180.60 | 2025 UWMP development |
| EFT000000003712 | 4/22/2026 | KDC Inc. dba | 36,833.09 | PLC Replacement Project Construction (Potable/Recycled) |
| EFT000000003713 | 4/22/2026 | GSE Construction Co., Inc. | 438,632.10 | Construction for 4SWRF Headworks Project |
| EFT000000003714 | 4/22/2026 | N2W Engineering, Inc. | 2,560.50 | Final Design Services for Palms PRS Project - N2W - 25AGR025 |
| EFT000000003715 | 4/22/2026 | Alfa Laval Inc. | 2,421.42 | WWTP SUPPLIES |
| EFT000000003716 | 4/22/2026 | USA Blue Book | 456.19 | WWTP SUPPLIES |
| EFT000000003717 | 4/22/2026 | Express Services Inc | 1,911.33 | TEMP LABOR PPE 041226 |
| EFT000000003718 | 4/22/2026 | Global Power Group Inc | 3,673.53 | DEL DIOS SPS SERVICES |
| EFT000000003719 | 4/22/2026 | Infosend | 12,450.92 | WATER BILL STATEMENTS |
| EFT000000003720 | 4/22/2026 | Carollo Engineers | 71,312.75 | Design Engineer Services DCMWTP Membrane Train Rehabilitation Program |
| EFT000000003721 | 4/22/2026 | Whitson CM | 600.00 | 3/26 SITE INSPECTIONS |
| EFT000000003722 | 4/22/2026 | Nossaman LLP | 8,000.00 | LOBBYING SERVICES |
| EFT000000003723 | 4/22/2026 | Insight Public Sector, Inc. | 9,432.23 | ManageEngine Key Manager Plus - subscription license |
| EFT000000003724 | 4/22/2026 | Firehawk Fire & Safety | 4,465.57 | WWTP FIRE EXTINGUISHER |
| EFT000000003725 | 4/22/2026 | County of San Diego, RCS | 183.00 | 3/26 RADIO SERVICES |
| EFT000000003726 | 4/22/2026 | Konecranes Inc | 4,314.95 | WTP SERVICES |
| EFT000000003727 | 4/22/2026 | Harrington Industrial Plastics Inc | 1,545.85 | WWTP SUPPLIES |
| EFT000000003728 | 4/22/2026 | Water for People | 63.00 | WTRPL 4/23/2026 |
| EFT000000003729 | 4/29/2026 | Farwest Corrosion | 513.80 | SUPPLIES |
| EFT000000003730 | 4/29/2026 | Southern Counties Lubricants, LLC. | 10,222.70 | FUEL SUPPLIES |
| EFT000000003731 | 4/29/2026 | Trench Shoring | 1,990.14 | SUPPLIES |
| EFT000000003732 | 4/29/2026 | Asbury Environmental Services | 577.00 | WTP - WASTE DISPOSAL SVCS |
| EFT000000003733 | 4/29/2026 | Hasa | 9,949.14 | WWTP CHEMICALS |
| EFT000000003734 | 4/29/2026 | Controlled Entry Specialists | 198.00 | HQ GATE REMOTES |
| EFT000000003735 | 4/29/2026 | Ryan Herco | 402.53 | WTP SUPPLIES |

**Olivenhain Municipal Water District
April 2026 Warrant List - Check & EFT**

| Number | Date | Name | Amount | Inv Reference |
|-----------------|-----------|---|---------------------|---|
| EFT000000003736 | 4/29/2026 | North County Powder Coating | 186.81 | RECLAIM PUMP COATING SERVICES |
| EFT000000003737 | 4/29/2026 | McMaster-Carr Supply Co. | 807.38 | WTP SUPPLIES |
| EFT000000003738 | 4/29/2026 | Sunbelt Rentals, Inc. | 728.62 | SCISSOR LIFT RENTAL (WTP) |
| EFT000000003739 | 4/29/2026 | Fallbrook Printing Corp | 7,033.54 | Printing Services FY 2026 |
| EFT000000003740 | 4/29/2026 | Woodard & Curran | 4,345.00 | NSDWRC GRANT ADMIN SUPPORT |
| EFT000000003741 | 4/29/2026 | HDR Engineering, Inc. | 6,311.25 | Engineering Services for Unit A Project Condition Assessment Plan |
| EFT000000003742 | 4/29/2026 | UniFirst Aid Corp | 498.74 | FIRST AID SUPPLIES |
| EFT000000003743 | 4/29/2026 | American Conservation & Billing Solutions, Inc. | 3,251.00 | 5/26 AQUAHAWK SERVICES |
| EFT000000003744 | 4/29/2026 | Transnet Investigative Group Inc. | 100.00 | PRE-EMPLOYMENT BACKGROUND |
| EFT000000003745 | 4/29/2026 | White Cap Construction Supply | 521.99 | SUPPLIES |
| EFT000000003746 | 4/29/2026 | Hi-Line Electric Company, Inc. | 283.71 | SUPPLIES |
| EFT000000003747 | 4/29/2026 | Tetra Tech Inc | 6,125.00 | Engineering Support PLC Replacement Project (Potable/Recycled) |
| EFT000000003748 | 4/29/2026 | Parkhouse Tire Inc | 1,433.04 | FB02 SUPPLIES |
| EFT000000003749 | 4/29/2026 | Martin Marietta Materials Inc | 521.63 | YARD MATERIALS |
| EFT000000003750 | 4/29/2026 | Ignacio Tool Supply Inc. | 123.91 | TOOL REPAIR |
| EFT000000003751 | 4/29/2026 | Rincon Consultants Inc. | 1,227.00 | NSDWRC GRANT ADMIN SUPPORT |
| EFT000000003752 | 4/29/2026 | SoCal Saltworks LLC | 7,063.37 | WTP CHEMICALS |
| EFT000000003753 | 4/29/2026 | N2W Engineering, Inc. | 10,791.25 | Final Design Services for Palms PRS Project |
| EFT000000003754 | 4/29/2026 | West Coast Sand & Gravel | 4,632.78 | YARD MATERIALS |
| EFT000000003755 | 4/29/2026 | Express Services Inc | 1,969.83 | TEMP LABOR PPE 041926 |
| EFT000000003756 | 4/29/2026 | Infosend | 4,937.66 | 3/26 MAINTENANCE FEE |
| EFT000000003757 | 4/29/2026 | Cass Construction | 20,000.00 | EL CAMINO REAL LEAK REPAIR |
| EFT000000003758 | 4/29/2026 | Univar Solutions Usa Inc | 8,725.34 | WTP CHEMICALS |
| EFT000000003759 | 4/29/2026 | Dell Computers | 3,293.85 | PROSUPPORT PLUS 2/26-1/2027 |
| EFT000000003760 | 4/29/2026 | Valley Construction Management | 4,200.00 | Construction Management Services for the Headworks Project |
| EFT000000003761 | 4/29/2026 | ESS | 1,854.60 | ULTRATECH 12V 7AH BATTERIES |
| EFT000000003762 | 4/29/2026 | Harrington Industrial Plastics Inc | 3,852.58 | WWTP SUPPLIES |
| EFT000000003763 | 4/29/2026 | Guardian | 980.22 | 5/26 DENTAL ADMIN FEES |
| | | | <u>2,529,361.75</u> | |

Olivenhain Municipal Water District
Monthly Directors Fee and Reimbursed Expenses for Directors and Staff
April 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>Total Reimbursed Expenses</u> | <u>Directors Fee*</u> |
|-----------------------------------|---------------------|----------------------------|----------------------------|-------------------------------|--------------|----------------------------------|-----------------------|
| Director Guerin | | | 0.00 | 0.00 | 0.00 | 0.00 | 750.00 |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 750.00 |
| Director Hahn | | | 0.00 | 6.82 | 0.00 | 0.00 | 450.00 |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 |
| Director Lanfried | | | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 |
| Director Maloni | | | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 |
| Director Meyers | 4/22/2026 | 38311 | 0.00 | 50.46 | 0.00 | 50.46 | 600.00 |
| | | | 0.00 | 50.46 | 0.00 | 50.46 | 600.00 |
| General Manager Thorner | | | 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 | |
| Finance Manager Mendez | | | 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 | |
| Engineering Manager Stephenson | | | 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 | |
| Customer Service Manager Carnegie | | | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | | 0.00 | 0.00 | 0.00 | 0.00 | |

*March and April Per Diems paid in April 2026.

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 March 31, 2026

| <u>Active Deposits</u> | <u>Book Value</u> |
|----------------------------------|--------------------------|
| Checking Accounts | \$ 3,603,444 |
| Cash Restricted for Specific Use | 207,917 |
| Petty Cash/Disaster Preparedness | 1,487 |
| Total Active Deposits | \$ 3,812,848 |

Deposits Not Covered by Investment Policy

| | |
|-------------------------|-----------|
| Cash with Fiscal Agents | 2,389,048 |
|-------------------------|-----------|

| <u>Investments</u> | <u>Face Value</u> | <u>Market Value</u> | <u>Current Yield</u> | <u>Balance</u> |
|---------------------------|--------------------------|----------------------------|-----------------------------|-----------------------|
| LAIF | \$ 37,923,916 | 38,006,647 | 3.83% | \$ 37,923,916 |
| CAMP - US Bank | 20,751,351 | 20,751,351 | 3.80% | 20,751,351 |
| Money Market Funds | 4,369,167 | 4,369,167 | 3.25% | 4,369,167 |
| U.S. Agency Securities | 21,000,000 | 20,805,680 | 3.81% | 20,998,300 |
| Total Investments | \$ 84,044,434 | \$ 83,932,845 | 3.78% | \$ 84,042,734 |

| | |
|---|----------------------|
| Total - All Deposits/Investments | \$ 90,244,630 |
|---|----------------------|

Maturity Analysis of Investments

| | <u>Percent</u> | <u>Balance</u> |
|---|-----------------------|-----------------------|
| Demand Deposits | 75.0% | \$ 63,044,434 |
| Maturity within the next two months | 1.2% | 1,000,000 |
| Maturity within three months and one year | 2.4% | 2,000,000 |
| Maturity beyond one year | 21.4% | 17,998,300 |
| Total Investments | 100.0% | \$ 84,042,734 |

Weighted Average Days to Maturity **366**

Other Required Disclosures:

Accrued interest receivable as of 03/31/2026 \$ 496,401

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

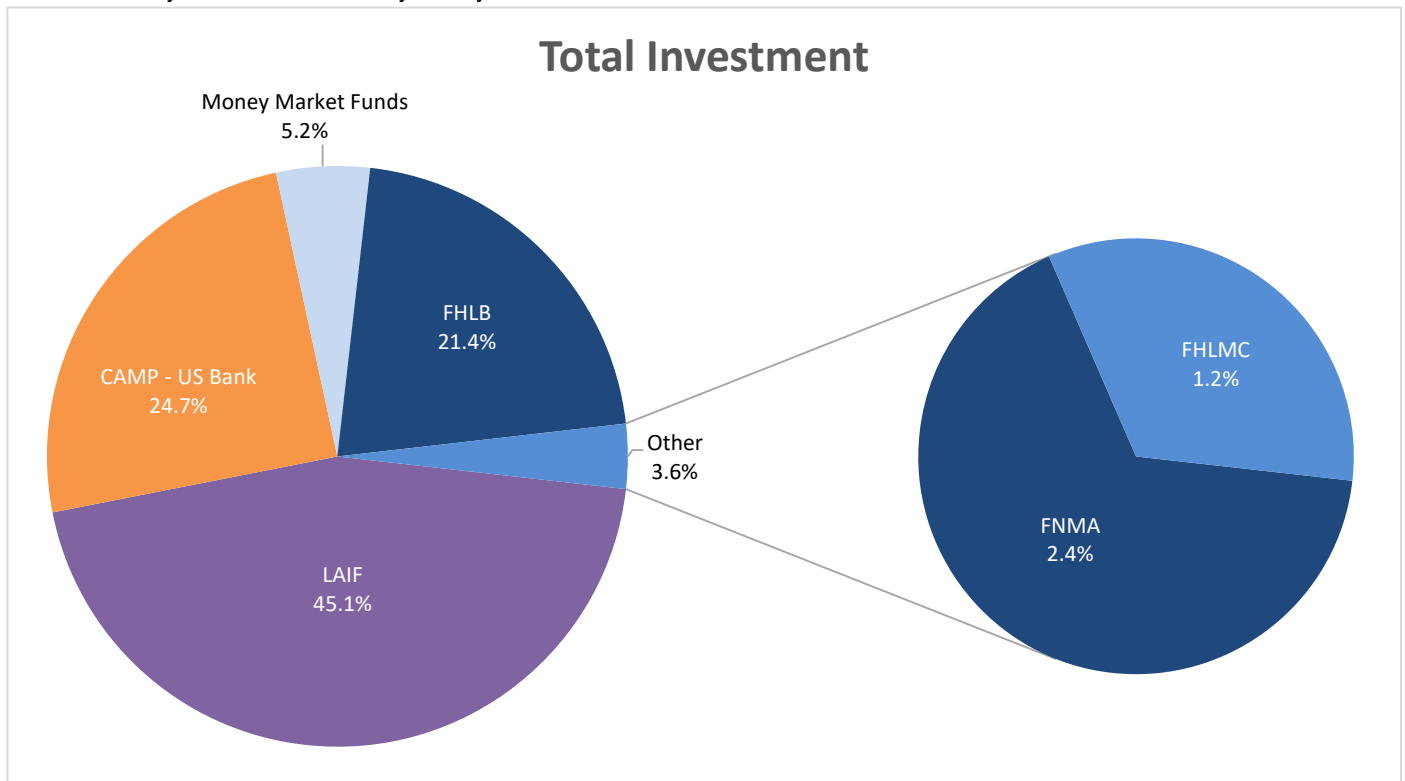
The District has sufficient funds on hand to meet the next 60 days' obligations.

**Olivenhain Municipal Water District
PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY
March 31, 2026**

| | Book Value | Percent | Permitted Percent | In Compliance? |
|---|-----------------------|----------------|------------------------------|---------------------------|
| LAIF | \$ 37,923,916 | 45.1% | 50.0% (1) | Yes |
| CAMP - US Bank | 20,751,351 | 24.7% | 30.0% | Yes |
| Money Market Funds | 4,369,167 | 5.2% | 20.0% (2) | Yes |
| U.S. Agency Securities | 20,998,300 | 25.0% | 50.0% | Yes |
| <i>FHLB</i> <i>Federal Home Loan Bank</i> | <i>17,998,300</i> | <i>21.4%</i> | | |
| <i>FNMA</i> <i>Fannie Mae</i> | <i>2,000,000</i> | <i>2.4%</i> | | |
| <i>FHLMC</i> <i>Freddie Mac</i> | <i>1,000,000</i> | <i>1.2%</i> | | |
| Total Investments | \$ 84,042,734 | 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.



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

Olivenhain Municipal Water District
MONTHLY INVESTMENTS DETAIL
 March 31, 2026

| ACTIVE DEPOSIT | Book Value |
|---|------------------|
| Checking A/C: California Bank and Trust for General Purpose | 3,603,444 |
| California Bank and Trust for Specific Purpose | 207,917 |
| Petty Cash/Disaster Preparedness | 1,487 |
| Total - Active Deposits | 3,812,848 |

| DEPOSITS NOT COVERED BY INVESTMENT POLICY | Book Value |
|--|------------------|
| Cash with Fiscal Agents: | |
| Union Bank - RAD 96-1 Refunding Bond | 938,536 |
| Union Bank - 2015A Refunding Bond | 138,954 |
| SRF Loan | 1,073,122 |
| Union Bank - 2016A Refunding Bond | 182,423 |
| Union Bank - 2021A WW Revenue Bond | 44,985 |
| Union Bank - 2021B Refunding Bond | 11,028 |
| Total Deposits Not Covered by Investment Policy | 2,389,048 |

| | RATING | | DATE | | | | Weighted Average Days to | | Stated Coupon | Current Yield | Market Value | Face Value | Book Value |
|---|---------|-----|----------|----------|-----------|----------|--------------------------|------|---------------|---------------|---------------|---------------|------------|
| | Moody's | S&P | Purchase | Maturity | Next Call | Next S-U | Maturity | Call | | | | | |
| INVESTMENTS | | | | | | | | | | | | | |
| Invest. Pools: US Bank Calif. Asset Mgmt Prgm (CAMP) | | | | Demand | | | 1 | | 3.80% | \$ 20,751,351 | \$ 20,751,351 | \$ 20,751,351 | |
| State Local Agency Investment Fund (LAIF) | | | | Demand | | | 1 | | 3.83% | 38,006,647 | 37,923,916 | 37,923,916 | |
| First American Government 31846V567 | | | | Demand | | | 1 | | 3.54% | 3,162,013 | 3,162,013 | 3,162,013 | |
| CB&T Money Market Account | | | | Demand | | | 1 | | 2.51% | 1,207,154 | 1,207,154 | 1,207,154 | |

U.S. Agency Securities

| | | | | | | | | | | | | | | |
|--------------------------|-----------------------|-----|-----|----------|----------|----------|------|--------------|------------|--------------|--------------|----------------------|----------------------|----------------------|
| 3130ALVC5 | FHLB Step-up Callable | Aa1 | AA+ | 04/14/21 | 04/14/26 | 04/14/26 | None | 15 | 15 | 2.25% | 2.25% | 999,450 | 1,000,000 | 1,000,000 |
| 3130APAY1 | FHLB Callable | Aa1 | AA+ | 10/21/21 | 10/21/26 | 04/21/26 | | 205 | 22 | 1.10% | 1.12% | 985,090 | 1,000,000 | 1,000,000 |
| 3130APL78 | FHLB Callable | Aa1 | AA+ | 10/28/21 | 10/28/26 | 04/28/26 | | 212 | 29 | 1.38% | 1.39% | 986,550 | 1,000,000 | 1,000,000 |
| 3130B5X45 | FHLB Callable | Aa1 | AA+ | 04/24/25 | 04/24/29 | 04/24/26 | | 1,121 | 25 | 4.45% | 4.46% | 998,050 | 1,000,000 | 1,000,000 |
| 3130B6CG9 | FHLB Callable | Aa1 | AA+ | 05/22/25 | 05/22/29 | 05/22/26 | | 1,149 | 53 | 4.38% | 4.39% | 996,640 | 1,000,000 | 998,300 |
| 3130B2N43 | FHLB Callable | Aa1 | AA+ | 09/10/24 | 09/10/29 | 09/10/26 | | 1,260 | 164 | 4.00% | 4.04% | 990,080 | 1,000,000 | 1,000,000 |
| 3130B9MN7 | FHLB Callable | Aa1 | AA+ | 02/26/26 | 08/26/30 | 08/26/26 | | 1,610 | 149 | 4.00% | 4.06% | 984,570 | 1,000,000 | 1,000,000 |
| 3134HCNC9 | FHLMC Callable | Aa1 | AA+ | 01/09/26 | 01/09/31 | 10/09/26 | | 1,746 | 193 | 4.10% | 4.13% | 992,690 | 1,000,000 | 1,000,000 |
| 3136GCGV1 | FNMA Callable | Aa1 | AA+ | 01/23/26 | 01/23/31 | 07/23/26 | | 1,760 | 115 | 4.13% | 4.15% | 992,820 | 1,000,000 | 1,000,000 |
| 3130B9DE7 | FHLB Callable | Aa1 | AA+ | 02/11/26 | 02/11/31 | 02/11/27 | | 1,779 | 318 | 4.02% | 4.06% | 989,930 | 1,000,000 | 1,000,000 |
| 3130B9HA1 | FHLB Callable | Aa1 | AA+ | 02/26/26 | 02/26/31 | 02/26/27 | | 1,794 | 333 | 4.00% | 4.07% | 1,964,800 | 2,000,000 | 2,000,000 |
| 3130B9LF5 | FHLB Callable | Aa1 | AA+ | 02/26/26 | 02/26/31 | 02/26/27 | | 1,794 | 333 | 4.00% | 4.05% | 1,976,760 | 2,000,000 | 2,000,000 |
| 3136GCNU5 | FNMA Callable | Aa1 | AA+ | 03/04/26 | 03/04/31 | 09/04/26 | | 1,800 | 158 | 4.10% | 4.17% | 983,880 | 1,000,000 | 1,000,000 |
| 3130B9Q45 | FHLB Callable | Aa1 | AA+ | 03/10/26 | 03/10/31 | 12/10/26 | | 1,806 | 255 | 4.00% | 4.04% | 989,840 | 1,000,000 | 1,000,000 |
| 3130B9W63 | FHLB Callable | Aa1 | AA+ | 03/17/26 | 03/11/31 | 09/11/26 | | 1,807 | 165 | 4.30% | 4.32% | 996,160 | 1,000,000 | 1,000,000 |
| 3130B9VN7 | FHLB Callable | Aa1 | AA+ | 03/17/26 | 03/17/31 | 03/17/27 | | 1,813 | 352 | 4.13% | 4.16% | 1,981,440 | 2,000,000 | 2,000,000 |
| 3130B9RH5 | FHLB Callable | Aa1 | AA+ | 03/24/26 | 03/24/31 | 06/24/26 | | 1,820 | 86 | 4.25% | 4.27% | 995,850 | 1,000,000 | 1,000,000 |
| 3130BA2S5 | FHLB Callable | Aa1 | AA+ | 03/30/26 | 03/25/31 | 03/25/27 | | 1,821 | 360 | 4.50% | 4.50% | 1,001,080 | 1,000,000 | 1,000,000 |
| | | | | | | | | 1,463 | 197 | 3.77% | 3.81% | \$ 20,805,680 | \$ 21,000,000 | \$ 20,998,300 |
| Total Investments | | | | | | | | 366 | | 3.78% | 3.78% | \$ 83,932,845 | \$ 84,044,434 | \$ 84,042,734 |

| | |
|---|----------------------|
| TOTAL - ALL DEPOSITS AND INVESTMENTS | \$ 90,244,630 |
|---|----------------------|

**Olivenhain Municipal Water District
INVESTMENTS TRANSACTION
March 31, 2026**

PURCHASED

| DATE | | | | Investment Description | Stated | Current | Face Value | Book Value |
|----------|----------|----------|---------|------------------------|--------|---------|------------|------------|
| Purchase | Maturity | Call | Step-Up | | Coupon | Yield | | |
| 03/24/26 | 03/24/31 | 06/24/26 | | FHLB Callable | 4.250% | 4.268% | 1,000,000 | 1,000,000 |
| 03/04/26 | 03/04/31 | 09/04/26 | | FNMA Callable | 4.100% | 4.167% | 1,000,000 | 1,000,000 |
| 03/17/26 | 03/11/31 | 09/11/26 | | FHLB Callable | 4.300% | 4.317% | 1,000,000 | 1,000,000 |
| 03/10/26 | 03/10/31 | 12/10/26 | | FHLB Callable | 4.000% | 4.041% | 1,000,000 | 1,000,000 |
| 03/17/26 | 03/17/31 | 03/17/27 | | FHLB Callable | 4.125% | 4.164% | 2,000,000 | 2,000,000 |
| 03/30/26 | 03/25/31 | 03/25/27 | | FHLB Callable | 4.500% | 4.495% | 1,000,000 | 1,000,000 |

MATURED / REDEEMED / CALLED

| DATE | | | | Investment Description | Stated | Current | Face Value | Book Value |
|------------|----------|----------|---------|------------------------|--------|---------|------------|------------|
| Redemption | Maturity | Call | Step-Up | | Coupon | Yield | | |
| 02/28/26 | 02/28/26 | | | U.S. Treasury Notes | 0.500% | 0.500% | 1,000,000 | 984,478 |
| 03/23/26 | 03/23/26 | 03/23/26 | | FHLB Callable | 1.000% | 1.002% | 975,000 | 975,000 |
| 03/30/26 | 03/30/26 | 03/30/26 | None | FHLB Step-up Callable | 2.000% | 2.003% | 1,000,000 | 1,000,000 |

Olivenhain Municipal Water District
UNAUDITED CASH POSITION BY FUNDING SOURCES
As of March 31, 2026

| <u>Water Funds (Potable & Recycled)</u> | | <u>Balance</u> |
|--|---------------------------------------|-------------------------------------|
| 10050-100 | Cash - Petty Cash Fund | 1,487 |
| 10010-100 | Cash - Operating Fund | 16,098,078 |
| 10030-100 | Cash - Capital and Equipment Fund | 33,606,188 |
| 10040-100 | Cash - Rate Stabilization Fund | 10,235,178 |
| 10080-100 | Cash - Pension Stabilization Fund | 1,166,030 |
| 10060-100 | Cash - Deposit Work for Other | 1,673,241 |
| 14000-500 | Restricted Cash - Capacity Fee Fund | 8,952,803 |
| Total Water Funds (Potable & Recycled) | | <u>71,733,005</u> |
| | | |
| <u>Wastewater Funds</u> | | |
| 10010-110 | Wastewater - Operating Fund | 1,329,772 |
| 10030-110 | Wastewater - Capital Replacement Fund | 11,566,758 |
| 10040-110 | Wastewater - Rate Stabilization Fund | 2,915,126 |
| 10080-110 | Cash - Pension Stabilization Fund | 103,005 |
| Total Wastewater Funds | | <u>15,914,660</u> |
| | | |
| <u>Non Fiscal Agent Debt Service Cash</u> | | |
| 14020-570 | Cash non-agent - RAD 96-1 | 196,716 |
| 10070-561 | Cash non-agent - Bond 2015A | 621 |
| 10070-581 | Cash non-agent - Bond 2016A | 10,580 |
| Total Non Fiscal Agent Debt Service Cash | | <u>207,917</u> |
| | | |
| <u>Debt Service Funds</u> | | |
| 14030-510 | SRF Loan - Fiscal Agent | 1,073,122 |
| 14105-570 | Redemption fund - RAD 96-1 | 889,919 |
| 14110-570 | Reserve fund - RAD 96-1 | 48,617 |
| 14100-561 | Redemption fund - Bond 2015A | 138,954 |
| 14100-581 | Redemption fund - Bond 2016A | 182,423 |
| 14100-521 | Redemption fund - Bond 2021A | 44,985 |
| 14100-522 | Redemption fund - Bond 2021B | 11,028 |
| Total Debt Service Funds | | <u>2,389,048</u> |
| TOTAL FUND BALANCES | | <u><u>90,244,630</u></u> |

Memo

Date: May 20, 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:

- March 2026 Monthly Statement of Net Position Reports.
- March 2026 Statement of Revenues, Expenses, and Changes in Net Position Reports.
- March 2026 Consolidated Statement of Cash Flows.
- March 2026 Monthly Consolidated Actual VS Budget Summary and explanation of significant variance reports.
- March 2026 Construction In Progress Reports.

Prepared by: Georgeanna Clark, Project Accountant II
Jared Graffam, Accounting Supervisor
Reviewed by: Jared Graffam, Accounting Supervisor
Leo Mendez, Finance Manager
Approved by: Kimberly A. Thorner, General Manager

OLIVENHAIN MUNICIPAL WATER DISTRICT

Statement of Net Position (Unaudited)

All Funds

3/31/2026

Assets

Current assets:

Unrestricted assets:

| | |
|---|-------------------|
| Cash and cash equivalents | \$78,275,716 |
| Accounts receivable - water and wastewater, net | 8,262,218 |
| Interest Receivable | 496,401 |
| Taxes receivable | 226,260 |
| Other receivables | (57,949) |
| Lease receivable | 470,100 |
| Inventories | 2,747,360 |
| Prepaid expenses and deposits | 1,306,600 |
| Total unrestricted assets | 91,726,706 |

Restricted assets:

| | |
|--------------------------------|--------------------|
| Cash and cash equivalents | 11,342,801 |
| Assesments receivable | 50,303 |
| Total restricted assets | 11,393,104 |
| Total current assets | 103,119,810 |

Noncurrent assets:

| | |
|--|--------------------|
| Capital assets, nondepreciable | 58,166,757 |
| Capital assets, depreciable/amortizable, net | 317,665,877 |
| Capital assets, net | 375,832,634 |
| Prepaid bond insurance | 7,588 |
| Lease receivable | 9,736,164 |
| Total noncurrent assets | 385,576,386 |
| Total assets | 488,696,196 |

Deferred Outflows of Resources

| | |
|---|--------------------|
| Deferred amount on refunding | (516,671) |
| Deferred amount from pension | (5,539,491) |
| Total deferred outflows of resources | (6,056,162) |

Liabilities

Current Liabilities

Liabilities payable from unrestricted assets:

| | |
|---|-------------------|
| Accounts payable | 3,558,095 |
| Accrued payroll | 375,030 |
| Customer deposits | 441,432 |
| Payable related to work in progress | 1,672,557 |
| 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 Commitr | 931,187 |
| Notes Payable | 885,822 |
| Subscription Liability | 109,218 |
| Total liabilities payable from unrestricted assets | 12,816,501 |

Liabilities payable from restricted assets:

| | |
|---|-------------------|
| Accounts payable | 12,171 |
| Interest payable | 649,114 |
| Total liabilities payable from restricted assets | 661,285 |
| Total current liabilities | 13,477,786 |

Noncurrent liabilities

| | |
|---|-------------------|
| Compensated absences | 1,174,258 |
| 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 | 10,975,883 |
| Water Revenue Refunding Bonds 2015A | 4,742,225 |
| Special Assessment Debt with Government Commitr | 951,722 |
| Notes Payable | 7,331,724 |
| Subscription Liability | 79,787 |
| Total noncurrent liabilities | 47,843,098 |
| Total liabilities | 61,320,885 |

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
3/31/2026

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 | 341,619,015 |
| Restricted Net Position | 10,731,819 |
| Unrestricted Net Position | <u>72,029,652</u> |
| Total Net Position | <u><u>424,380,586</u></u> |

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
All Funds
For the Nine Months Ending 3/31/2026

| | 2026 |
|---|--------------------|
| Operating Revenues: | |
| Water Sales | \$51,135,437 |
| Wastewater Charges | 3,755,598 |
| Other Water Operating revenues | 1,503,657 |
| Total Operating Revenues | 56,394,692 |
| Operating Expenses | |
| Cost of Purchased Water Sold | 29,966,635 |
| Pumping and Water Treatment | 3,719,360 |
| Transmission and Distribution | 4,052,105 |
| Wastewater Collection and Treatment | 1,667,262 |
| Elfin Forest Recreation Operations | 344,608 |
| Facilities Maintenance | 1,042,125 |
| Customer Service | 2,020,278 |
| General and Administrative | 6,807,824 |
| Depreciation and Amortization | 7,647,840 |
| Total Operating Expenses | 57,268,037 |
| Operating Income (Loss) | (873,345) |
| Nonoperating Revenues (Expenses) | |
| Investment income | 2,162,886 |
| Property taxes | 3,233,325 |
| Capacity charges | 61,237 |
| Benefit assessments | 693,420 |
| Other nonoperating revenues | 571,989 |
| Interest expense, net | (626,389) |
| Other nonoperating expenses | (3,844,582) |
| Total nonoperating revenues (expenses) | 2,251,886 |
| Income before capital contributions | 1,378,540 |
| Capital contributions | 3,059,481 |
| Change in net position | 4,438,021 |
| Net Position, Beginning of year | 419,942,565 |
| Net Position, End of year | 424,380,586 |

OLIVENHAIN MUNICIPAL WATER DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
As of March 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES:

| | | |
|---|----|--------------|
| Receipts from water and wastewater customers | \$ | 58,961,880 |
| Payments for water | | (33,473,272) |
| Payments for services and supplies | | (9,803,217) |
| Payments for employee wages, benefits and related costs | | (12,387,255) |
| Net cash provided by operating activities | | 3,298,136 |

CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:

| | | |
|---|--|-----------|
| Property taxes and benefit assessments received | | 3,933,648 |
| Net cash provided by noncapital and related financing activities | | 3,933,648 |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

| | | |
|--|--|--------------|
| Acquisition and construction of capital assets | | (11,877,405) |
| Proceeds from grants | | 2,654,239 |
| Pass-through grant disbursements | | (2,649,483) |
| Principal paid on long-term debt | | (1,948,107) |
| Interest paid on long-term debt | | (161,219) |
| Capacity charges received | | 61,237 |
| Other capital financing receipts (expenses) | | (542,865) |
| Net cash used by capital and related financing activities | | (14,463,603) |

CASH FLOWS FROM INVESTING ACTIVITIES:

| | | |
|---|--|------------|
| Net change in investments | | 21,057,874 |
| Investment income received | | 2,192,640 |
| Net cash provided (used) by investing activities | | 23,250,514 |

Net increase (decrease) in cash and cash equivalents 16,018,695

Cash and cash equivalents, beginning of year 52,601,522

Cash and cash equivalents, end of period \$ 68,620,217

FINANCIAL STATEMENT PRESENTATION:

| | | |
|---|--|---------------|
| Cash and cash equivalents - current assets | | 59,474,284 |
| Cash and cash equivalents - restricted assets | | 9,145,933 |
| Total cash and cash equivalents | | \$ 68,620,217 |

| CASH AND CASH EQUIVALENTS RECONCILIATION | | | |
|---|-----------|--|-----------------------------------|
| | | Balance Includes Mkt Securities | Without Mkt Securities |
| Unrestricted cash | 3/31/2026 | 78,275,716 | 59,474,284 |
| Restricted cash | 3/31/2026 | 11,342,801 | 9,145,933 |
| Total cash and cash equivalents | | | 68,620,217 |

OLIVENHAIN MUNICIPAL WATER DISTRICT
Consolidated Actual vs Budget Summary
For the Nine Months Ending 3/31/2026

| | Approved Budget | Actual YTD | Budget YTD | Variance Amt | Variance % | Notes |
|--|----------------------|----------------------|-----------------------|-----------------------|-----------------|-------|
| Operating Revenues | | | | | | |
| Commodity Water Sales | \$52,939,000.00 | \$36,455,566.66 | \$39,371,800.00 | (\$2,916,233.34) | (7.4%) | 1 |
| Water Fees and Services | 21,434,000.00 | 16,183,526.91 | 15,887,550.00 | 295,976.91 | 1.9% | |
| Wastewater Revenue | 6,428,000.00 | 3,755,598.38 | 4,017,300.00 | (261,701.62) | (6.5%) | 2 |
| Total Operating Revenues | 80,801,000.00 | 56,394,691.95 | 59,276,650.00 | (2,881,958.05) | (4.9%) | |
| Operating Expenses | | | | | | |
| Purchased Water - Variable | 30,058,000.00 | 21,186,826.07 | 23,212,500.00 | 2,025,673.93 | 8.7% | 3 |
| Purchased Water - Fixed | 12,098,000.00 | 8,779,809.00 | 8,781,600.00 | 1,791.00 | 0.0% | |
| General Manager Dept | 2,335,000.00 | 1,572,421.19 | 1,751,400.00 | 178,978.81 | 10.2% | 4 |
| Engineering Dept | 2,741,000.00 | 1,899,212.73 | 2,056,770.00 | 157,557.27 | 7.7% | 4 |
| Finance Dept | 1,940,000.00 | 1,296,554.33 | 1,456,110.00 | 159,555.67 | 11.0% | 4 |
| Customer Service Dept | 3,396,000.00 | 2,458,230.38 | 2,550,267.00 | 92,036.62 | 3.6% | 4 |
| Human Resources Dept | 988,000.00 | 729,020.03 | 740,997.00 | 11,976.97 | 1.6% | 4 |
| Water Operations and Maintenance Dept | 13,624,000.00 | 9,701,700.30 | 10,225,971.00 | 524,270.70 | 5.1% | 4 |
| Parks Dept | 543,000.00 | 374,381.42 | 408,114.00 | 33,732.58 | 8.3% | 4 |
| Other Operating Expenses | 50,000.00 | 50,000.00 | 37,800.00 | 37,800.00 | 100.0% | |
| Wastewater Operations and Maintenance Dept | 3,605,000.00 | 2,670,103.81 | 2,704,437.00 | 34,333.19 | 1.3% | |
| Recycled Water Operations Dept | 1,307,000.00 | 935,003.79 | 983,250.00 | 48,246.21 | 4.9% | |
| Paygo Transfers | | | | | | |
| Water Operations | 4,977,000.00 | 3,735,000.00 | 3,735,000.00 | | 0.0% | |
| Wastewater Operations | 2,626,000.00 | 1,971,000.00 | 1,971,000.00 | | 0.0% | |
| Recycled Operations | 1,700,000.00 | 1,278,000.00 | 1,278,000.00 | | 0.0% | |
| Capitalized Operations Expenditures | (2,105,000.00) | (1,319,225.45) | (1,577,070.00) | (257,844.55) | 16.3% | 5 |
| Total Operating Expenses | 79,883,000.00 | 57,268,037.60 | 60,316,146.00 | 3,048,108.40 | 5.1% | |
| Net Operating Income (Loss) | 918,000.00 | (873,345.65) | (1,039,496.00) | 166,150.35 | | |
| Nonoperating Revenues | | | | | | |
| Water Funds | 6,239,000.00 | 4,260,845.49 | 4,068,200.00 | 192,645.49 | 4.7% | 6 |
| Debt Service Funds | 1,061,000.00 | 701,677.28 | 689,620.00 | 12,057.28 | 1.7% | |
| Wastewater Funds | 92,000.00 | 102,786.46 | 69,300.00 | 33,486.46 | 48.3% | 6 |
| Recycled Water Funds | 260,000.00 | 217,344.46 | 195,300.00 | 22,044.46 | 11.3% | 6 |
| Total Nonoperating Revenue | 7,652,000.00 | 5,282,653.69 | 5,022,420.00 | 260,233.69 | 5.2% | |
| Nonoperating Expense | | | | | | |
| Capacity Fee Funds | 30,000.00 | 7,401.04 | 22,320.00 | 14,918.96 | 66.8% | |
| Debt Service Funds | 1,421,500.00 | 694,881.33 | 975,420.00 | 280,538.67 | 28.8% | 7 |
| Potable Water Funds | 1,367,000.00 | 1,119,205.71 | 1,158,610.00 | 39,404.29 | 3.4% | 8 |
| Recycled Water Funds | | 2,649,483.35 | | (2,649,483.35) | 0.0% | 9 |
| Total Nonoperating Expense | 2,818,500.00 | 4,470,971.43 | 2,156,350.00 | (2,314,621.43) | (107.3%) | |
| Inc before Cap Fees and Capital Contributions | 5,751,500.00 | (61,663.39) | 1,826,574.00 | (1,888,237.39) | | |
| Capacity Fee Funds | 1,351,000.00 | 1,440,203.48 | | | | |
| Capital contributions | 2,045,000.00 | 3,059,480.96 | | | | |
| Change in Net Position | | 4,438,021.05 | | | | |

OLIVENHAIN MUNICIPAL WATER DISTRICT
Actual vs Budget Variance
For the Nine Months Ending 3/31/2026

1. Water Sales revenue was approximately \$2.9 million (7.4%) below Budget YTD for an unfavorable variance through March, primarily due to the timing of unbilled water estimates and actual customer usage being 1,119 AF (7.5%) 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 \$2.0 million (8.7%) below Budget YTD, driven primarily by water purchases being 1,119 AF less than projected through March. 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, Wastewater Funds, and Recycled Water Funds were overall greater than Budget YTD for a positive variance due to higher interest income earned on short-term investments over budgeted returns.
7. Actual Non-operating Expenses - Debt Service Funds were lower than the Budget YTD amount for a positive variance because interest expense for the new Wastewater debt issuance was budgeted to begin in FY 2026 but has not yet been issued. Additionally, the 2015A Bonds interest expense does not include amortization of the issuance premium.
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 March.
9. Actual Non-operating Expenses – Recycled Water Funds balance is entirely grant pass-through expenses for amounts paid out to grant sub-recipients. An equal offsetting revenue amount is included in Capital contributions.

Construction Work In Progress Report as of 03/31/2026

| Project Name | Total Project Budget | Cumulative Appropriation Thru FY '26 | Total Expensed Thru 03/31/2026 ¹ | (Over) Under Cumulative Appropriation Thru FY '26 |
|--|----------------------|--------------------------------------|---|---|
| San Dieguito Desalination | \$75,437,000 | \$6,808,000 | \$5,231,699 | \$1,576,301 |
| Azahar & Cadencia Emergency | \$4,460,000 | \$4,460,000 | \$4,290,499 | \$169,501 |
| Replace Headworks Manual Sys | \$4,869,000 | \$3,369,000 | \$979,590 | \$2,389,410 |
| DCMWTP 4th Stage Centrifuge | \$3,340,000 | \$3,340,000 | \$3,312,891 | \$27,109 |
| Palms I and II Reservoirs | \$2,592,000 | \$1,683,000 | \$370,514 | \$1,312,486 |
| Village Park PRS | \$1,689,500 | \$1,689,500 | \$1,686,196 | \$3,304 |
| District-Wide PLC replacements | \$1,466,000 | \$1,466,000 | \$1,118,326 | \$347,674 |
| District-Wide PLC Repl (WW) | \$1,456,000 | \$1,456,000 | \$1,078,501 | \$377,499 |
| Gardendale PRS | \$1,463,500 | \$1,463,500 | \$1,463,231 | \$269 |
| Replace Valves | \$8,830,600 | \$999,600 | \$995,438 | \$4,162 |
| Replace DCMWTP Membranes | \$11,231,000 | \$973,000 | \$820,394 | \$152,606 |
| Replace Potable Meters | \$9,304,000 | \$927,000 | \$733,250 | \$193,750 |
| Dusty Trails Pipeline Replace | \$1,180,000 | \$830,000 | \$130,906 | \$699,094 |
| Steel Mains Protection | \$3,484,000 | \$767,000 | \$408,352 | \$358,648 |
| Encinitas Blvd Insp. & Repair | \$677,000 | \$677,000 | \$70,306 | \$606,694 |
| Raw Water Equalizer Tank Rehab | \$671,000 | \$671,000 | \$21,573 | \$649,427 |
| Off-Spec & High Flow Diver Ppl | \$685,000 | \$635,000 | \$575,308 | \$59,692 |
| Tank Safety Improvements | \$590,000 | \$590,000 | \$157,675 | \$432,325 |
| DCMWTP 2nd Stage Basin & Beam | \$1,784,000 | \$577,000 | \$140,654 | \$436,346 |
| Units B & K Rehabilitation | \$2,142,000 | \$562,000 | \$235,080 | \$326,920 |
| DCMWTP 1st Stage Beam Replace | \$2,206,000 | \$560,000 | \$1,936 | \$558,064 |
| EFRR Parking Lot Repair | \$1,385,000 | \$476,000 | \$148,866 | \$327,134 |
| CIS System Upgrade | \$400,500 | \$400,500 | \$20,575 | \$379,925 |
| Data Centre Replacement | \$550,000 | \$275,000 | \$240,869 | \$34,131 |
| Repace 75HP Digester Blower | \$263,000 | \$263,000 | \$83,288 | \$179,712 |
| District-Wide Scada Upgrades | \$256,000 | \$256,000 | \$237,654 | \$18,346 |
| Fluoride Safety Improvements | \$225,000 | \$225,000 | \$0 | \$225,000 |
| Replace WW Pumps/ Motors/Equip | \$2,539,000 | \$213,000 | \$89,855 | \$123,145 |
| Fleet Electrification Plan | \$2,450,000 | \$193,000 | \$71,992 | \$121,008 |
| DCMWTP Pipln Repl Iffluent/BW | \$708,000 | \$180,000 | \$2,863 | \$177,137 |
| Replace Pot. Pumps and Motors | \$2,004,000 | \$180,000 | \$101,159 | \$78,841 |
| Replace Meter Anodes | \$1,886,000 | \$163,000 | \$203,123 | (\$40,123) |
| Strainer Coating Repairs | \$155,000 | \$155,000 | \$12,045 | \$142,955 |
| Santa Fe Valley Reserv Improve | \$150,000 | \$150,000 | \$0 | \$150,000 |
| Wanket RW Reservoir Rehab | \$150,000 | \$150,000 | \$61,741 | \$88,259 |
| Replace Pipelines | \$5,195,000 | \$115,000 | \$144,379 | (\$29,379) |
| Replace MSB-S & Transfr Switch | \$1,286,000 | \$113,000 | \$1,075 | \$111,925 |
| DCMWTP Misc Equip Replacement | \$1,434,000 | \$106,000 | \$71,621 | \$34,379 |
| Network Security | \$1,210,000 | \$104,000 | \$0 | \$104,000 |
| Encinitas Blvd PRS | \$100,000 | \$100,000 | \$1,787 | \$98,213 |
| 10th Street PRS | \$100,000 | \$100,000 | \$5,747 | \$94,253 |
| DCMWTP Bridge Crane Rehab | \$97,000 | \$97,000 | \$97,073 | (\$73) |
| Neighborhood #3 Liner Improve | \$84,000 | \$84,000 | \$4,750 | \$79,250 |
| HOA Pipeline Ext - CB, VP, SH | \$80,000 | \$80,000 | \$43,155 | \$36,845 |
| Recycled Conversions | \$819,000 | \$80,000 | \$15,233 | \$64,767 |
| Collect. Sys. Pipeline Repl Pr | \$865,000 | \$78,000 | \$716 | \$77,284 |
| Replace Recycled Valves | \$850,000 | \$77,000 | \$0 | \$77,000 |
| Pump Station Rehab & Replace | \$813,000 | \$75,000 | \$0 | \$75,000 |
| DCMWTP Building & Door Refurb | \$75,000 | \$75,000 | \$4,682 | \$70,318 |
| Replace 4SWRF Clari Scum Boxes | \$75,000 | \$75,000 | \$0 | \$75,000 |
| Collect. Sys. Manhole Rehab Pr | \$770,000 | \$71,000 | \$1,640 | \$69,360 |
| Rancho La Cima/Aliso Canyon PL | \$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 Conduit | \$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 |
| Meter Replacement, Recycled | \$543,000 | \$41,000 | \$23,703 | \$17,297 |
| DCMWTP Membrane Train Control | \$395,000 | \$36,000 | \$14,813 | \$21,187 |
| 4S Physical Security Upgrades | \$180,000 | \$30,000 | \$8,362 | \$21,638 |
| Equipment Replacement Program | \$269,000 | \$30,000 | \$14,326 | \$15,674 |
| OTP 1 Leak Emergency | \$27,000 | \$27,000 | \$28,497 | (\$1,497) |
| Rehab Concrete Tanks | \$295,000 | \$26,000 | \$19,090 | \$6,910 |
| Physical Security Upgrades | \$250,000 | \$25,000 | \$8,610 | \$16,390 |
| Valve & Gate Replace. Program | \$935,000 | \$25,000 | \$438 | \$24,562 |
| Golem 14" Pipeln Cond. Assess. | \$150,000 | \$17,000 | \$17,226 | (\$226) |
| Upgrade Filter Electrical | \$118,000 | \$17,000 | \$0 | \$17,000 |
| Fleet Electrification WW | \$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 | \$44,159 | \$101,841 |
| 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 : | \$174,172,100 | \$40,529,100 | \$25,853,777 | \$14,675,323 |

¹ Excludes encumbrances

² In process of requesting additional funds from capital reserves to ensure sufficient project funding through 6/30/2026

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

⁴ In process of moving appropriations from parent steel mains protection project for additional installations, within GM approval limit

Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Joe Jansen, Administrative Analyst
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER A RESOLUTION APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE UNITED STATES BUREAU OF RECLAMATION'S "WATERSMART: SMALL-SCALE WATER EFFICIENCY PROJECTS GRANTS FOR FISCAL YEAR 2026" PROGRAM AND AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION**

Purpose

The purpose of this agenda item is to consider a resolution that would authorize the General Manager to submit an application to the United States Bureau of Reclamation for funding from its WaterSMART: Small-Scale Water Efficiency Projects Grants for Fiscal Year 2026 program for OMWD's Advanced Pressure Monitoring and Management Project and execute an agreement if awarded.

Recommendation

Staff recommends approval of the resolution.

Alternative(s)

- The board may decide against adopting the resolution; however, this will preclude staff from seeking up to \$125,000 in grant funds from USBR.

Background

OMWD has a water meter testing and replacement program to maximize revenue capture, to better determine when meter failures will occur, and to ensure meter accuracy. The budget for potable water meter replacements in FY 2026 is \$927,000, and \$41,000 for recycled water meter replacements. Thus far in FY 2026, Field Services Technicians have replaced over 1,600 stopped, underperforming, or at-risk meters.

Fiscal Impact

There are no costs directly associated with adoption of this resolution. Should the board approve the resolution, an as-yet-determined amount of staff time will be dedicated to preparation of the grant application.

If staff is successful in obtaining WaterSMART Grants: Small-Scale Water Efficiency Projects Grants for Fiscal Year 2026 funding from the Bureau of Reclamation, OMWD's share of costs to complete water meter replacements would be reduced by up to \$125,000, likely in FY 2028.

Discussion

Water meter testing and replacement is an ongoing program for which CIP funds are budgeted each year. The draft FYs 2027 and 2028 budget for which the board provided its tentative approval at the April board meeting allocates \$1,014,000 for the program in FY 2027 and \$1,052,000 in FY 2028.

In most cases, the new meters being installed feature significantly improved technology versus those they are replacing. For example, ultrasonic meters, the contemporary standard, provide superior low-flow water measurement versus older positive displacement meters. As another example, certain meter models feature pressure and temperature sensors incorporated into the meter design.

These meters with pressure sensors provide better visibility as to pressure throughout the water distribution system. Continuing to deploy meters with pressure sensors in order to better manage the distribution system is eligible for funding under the United States Bureau of Reclamation WaterSMART: Small-Scale Water Efficiency Projects, which prioritizes projects that improve water delivery efficiencies. Improved pressure management of the distribution system can support more consistent, reliable service across varying elevations and demand zones, help identify leaks and improve response times, extend infrastructure lifespans, and optimize system efficiencies.

In order to submit a complete application, a resolution authorized by the applicant's governing body must be included.

With the board's approval, staff seeks to submit an application for grant funding from the United States Bureau of Reclamation WaterSMART: Small-Scale Water Efficiency Projects to offset up to \$125,000 in costs for meter replacements.

Prepared by: Joe Jansen, Administrative Analyst
Reviewed by: Brandon Barnick, Field Services Supervisor
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 OLIVENHAIN MUNICIPAL WATER DISTRICT'S BOARD OF DIRECTORS APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE UNITED STATES BUREAU OF RECLATION'S "WATERSMART GRANTS: SMALL-SCALE WATER EFFICIENCY PROJECTS FOR FISCAL YEAR 2026" PROGRAM AND AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION

WHEREAS, Olivenhain Municipal Water District has the authority to construct, operate, and maintain its water system; and

WHEREAS, Olivenhain Municipal Water District desires to leverage its money and resources by cost sharing with the United States Bureau of Reclamation on projects that result in sustained water savings and support broader water reliability benefits; and

WHEREAS, Olivenhain Municipal Water District has the legal authority to enter into an agreement with the Bureau of Reclamation; and

WHEREAS, Olivenhain Municipal Water District has the capability to provide the amount of funding and/or in-kind contributions that it specifies in project funding plans submitted to the Bureau of Reclamation; and

WHEREAS, Olivenhain Municipal Water District will work with the Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Olivenhain Municipal Water District that, pursuant and subject to all of the terms and provisions of the WaterSMART Grants: Small-Scale Water Efficiency Projects Grants for Fiscal Year 2026, that application be made to the Bureau of Reclamation for funding; and

BE IT FURTHER RESOLVED that the General Manager of Olivenhain Municipal Water District is hereby authorized and directed to cause the necessary data to be prepared and application to be signed and filed with the Bureau of Reclamation.

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors of Olivenhain Municipal Water District held on May 20, 2026.

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

RESOLUTION NO. 2026-xx

ATTEST:

Christy Guerin, Secretary
Board of Directors
Olivenhain Municipal Water District

Memo

Date: May 20, 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 162 S. RANCHO SANTA FE WATER SERVICE INSTALLATION (SPACE RANCHO SANTA FE, LLC.) 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 Space Rancho Santa Fe, 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 162 South Rancho Santa Fe Water Service Installation Project (Project) is located on S. Rancho Santa Fe Road, south of Encinitas Boulevard in Director Division 3 (Guerin). The Project consisted of the installation of 2-inch water service.

OMWD entered into an agreement with the Developer in November of 2025 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

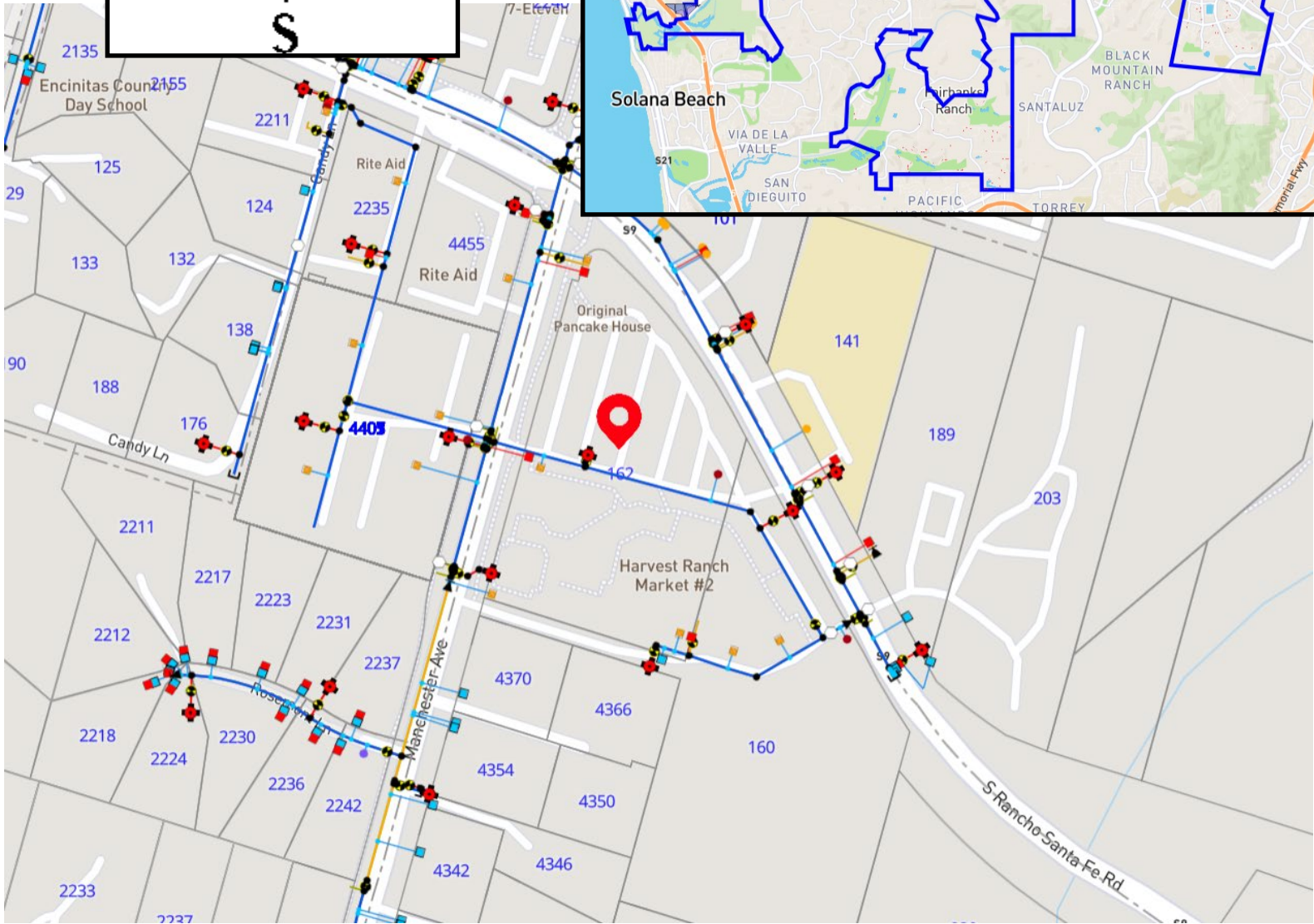
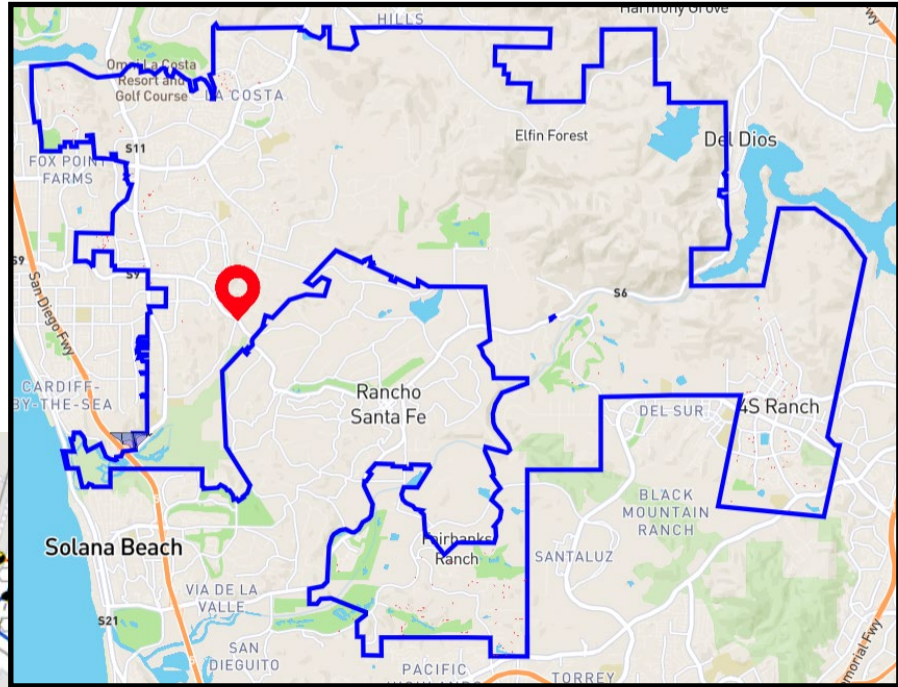
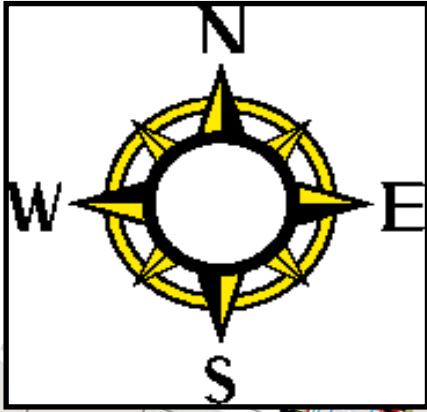
Joey Randall, Assistant General Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments:

Location Map

Notice of Completion



LOCATION MAP

**162 S. RANCHO SANTA FE – WATER SERVICE INSTALL
DISTRICT PROJECT NO. W590366**

**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 259-191-25-00 of Map No. 326, recorded on July 8, 1885 located in the County of San Diego, State of California for which Space Rancho Santa Fe, 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 April 2nd, 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of May 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: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Steven Weddle, Engineering Services Supervisor
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ACCEPTANCE OF THE OMWD CATHODIC PROTECTION IMPROVEMENTS PROJECT FY 26 INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED**

Purpose

The purpose of this agenda item is to consider acceptance of the OMWD Cathodic Protection Improvements Project FY 26 (Project) 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 Project into OMWD's system as the work is now complete.

Alternative(s)

None; the Project is complete and constructed in accordance with the contract documents and OMWD standards.

Background

OMWD operates an extensive network of approximately 76 miles of steel and ductile iron pipelines throughout its service area. Many of these pipelines are protected from external corrosion by cathodic protection (CP) systems. As part of ongoing condition assessment, asset management, and reliability efforts, staff identified several CP system components that required replacement or repair to provide continued protection of critical infrastructure.

The Project addressed aging or nonfunctional CP system components that limited corrosion protection in several areas of the distribution system. The Project consisted of four primary elements:

- **Zorro Reservoir Anode Replacement:** The work was located along an 18-inch steel pipeline located in Director Division 1 (Lanfried). The pipeline was installed in 1987, and the existing sacrificial anode system installed in the early 2000s was nearing the end of its useful life and identified for replacement. The work included replacing degraded anodes and test stations to continue providing protection from external corrosion.
- **Pipeline Exploration and CP Test Station Installation:** Several unprotected segments of steel and ductile iron pipelines were identified in the system, referred to as “pipeline islands.” These segments lacked test stations or structure leads necessary for proper corrosion monitoring. The work identified and inspected pipeline segments and installed CP test stations and leads when needed along the segments located in Director Divisions 1 and 5 (Lanfried and Meyers). Additionally, Staff was able to decrease the work on this component due to favorable field conditions identified during the exploration and already protected segments, resulting in significant cost savings to OMWD.
- **Gaty Transmission CP Repair:** The existing rectifier protects a 12-inch steel transmission pipeline located north of the Gaty Reservoir located in Director Division 1 (Lanfried). This transmission pipeline was previously unprotected due to multiple breaks in an underground anode header wire, as identified during testing. This work replaced the damaged header wire and restored CP functionality along approximately half a mile of this pipeline.
- **Encinitas Blvd CP Repair:** The existing rectifier is located in Director Division 3 (Guerin). The positive lead from this rectifier to its associated anode bed was damaged, preventing the rectifier from functioning correctly. This work included

repair and reconnection of the damaged wire to restore cathodic protection performance.

Staff developed a design to address these CP elements. In accordance with the Administrative and Ethics Code, Section 6.3(c), staff then publicly issued a Request for Bids in May 2025. The OMWD Board awarded a contract to Farwest Corrosion Control Company (Farwest) as the lowest responsible bidder in June 2025, in the amount of \$443,388.27.

Following the bid and contract execution, Notice to Proceed was issued on September 15, 2025, with a contractual completion date of June 12, 2026. The work was successfully completed ahead of time and in accordance with the contract documents. The warranty period will terminate two years following the acceptance of the facilities by OMWD's Board.

Fiscal Impact

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

Discussion

During the course of the Project, several efficiencies were identified resulting in reduced work for the Pipeline Exploration component, and subsequently a credit due back to the District for work not performed by the contractor. Construction Change Order No. 1 (CCO#1) was approved by the General Manager in April 2026, for a reduction to the contract of \$90,840.

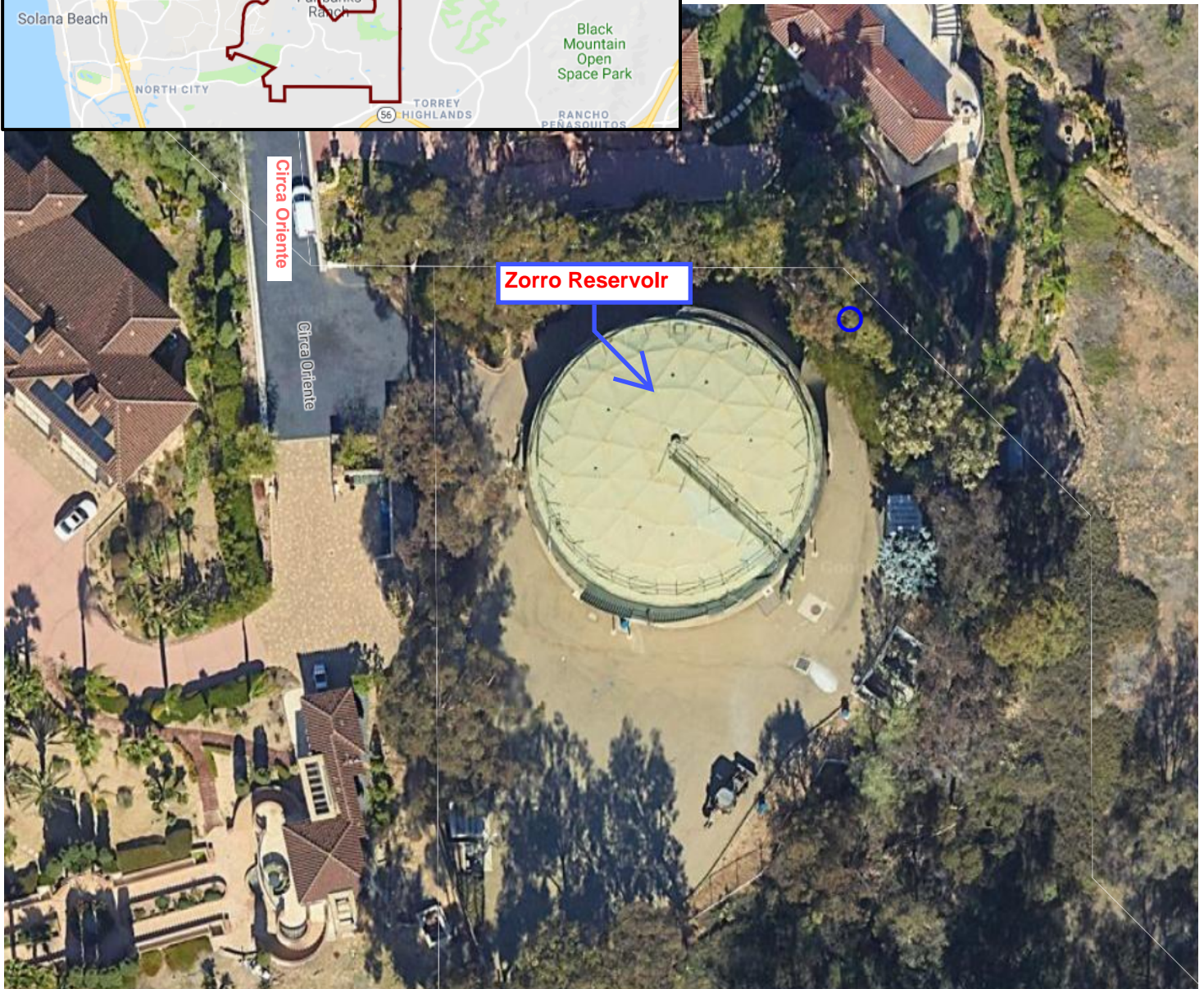
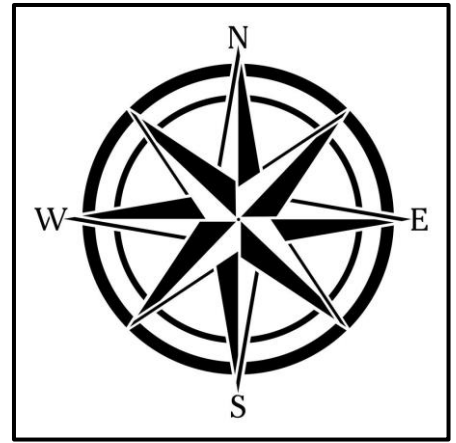
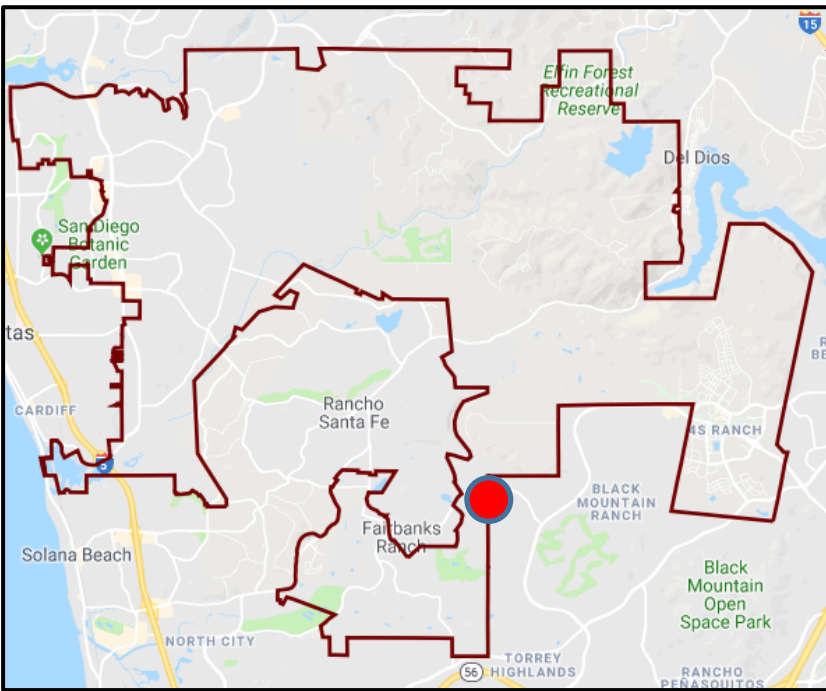
| | Authorization | Amount (\$) |
|-------|------------------------------------|----------------------|
| | Original contract Board, June 2025 | \$443,388.27 |
| CCO#1 | GM, April 2026 | \$(90,839.52) |

As the Project is now complete, staff recommends acceptance of the Project into OMWD's system and filing a Notice of Completion with the San Diego County Recorder.

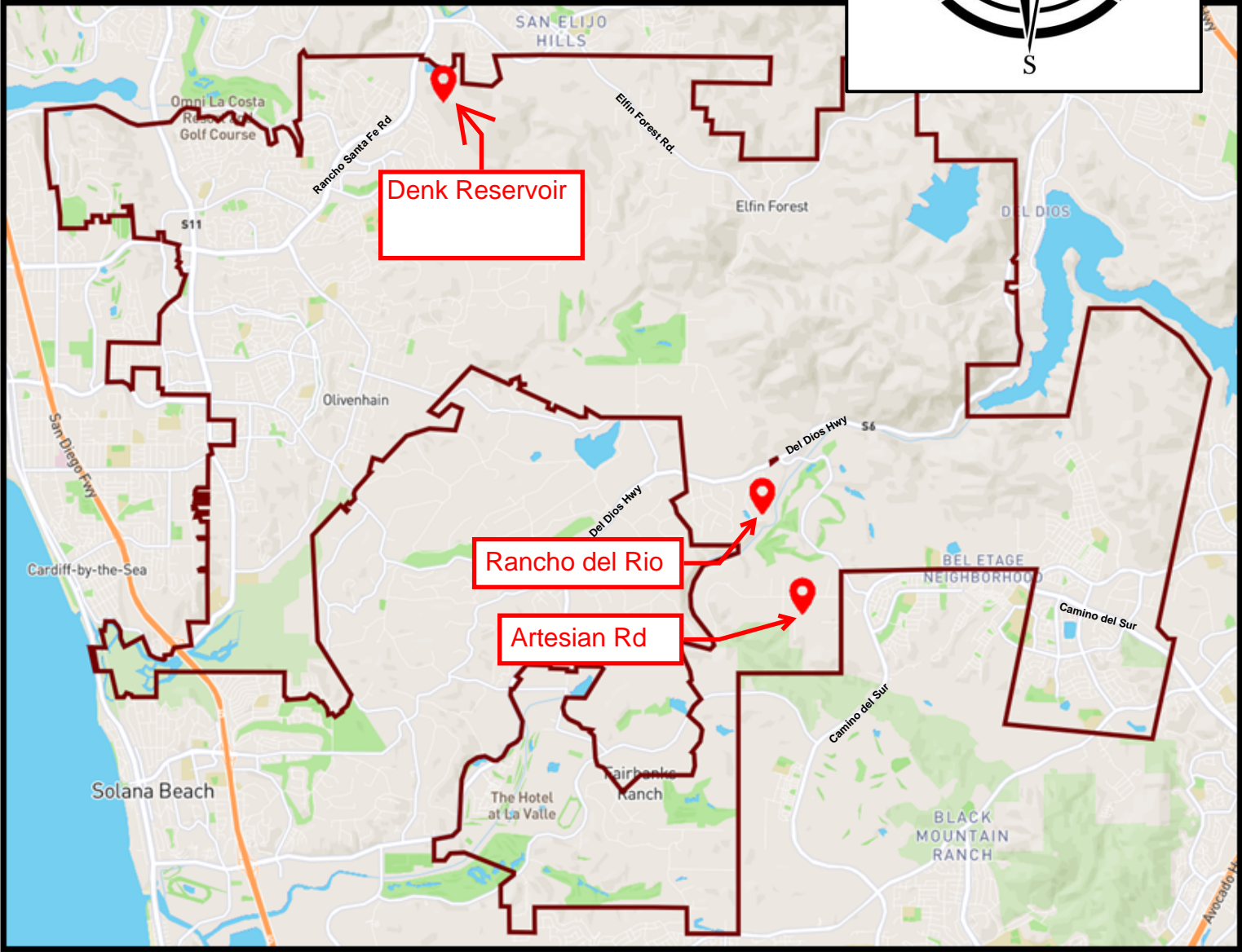
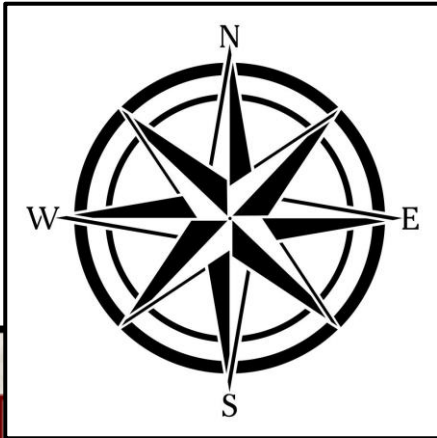
Staff is available to answer any questions.

Prepared by: Steven Weddle, Engineering Services Supervisor
Reviewed by: Lindsey Stephenson, Engineering Manager
 Joey Randall, Assistant General Manager
Approved by: Kimberly A. Thorner, General Manager

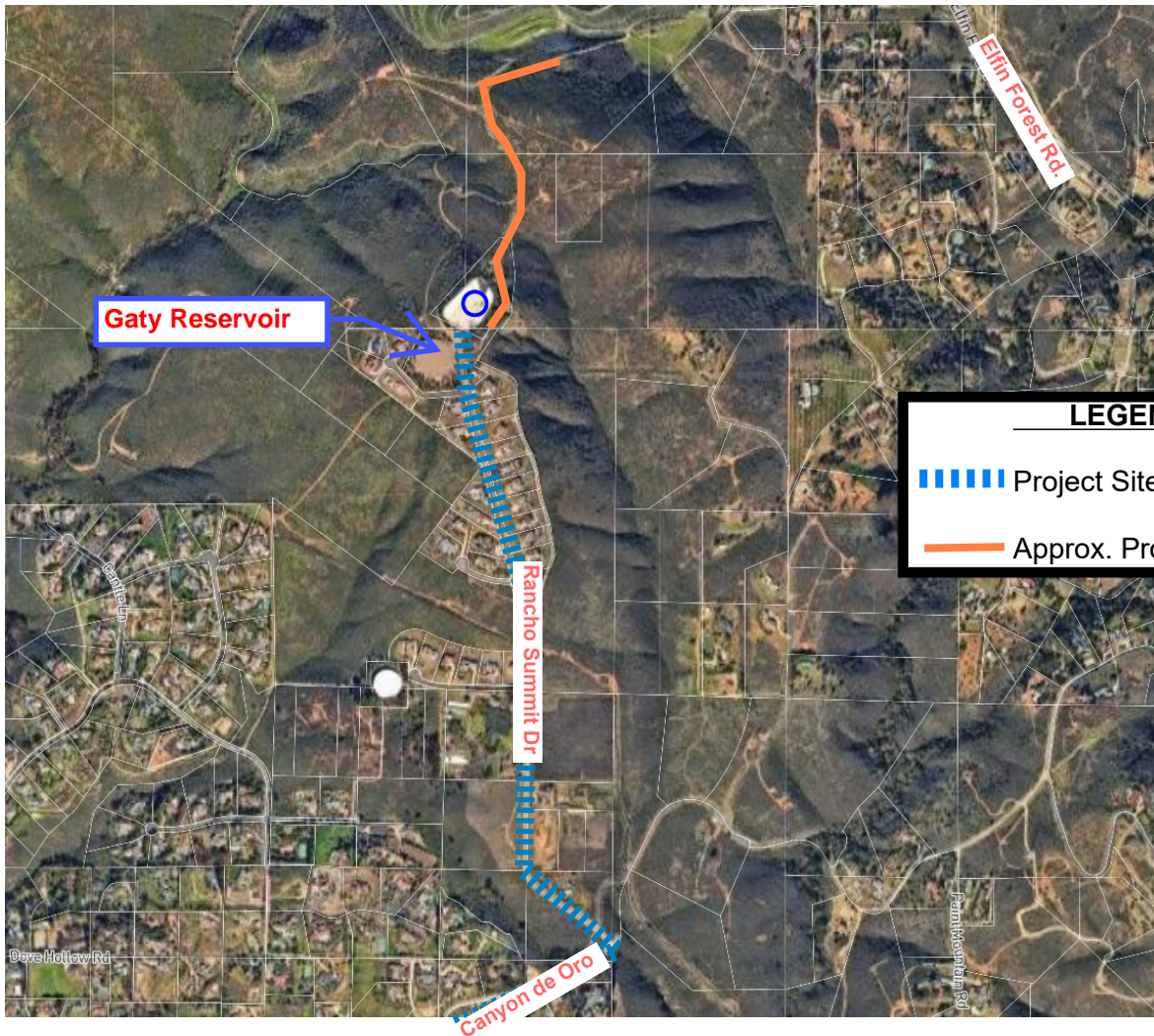
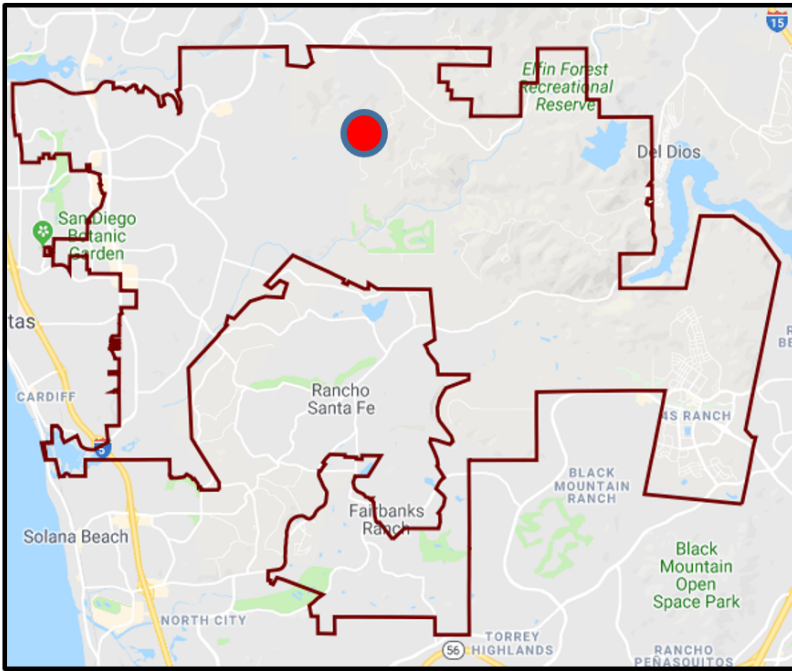
Attachments:
Project Site Maps
Notice of Completion



**OMWD CATHODIC PROTECTION IMPROVEMENTS
PROJECT FY 2026 (D120038)
ZORRO RESERVOIR ANODE REPLACEMENT**



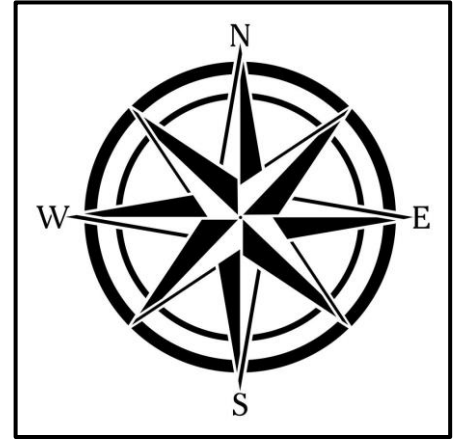
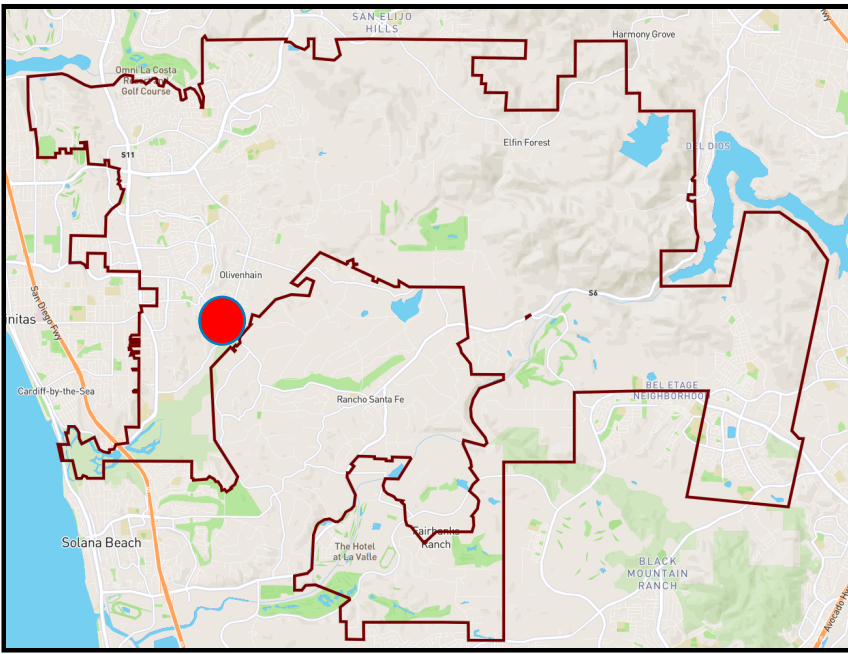
**OMWD CATHODIC PROTECTION IMPROVEMENTS
PROJECT FY 2026 (D120038)
PIPELINE EXPLORATION & CP TEST STATION**



LEGEND

- Project Site Access Roads
- Approx. Project Alignment

**OMWD CATHODIC PROTECTION IMPROVEMENTS
PROJECT FY 2026 (D120038)
GATY TRANSMISSION CP REPAIR**



OMWD CATHODIC PROTECTION IMPROVEMENTS PROJECT FY 2026 (D120038) ENCINITAS BLVD. CP REPAIRS

**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 Cathodic Protection facilities for: Zorro Reservoir, off Circa Oriente, Rancho Santa Fe, CA 92067; pipeline segments at Denk Reservoir, off Rancho Santa Fe Road, San Diego, CA 92009; pipeline segments along Rancho Del Rio Road, Rancho Santa Fe, CA 92067; pipeline segments along Artesian Road, San Diego, CA 92127; transmission pipe near Gaty Reservoir, along Rancho Summit Drive, San Diego, CA 92029; and a pipeline segment near 162 Rancho Santa Fe Road, City of Encinitas, CA 92024, located in the County of San Diego, State of California for which OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner." in fee), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with Farwest Corrosion Control Company ("Contractor"), located at 12029 Regentview Ave., Downey, California, 90241, have been completed in accordance with the plans and specifications as of May 20, 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of May 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 _____, 2026

By: _____
Kimberly A. Thorner
General Manager

Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jesse Bartlett-May, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ACCEPTANCE OF THE EL CAMINO REAL SERVICE LINE REPLACEMENT INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED**

Purpose

The purpose of this agenda item is to consider acceptance of the El Camino Real Service Line Replacement 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 new service line into OMWD's system as the work is now complete.

Alternative(s)

None; the project is complete and constructed in accordance with OMWD standards.

Background

A two-inch copper service lateral connected to a 10" Asbestos Cement pipe supplies the Olson's Hand Car Wash located at 127 S. El Camino Real. A leak was identified and repaired on this service lateral.

Fiscal Impact

The District entered into a contract with Cass Arrieta for a not-to-exceed amount of \$20,000. This contract will be paid via the Replace Pipeline budget.

Discussion

District staff began repairs on the leak located at 127 S. EL Camino Real on February 27, 2026. Due to the leak being in the busy thoroughfare of El Camino Real, the City of Encinitas required this work to be completed at night. OMWD staff began work to excavate and locate the source of the leak and Staff located and isolated the leak by 1am. However, staff ran into a large concrete encased utility package that was twice as big as anticipated. For these reasons crews pivoted and got off the roadway before the permitted work hours expired. Staff called several contractors to come out and quote the remaining work to pull a new service line. Cass Arrieta was available and had the right tools required to quickly complete the work at a low cost.

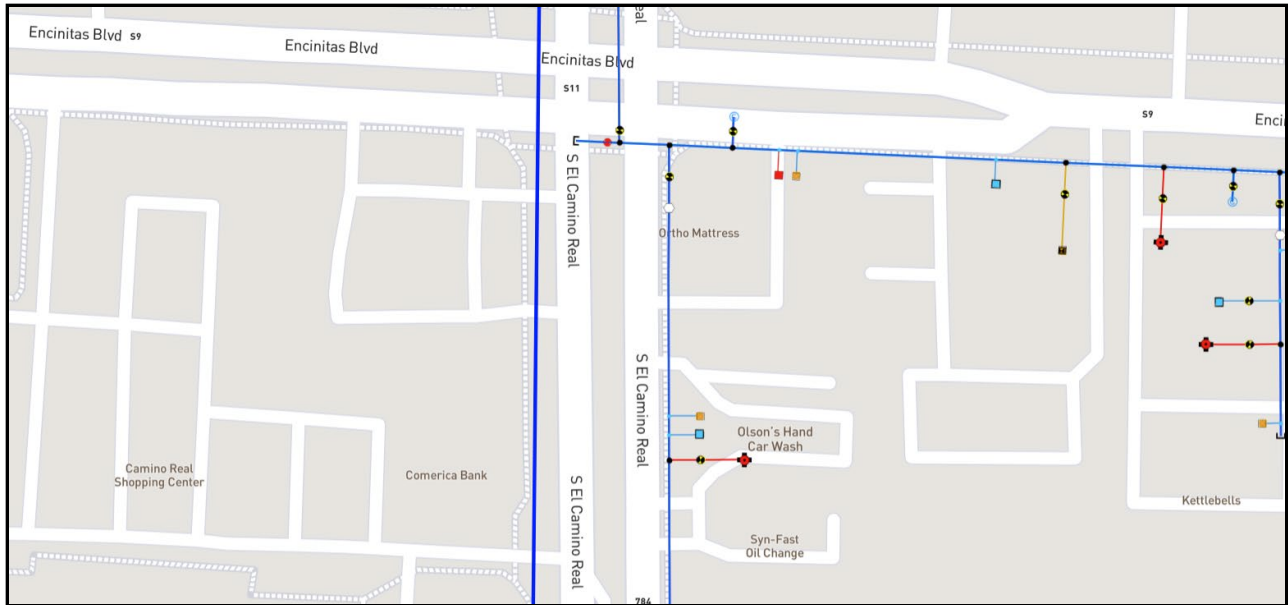
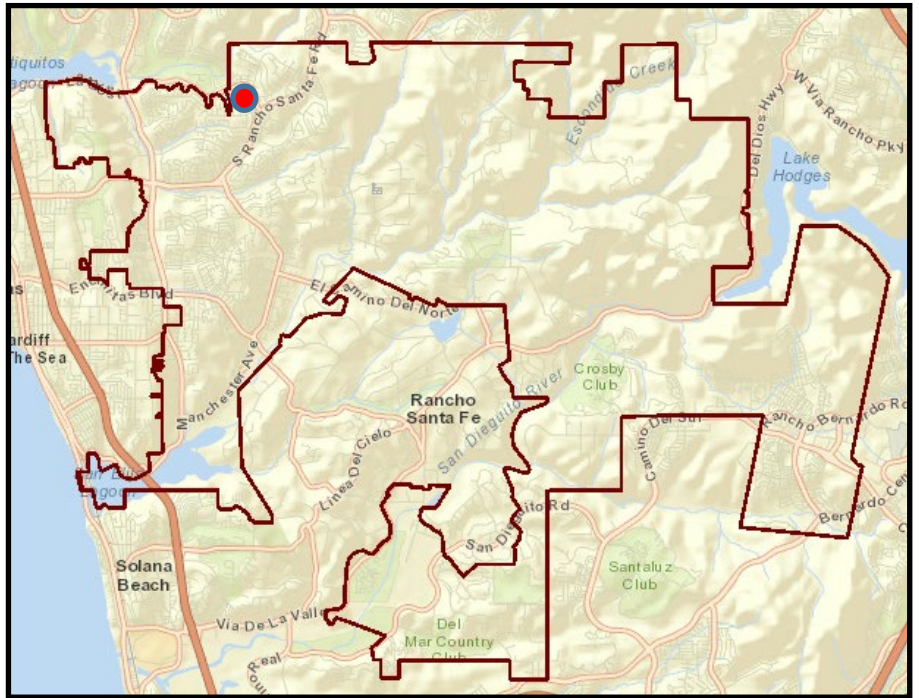
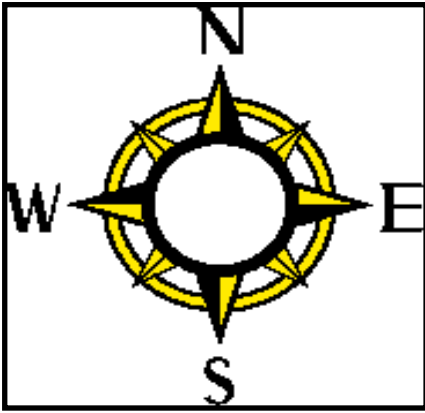
Cass completed the service line replacement on March 12, 2026. After working with the City on paving repair requirements, Cass's paving subcontractor returned to perform final paving repairs on March 23, 2026.

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. Notice of Completion*



EL CAMINO REAL SERVICE LINE REPLACEMENT PROJECT
OMWD PROJECT NO. D120171

**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 for the El Camino Real Service Line Replacement Project located at 127 S. El Camino Real Encinitas, 92024 located in the County of San Diego, State of California for which OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner" in fee), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with CASS ARRIETA ("Contractor"), located at 1105 N. Marshall Ave., El Cajon, CA 92020, have been completed in accordance with the plans and specifications as of March 24, 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of May, 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 _____, 2026

By: _____
Kimberly A. Thorner
General Manager

Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Kimberly Thorner, General Manager
Subject: **CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT HONORING MARLO REED FOR OVER 25 YEARS OF SERVICE UPON HIS RETIREMENT AS INSPECTOR II AND DECLARING MAY 20, 2026, AS MARLO REED DAY**

Purpose

The purpose of this item is to consider the attached retirement resolution for Marlo Reed.

Recommendation

Staff recommends that the Board approve the attached resolution.

Alternative(s)

- The Board may elect against adoption of the resolution.
- The Board may direct Staff as otherwise deemed appropriate.

Background

Traditionally and as part of the “Employee Service Recognition and Retirement Guidelines,” District employees receive resolutions upon attaining 25 years of service and upon retiring with more than 20 years of service. Mr. Reed is retiring in May with over 25 years of dedicated service.

Fiscal Impact

Approximately \$200.00 to mat and frame this resolution is the only cost associated with this action.

Prepared by: Stephanie Kaufmann, Executive Secretary

Reviewed by: Kimberly Thorner, General Manager

Approved by: Kimberly Thorner, General Manager

Attachment: Resolution 2026-05

RESOLUTION NO. 2026-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE OLIVENHAIN MUNICIPAL WATER DISTRICT
HONORING **MARLO REED** FOR OVER 25 YEARS OF SERVICE
UPON HIS RETIREMENT AS INSPECTOR II

WHEREAS, the Olivenhain Municipal Water District has acknowledged the retirement of MARLO REED, effective June 2, 2026 who has served the District since October 2000; and

WHEREAS, MARLO REED has served the District for more than 25 years and, during his tenure with the Olivenhain Municipal Water District, demonstrated notable leadership, loyalty and dependability; and implementation of several Marloisms.

WHEREAS, MARLO REED began serving the District in October 2000 as an Inspector, and was promoted to Inspector II; and served OMWD with exceptional expertise.

WHEREAS, MARLO REED has been responsible for accurately locating facilities, performance standards of the District, inspecting and determining facility compliance and conformance with the approved plans, specifications, rules, and regulations; and oversight of construction of numerous District assets.

WHEREAS, MARLO REED has held himself, his department, and all consultants to the highest standards and work ethic throughout his career; and been an effective collaborator, colleague, and friend.

WHEREAS, MARLO REED has been instrumental in the success of the district and the Engineering Department and could always be counted on to lead during emergencies and major district projects; and no matter how hard he tries, he can't stay mad at the General Manager.

WHEREAS, MARLO REED has always been a mentor at the District and has taught many generations of employees skills of the trade; and used up many crayons explaining the process.

WHEREAS, we hope MARLO REED will enjoy time with his family and continue to invent and tinker in his garage; and be the next entrepreneur the world needs.

WHEREAS, MARLO REED knows "It is the exact same every time. It is just different this time."

WHEREAS, MARLO REED has dedicated his expertise and service in inspecting facilities within the District to maintain the Pure Excellence standard, for the people of the Olivenhain Municipal Water District and should be commended for over 25 years of dedicated public service upon retirement; and consistently addressing the needs of OMWD.

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

Section 1: The Board of Directors on behalf of the citizens of the District, do hereby express their appreciation and honor MARLO REED for his more than 25 years of dedicated service with the Olivenhain Municipal Water District and declare May 20, 2026 as Marlo Reed Day.

Section 2: The dedication of MARLO REED as an Inspector II of the Olivenhain Municipal Water District has contributed to the progress of the District and is hereby memorialized as a permanent part of the records of the Olivenhain Municipal Water District.

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors held on May 20, 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: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jesse Bartlett-May, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **PROVIDE A FINAL UPDATE OF THE GENERAL MANAGER'S EMERGENCY DECLARATION FOR THE AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE EMERGENCY LEAK REPAIR PROJECT, APPROPRIATE \$40,000 TO CLOSE OUT THE PROJECT AND ORDER THE NOTICES OF COMPLETION WITH THE SAN DIEGO COUNTY RECORDER**

Purpose

The purpose of this agenda item is to provide a final update on the General Manager's emergency declarations for the Azahar/Cadencia/Romeria Streets and Aldea Place Leak Repair Project (Project), appropriate an additional \$40,000 to the Project budget from the Capital Reserve Fund to close out the Project and order a Notices of Completion (NOC) with the San Diego County Recorder for both Cass Arrieta (Cass) and Joe's Paving Inc., (Joe's).

Recommendation

Staff recommends the Board take the following actions:

- Authorize an appropriation of \$40,000 to close out the Project.
- Accept the Project into OMWD's system.
- Order the Notices of Completion with the San Diego County Recorder.

Alternative(s)

The Board could elect to:

- Not approve the appropriation in which case the District may be unable to pay final invoices to close out the Project.
- Not file the NOC's, which would increase the time subcontractors, suppliers, and general contractors have to file a lien from 30 days to 90 days.

Background

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 Board Meeting. Staff updated the Board at its September 17, 2025, October 15, 2025, November 19, 2025, December 17, 2025, January 21, 2026, February 18, 2026, March 18, 2026, and April 15, 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.

Fiscal Impact

At the September 17, 2025 meeting, the Board authorized and OMWD subsequently entered into a not-to-exceed contract with Cass Arrieta (Cass) for \$2,000,000. At the December 17, 2025 Board Meeting, the Board approved an additional \$600,000 worth of work from Cass. OMWD also entered into an agreement with Ninyo & Moore for geotechnical services in an amount not-to-exceed \$90,316.00. While Ninyo & Moore (Ninyo) was able to keep to the budget under this agreement they were also utilized under another as-needed contract already in place with Engineering when the emergency first took place. These costs were then reclassified to the Project to accurately account for all costs related to the Project which brought their total expenditures to \$117,441. Along with Ninyo, HDR assisted with pipeline investigation for a total contract amount of \$38,000.

OMWD also entered into a contract with Joe's Paving Inc. (Joe's) for a not-to-exceed amount of \$1,010,000 to provide paving services and the Board approved Change Order 1 for \$190,000 at the December 17, 2025 meeting. On February 26, 2026 the General Manager approved Change Order 2 in an amount of \$70,000, bringing their total contract amount to \$1,270,000.

An appropriation of \$110,00 to the Project from the Capital Reserve Fund was requested at the April 15, 2026 meeting to cover overages in labor and miscellaneous costs and

\$30,000 of that was earmarked to cover any remaining costs required to complete the project.

Although staff estimated an additional \$30,000 to cover the remaining costs associated with the Project there are still a number of outstanding items yet to be invoiced. Some of these outstanding items include removal and disposal of remaining asbestos concrete pipe from the OMWD yard as all piping could not fit in the truck during the last haul. Additional geotechnical services were required as the City requested to expand a patch repair on La Costa Road. A manhole liner was found damaged by Leucadia Wastewater and requires repair. For these reasons staff is asking for a final appropriation of \$40,000 to close out the project.

Below is a table of the total expenditures throughout the Project:

| | Appropriated To-Date | Expended | Remaining | Notes |
|---------------------|----------------------|--------------------|-----------------------------|---|
| Cass Arrieta | \$2,600,000 | \$2,553,836 | -\$46,164 | |
| Joe's Paving | \$1,270,000 | \$1,262,681 | -\$7,319 | |
| Ninyo & Moore | \$90,316 | \$117,442 | \$27,125 | |
| HDR | \$38,000 | \$37,986 | -\$14 | |
| Labor | \$250,000 | \$346,263 | \$39,678 | |
| Miscellaneous | \$101,684 | \$156,402 | -\$23,598 | |
| Additional | \$110,000 | | | Board approved appropriation at 4/15/26 |
| Total | \$4,460,000 | \$4,474,610 | \$14,610 Over Budget | |
| Final Appropriation | \$40,000 | | | Project close out |
| New Total | \$4,500,000 | | | |

Discussion

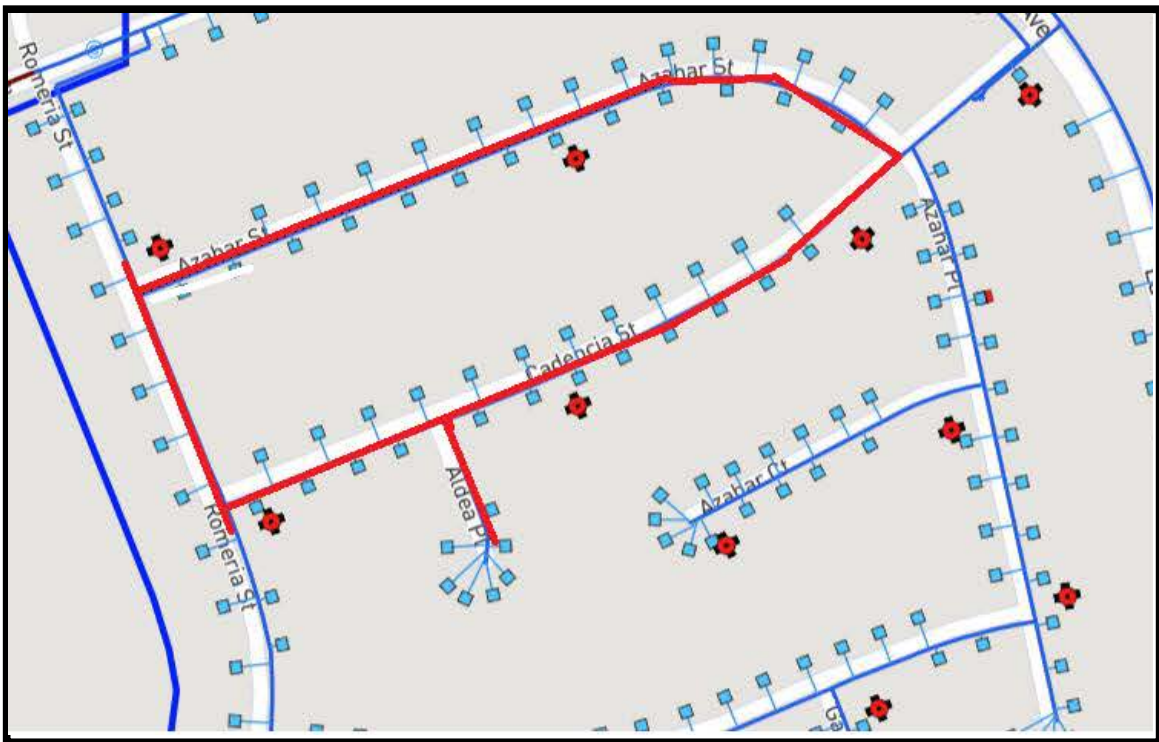
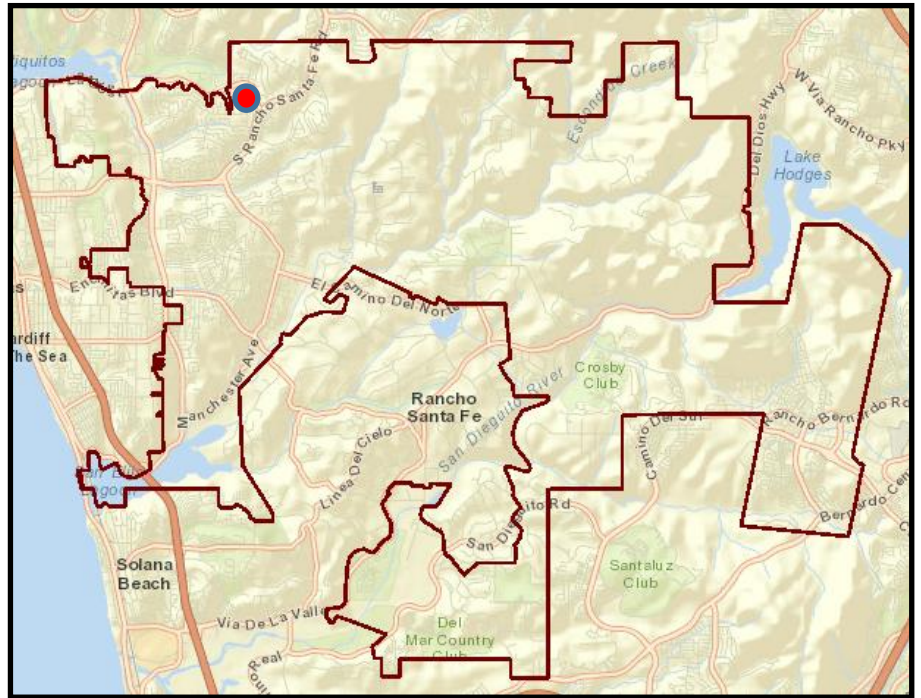
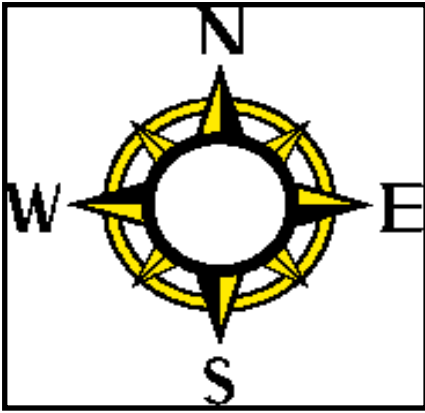
Since the last board meeting on April 15, 2026, the final slurry seal by Joe's Paving took place on April 20, 2026 and April 21, 2026. All work related to the Project is now complete.

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. Azahar/Cadencia/Romeria Streets and Aldea Place Emergency Leak Repair Update PowerPoint Presentation
- C. Notice of Completion – Cass Arrieta
- D. Notice of Completion – Joe's Paving



**AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE
EMERGENCY LEAK REPAIR PROJECT
OMWD PROJECT NO. D120214**

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

May 20, 2026











Questions?

**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 for the Azahar/Cadencia/Romeria Streets and Aldea Place Emergency Leak Repair Project located in Carlsbad, 92009 located in the County of San Diego, State of California for which OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner" in fee), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with CASS ARRIETA ("Contractor"), located at 1105 N. Marshall Ave., El Cajon, CA 92020, have been completed in accordance with the plans and specifications as of February 28, 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of May, 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 _____, 2026

By: _____
Kimberly A. Thorner
General Manager

**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 for the Azahar/Cadencia/Romeria Streets and Aldea Place Emergency Leak Repair Project located in Carlsbad, 92009 located in the County of San Diego, State of California for which OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner" in fee), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with Joe's Paving Company Inc., located at 28404 Lizard Rocks Road, Valley Center, CA 92082, have been completed in accordance with the plans and specifications as of April 22, 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of May, 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 _____, 2026

By: _____
Kimberly A. Thorner
General Manager



Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jesse Bartlett-May, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER AN APPROPRIATION OF \$208,000 TO THE “REPLACE PIPELINES CIP” AND \$100,000 TO “REPLACE VALVES CIP” BUDGETS FROM THE CAPITAL RESERVE FUND**

Purpose

The purpose of this agenda item is to consider additional appropriations of \$208,000 to the Replace Pipelines CIP and \$100,000 to the Replace Valves CIP from the Capital Reserve Fund.

Recommendation

Staff recommends the Board appropriate \$208,000 to the Replace Pipelines CIP and \$100,000 to the Replace Valves CIP from the Capital Reserve Fund.

Alternative(s)

The Board could elect to:

1. Only appropriate enough funds to cover the current overages; or
2. Not appropriate any funds; or
3. Proceed in a manner as otherwise directed by the Board.

Background

Every two years OMWD Staff presents a preliminary operating and capital budget to the Board for approval. For fiscal years 2025 and 2026 the Replace Pipelines CIP was approved for \$500,000 and \$515,000 respectively. The Replace Valves CIP was approved for \$750,000 and \$773,000 respectively. Historically the amounts budgeted for these recurring projects have been adequate. Due to the unprecedented events that occurred during the Azahar Emergency Project these funds were fully expended before the end of the current fiscal year. Along with the current overages there are other repair projects that have taken place, including the El Camino Real service leak totaling \$20,000 and other smaller repairs. These projects would typically be charged to the Replace Pipelines budget; however, the Replace Pipelines budget has been depleted.

Fiscal Impact

Currently the Replace Pipelines CIP budget is over budget \$72,115 with another \$35,000 earmarked for various paving jobs related to small leaks around the District. Staff is proposing to cover the current overages and appropriate an additional \$100,000 to the budget to cover any additional costs that may be incurred before the end of the fiscal year. The total appropriation to Replace Pipelines rounded up would be \$208,000.

Replace Pipelines CIP

Is this a Multi Fiscal Year Project? Yes

In which FY did this capital project first appear in the CIP budget? 2013

Total Project Budget: \$5,195,000

Current Fiscal Year Appropriation: \$515,000

To Date Approved Appropriations: \$1,015,000

Target Project Completion Date: 06/30/2026

Expenditures and Encumbrances as of (month-end date): \$1,087,115

If this change order is outside of the appropriation, Source of Fund:
Capital Reserved Fund.

Currently the Replace Valves CIP is over budget \$42,992. Staff is proposing to cover the current overages and appropriate an additional \$50,000 to the budget to cover any other costs that may be incurred before the end of this fiscal year. The total appropriation to Replace Valves rounded up would be \$100,000.

Replace Valves CIP

Is this a Multi Fiscal Year Project? Yes

In which FY did this capital project first appear in the CIP budget? 2013

Total Project Budget: \$8,830,600

Current Fiscal Year Appropriation: \$773,000

To Date Approved Appropriations: \$1,523,000

Target Project Completion Date: 06/30/2026

Expenditures and Encumbrances as of (month-end date): \$1,037,792

If this change order is outside of the appropriation, Source of Fund:
Capital Reserved Fund.

With the request to replenish both Replace Pipeline CIP and Replace Valves CIP budgets (\$308,000), along with the Edgefield Emergency (\$90,000), and the Azahar Emergency (\$40,000) appropriation requests (action items 13 and 11) a total appropriation of \$438,000 is being requested from the Capital Reserve Budget. This would leave a balance in the Capital Reserve Fund of \$34.9 million. The maximum limit for this fund is \$97.5 million, and the minimum is \$19.5 million leaving OMWD within the fund balance limits.

Discussion

As discussed in the Background section, the Azahar Emergency Project and the major valve replacements at Mountain Vista have fully drained the Replace Valves and Replace Pipelines CIP Budgets. The El Camino service repair and other leaks will deplete these project budgets further. For these reasons Staff is requesting the appropriations listed above to cover the current overages and any other events that may take place before the end of the current fiscal year.

Staff is available to answer any questions.

Prepared by: Jesse Bartlett-May, Operations Manager

Reviewed by: Joey Randall, Assistant General Manager

Approved by: Kimberly A. Thorner, General Manager

Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jesse Bartlett-May, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER THE FOLLOWING ACTIONS RELATED TO THE EDGEFIELD LANE EMERGENCY LEAK REPAIR:**

- A. REVIEW THE FINAL UPDATE TO THE GENERAL MANAGER'S EMERGENCY DECLARATION FOR THE EDGEFIELD LANE LEAK REPAIR PROJECT
 - B. AUTHORIZE APPROVAL OF AN APPROPRIATION TO THE PROJECT BUDGET IN AN AMOUNT OF \$90,000 FROM THE CAPITAL RESERVE FUND AND A NOT TO EXCEED CONTRACT WITH CASS ARRIETA IN THE AMOUNT OF \$60,000 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
 - C. ADOPT A RESOLUTION MAKING CEQA FINDINGS AND ORDERING A NOTICE OF EXEMPTION BE FILED WITH THE SAN DIEGO COUNTY CLERK AND THE STATE CLEARINGHOUSE AT THE GOVERNOR'S OFFICE OF PLANNING AND RESEARCH AND ACCEPT THE PROJECT INTO OMWD'S SYSTEM
 - D. AUTHORIZE THE FILING OF THE NOTICE OF COMPLETION WITH THE SAN DIEGO COUNTY RECORDER
-

Purpose

The purpose of this agenda item is to provide a final update on the General Manager's emergency declaration for the Edgefield Lane Emergency Leak Repair Project (Project) in accordance with Administrative & Ethics Code Section 3.2.1. The General Manager declared an emergency on Tuesday April 14, 2026 and, pursuant to Administrative and Ethics Code Section 3.2.1, the Board shall review the General Manager's emergency action at the next board meeting and per California Public Contracting Code §22050 at every regularly scheduled meeting thereafter until the Project is completed.

Additionally, staff is requesting that the Board consider approval of an appropriation to the Project budget in an amount of \$90,000 from the Capital Reserve Fund and approval of a not-to-exceed contract with Cass Arrieta for an amount of \$60,000 and authorize the General Manager to sign on behalf of the District. Staff is also requesting adoption of the proposed Resolution and California Environmental Quality Act (CEQA) findings and to authorize staff to file a Notice of Exemption (NOE) for the Project with the San Diego County Clerk and the State Clearinghouse at the Governor's Office of Planning and Research (OPR) and accept the project into OMWD's system and authorize the filing of the Notice of Completion with the San Diego County Recorder.

Recommendation

Staff recommends the Board take the following actions:

1. Review the final update to the General Manager's emergency declaration.
2. Consider an appropriation of \$90,000 to the Project budget from the Capital Reserve Fund.
3. Authorize approval of a not-to-exceed contract with Cass Arrieta for an amount of \$60,000 and authorize the General Manager to sign on behalf of the District.
4. Adopt a resolution making CEQA findings and ordering a Notice of Exemption (NOE) be filed with the San Diego County Clerk and the State Clearinghouse at the Governor's Office of Planning and Research and accept the project into OMWD's system.
5. Authorize the Notice of Completion with the San Diego County Recorder.

Alternative(s)

Although the proposed project qualifies as an Emergency Project under California Public Resources Code Section 21080(b)(2) and as Statutorily Exempt under CEQA Guidelines Section 15269(b) and (c) and Section 15282(k), the Board could elect to:

1. Adopt the NOE and direct Staff to not file the NOE, which would increase the Statue of Limitation for filing protests against the project from 35 days to 180 days.
2. Determine that CEQA is not required for this project and not adopt the Resolution.
3. Not file the NOC, which would increase the time subcontractors, suppliers, and the general contractor have to file a lien from 30 days to 90 days.

Background

On the evening of Tuesday April 14, 2026 Staff received a call from the Encinitas Fire Department of a possible leak on Edgefield Lane, located in Director Division 3 (Guerin). Staff arrived quickly and were able to slow the leak considerably. Nearby construction crews were towing a backhoe back to the yard and were able to respond expeditiously. Crews quickly began excavating the sink hole, which included removal of heavy asphalt. Once crews were able to remove the asphalt and excess water from the hole, they found conflicting utilities including gas and electrical lines. Staff quickly realized they would have to dig back past these conflicting utilities and remove a large portion of concrete which posed a safety concern and would keep customers out of water for an extended period of time. This 6" AC Pipe break was a "sudden, unexpected occurrence that posed a clear and imminent danger, requiring immediate action to prevent and mitigate the loss or impairment of life, health, property, or essential public service."

For the reasons listed above the General Manager officially declared an emergency on the evening of April 14, 2026. Staff reached out to Cass Arrieta (Cass) which had crews available to respond immediately. Cass arrived on scene by 9pm and the foreman and equipment arrived at 10:00pm and began work to repair the pipeline. The initial repair was made within four hours; however, there was a break discovered further down the line and began working to replace that section. Repairs were completed before 4am and crews backfilled the trench and were offsite by 5:00 am.

Staff updated the board the following day at the April 15, 2026 Board Meeting.

Fiscal Impact

Staff is asking the Board to approve the not-to-exceed contract with Cass for an amount of \$20,000. This contract plus OMWD labor, soils technicians, and AC pipe removal will require an additional appropriation of \$90,000 from Replace Pipelines Project.

Is this a Multi Fiscal Year Project? No

In which FY did this capital project first appear in the CIP budget? 2026

Total Project Budget: \$ 90,000

Current Fiscal Year Appropriation: \$0

To Date Approved Appropriations: \$0

Target Project Completion Date: 05/05/2026

Expenditures and Encumbrances as of (month-end date): \$20,829

Is this change order within the appropriation of this fiscal year? N/A

Discussion

Since the last update to the Board at the April 15, 2026 Board Meeting all repairs to the pipeline have been made. Staff also worked with the HOA and Cass to perform repairs to the damaged concrete gutter and asphalt. Due to the conditions of the base soil, some additional work was required to bring the base to an acceptable moisture content and compaction percentage including the addition of a geo-gird. This Project is now complete.

Staff is available to answer any questions.

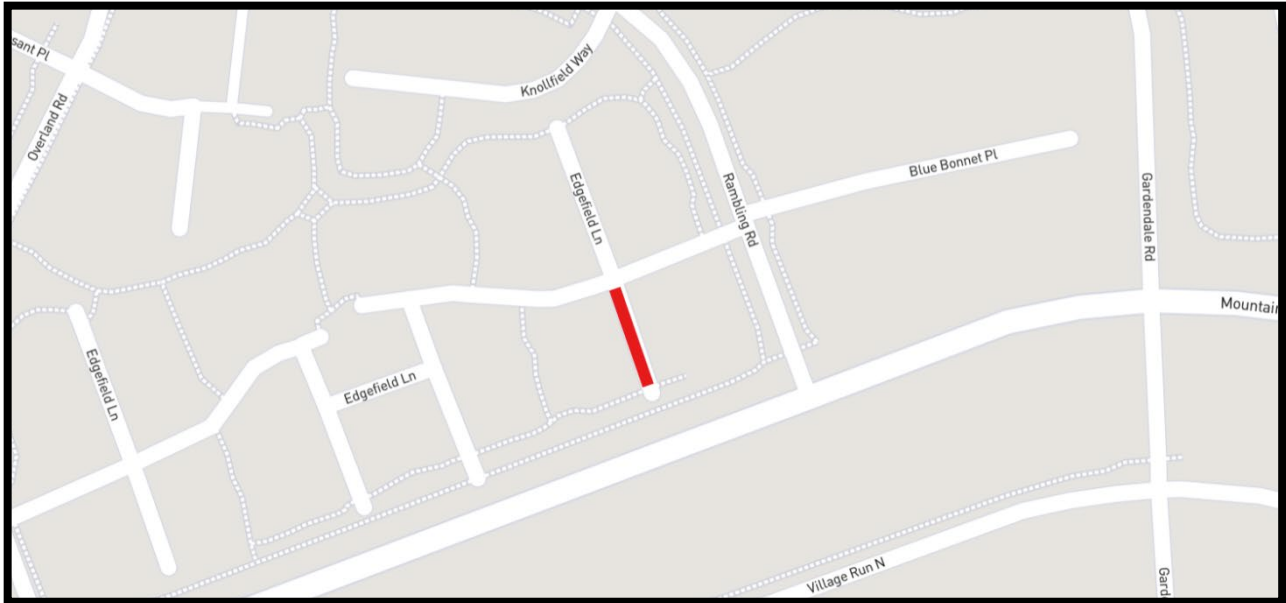
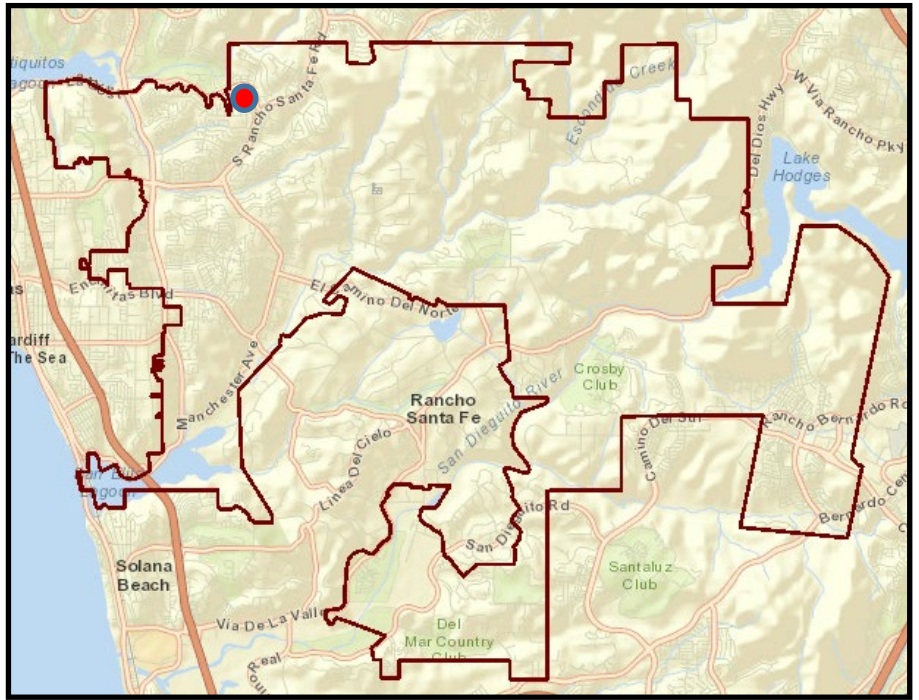
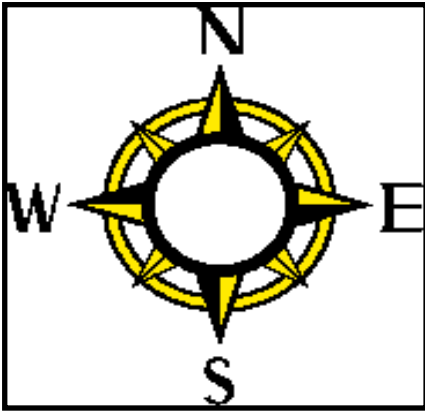
Prepared by: Jesse Bartlett-May, Operations Manager

Reviewed by: Joey Randall, Assistant General Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments

- A. *Location Map*
- B. *PowerPoint*
- C. *NOE Resolution*
- D. *Notice of Exemption*
- E. *Notice of Completion*

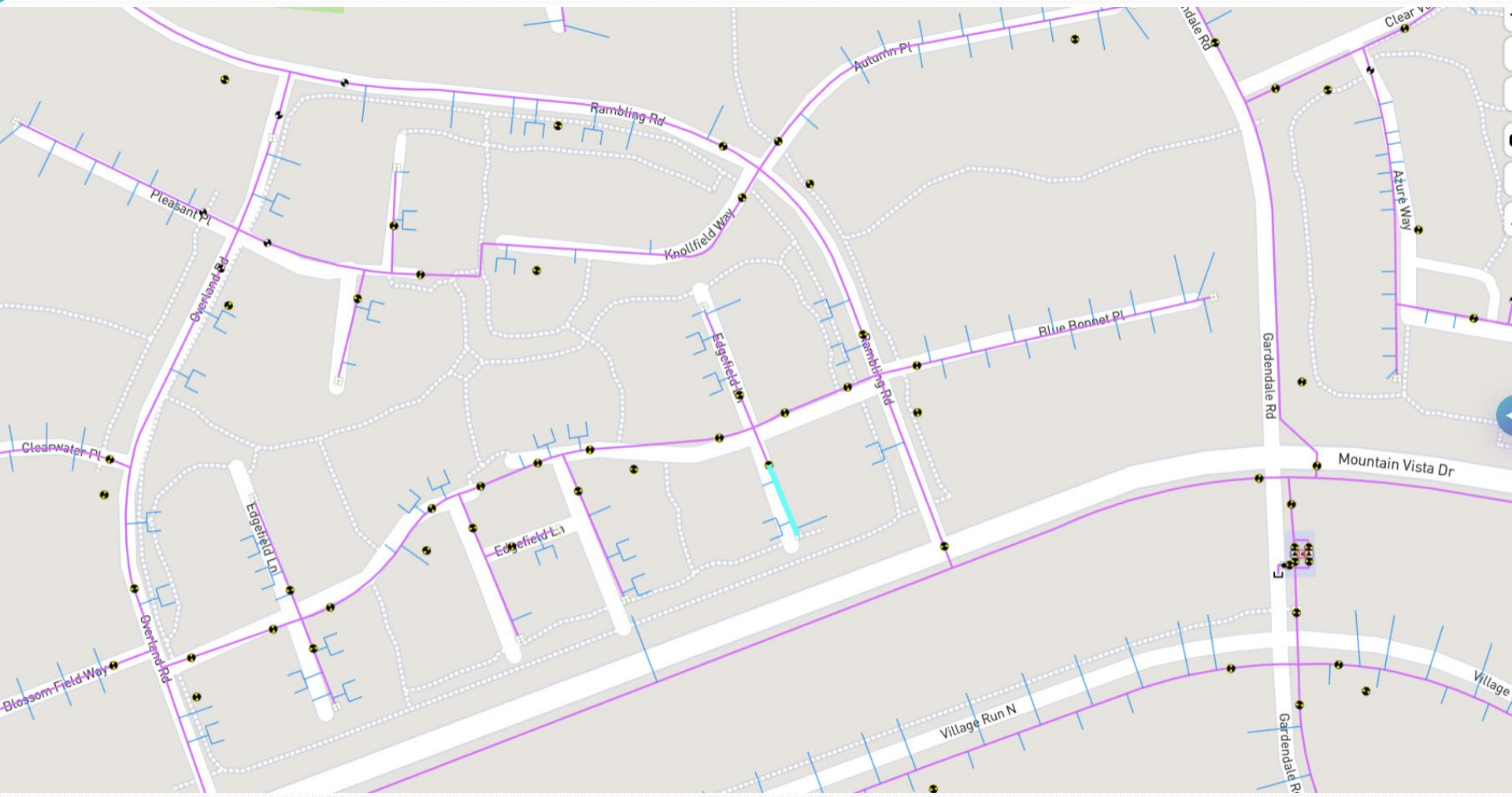


EDGEFIELD LANE EMERGENCY LEAK REPAIR PROJECT
OMWD PROJECT NO. D120217

Edgefield Lane Leak Repair Emergency Project

May 20, 2026





Pipeline Repairs Complete



Gutter Repair







Base Paving With Geo-Grid





NO
PARKING
EXCEPT
FOR
CARS

1000



Questions

RESOLUTION NO. 2026 -

RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT MAKING FINDINGS FOR THE EDGEFIELD LANE EMERGENCY LEAK REPAIR PROJECT AND ORDERING A NOTICE OF EXEMPTION FILED WITH THE COUNTY CLERK, COUNTY OF SAN DIEGO AND THE STATE CLEARINGHOUSE AT THE GOVERNOR'S OFFICE OF PLANNING AND RESEARCH

WHEREAS, the Olivenhain Municipal Water District is a water agency organized and operating pursuant to California Water Code Section 71000 et seq.; and

WHEREAS, the Olivenhain Municipal Water District owns and operates a 6-inch distribution main asbestos cement (AC) pipeline in Edgefield Lane, constructed in 1978 and located in the County of San Diego, State of California. The potable water distribution pipeline located in Edgefield Lane provides high water quality and supply reliability to the residential communities and other customers in the service area; and

WHEREAS, on April 14, 2026, OMWD staff were notified of excessive water flow in the roadway on Edgefield Lane. Visual examination, system isolation, and excavation revealed a broken pipeline, rendering it susceptible to immediate failure. Staff and contractor executed the repair of the leaking pipe; and

WHEREAS, under the State of California Public Resources Code Sections 21080(b)(2) and California Environmental Quality Act (CEQA) Guidelines Article 18, Sections 15269(b) and (c), the Edgefield Lane Emergency Leak Repair project qualifies as an Emergency Project necessary to maintain service essential to public health and safety and the repair is necessary to prevent an emergency, which statutorily exempts the Edgefield Lane Emergency Leak Repair project from the provisions of CEQA; and

WHEREAS, CEQA Guidelines Article 18, Section 15282(k) additionally statutorily exempts the maintenance, repair, and restoration of an existing pipeline, as long as the project does not exceed one mile in length and does not involve any above-ground appurtenances; and

WHEREAS, pursuant to the CEQA Guidelines, the Olivenhain Municipal Water District Board of Directors has caused to be prepared a Notice of Exemption according to CEQA Guidelines Article 18, Section 15062; and

WHEREAS, having heard, considered, and reviewed information from interested persons who expressed their views to the Board of Directors, it is in the interest of the Olivenhain Municipal Water District and the people it serves to order a Notice of Exemption filed with the County Clerk, County of San Diego and the State Clearinghouse at the Governor's Office of Planning and Research; and

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

SECTION 1: The foregoing facts are found and determined to be true and correct.

SECTION 2: In accordance with the California Environmental Quality Act Guidelines Section 15061, the Board of Directors finds and determines that the Edgefield Lane Emergency Leak Repair project is exempt from CEQA for the following reasons:

- 1) California Public Resources Code Section 21080(b)(2) allows for Emergency repairs to public service facilities necessary to maintain service.
- 2) CEQA Guidelines Article 18, Section 15269(b) statutorily exempts emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety or welfare.
- 3) CEQA Guidelines Article 18, Section 15269(c) statutorily exempts specific actions necessary to prevent or mitigate an emergency.
- 4) CEQA Guidelines Article 18, Section 15282(k) statutorily exempts the installation of new pipeline or maintenance, repair, restoration, removal, or demolition of an existing pipeline as long as the project does not exceed one mile in length and does not involve any above-ground appurtenances.

SECTION 3: The Board of Directors of the Olivenhain Municipal Water District hereby finds and determines that immediate action is required to repair a portion of the Edgefield Lane Pipeline, which is vital to the provision of potable water and fire service to the residents and other customers. For this reason, the Board of Directors of the District finds that an emergency exists within the meaning of Public Resources Code Section 21080(b)(2) requiring the commencement of immediate emergency repair work to the Edgefield Lane Pipeline to ensure potable water and fire service is maintained to existing customers.

SECTION 4: The Board of Directors of the Olivenhain Municipal Water District hereby directs staff to promptly file a Notice of Exemption with the County Clerk of the County of San Diego and the State Clearinghouse at the Governor's Office of Planning and Research stating that the project is exempt from the reporting requirements of CEQA in accordance with Public Resources Code Sections 21080(b)(2) and CEQA Guidelines Sections 15269(b) and (c), and 15282(k), and to immediately commence all work repair necessary to the Edgefield Lane Pipeline as quickly as possible.

RESOLUTION NO. 2026 - continued

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors of the Olivenhain Municipal Water District held on Wednesday, May 20, 2026.

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/

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

ATTEST:

Christy Guerin Secretary
Board of Directors
Olivenhain Municipal Water District

Notice of Exemption**Appendix E**

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: _____

From: (Public Agency): _____

(Address)

Project Title: _____

Project Applicant: _____

Project Location - Specific:

Project Location - City: _____ Project Location - County: _____

Description of Nature, Purpose and Beneficiaries of Project:

Name of Public Agency Approving Project: _____

Name of Person or Agency Carrying Out Project: _____

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(2); 15269(b)(c));
- Categorical Exemption. State type and section number: _____
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

Lead Agency

Contact Person: _____ Area Code/Telephone/Extension: _____

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: _____ Title: _____

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

**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 for the Edgefield Lane Emergency Leak Project located at 1787 Edgefield Lane Encinitas, 92024 located in the County of San Diego, State of California for which OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner" in fee), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with CASS ARRIETA ("Contractor"), located at 1105 N. Marshall Ave., El Cajon, CA 92020, have been completed in accordance with the plans and specifications as of May 6, 2026. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of May, 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 _____, 2026

By: _____
Kimberly A. Thorner
General Manager

Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jennifer Joslin, Human Resources Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 3 – Organization of Staff and Article 4 – Classified Positions)**

Purpose

The purpose of this item is to consider adoption of the attached Ordinance amending the District's Administrative and Ethics Code to revise Article 3 – Section 3.1 Organizational Chart of District Personnel and Article 4 – Section 4.4 Salary Schedule and Job Classification.

Recommendation

Adoption of this Ordinance is a housekeeping item to update the District's Administrative and Ethics Code. Staff recommends the Board adopt the Ordinance updating the Organizational Chart for FY 2026/2027 in Section 3.1 and adjusting the job classification list and salary ranges in Section 4.4.

Alternative(s)

The Board could choose not to adopt the Ordinance and direct staff to make further revisions.

Background

The Article 3 Organizational Chart of District Personnel reflects the staffing recommendations presented in the five-year Staffing Analysis document that was previously approved by the Board at its April 15, 2026 meeting. The changes on the 2026/2027 Organizational Chart reflect the addition of the new Senior Risk Analyst position, the title change for the Safety/Risk Compliance Administrator to Safety Administrator, reclassification of one Department Assistant Level I to II, and reclassification of the Engineering Technician Level I to II.

The Article 4 increase to the salary ranges of 6.2% is based on the comprehensive salary survey results which indicated that the District was under market by an average of 6.2%. This range adjustment was previously approved by the Board at its April 15, 2026 meeting and would put the District at the 65th percentile of our negotiated labor market in compliance with our Board-approved Compensation Policy. This is an adjustment to the salary ranges only, not an increase to actual employee pay rates. In addition, the Memorandum of Understanding (MOU) stipulates that further adjustments would be considered for classifications still over or under market by 10% following any salary range changes. After a 6.2% adjustment, the Utility III and Instrument Control Technician I job classifications would still be under market by more than 10%. Thus, those two classifications are being adjusted from salary grade 4 to grade 5. Note, the General Manager's salary is not being changed as it is set separately by the Board at the end of each calendar year.

Fiscal Impact

All costs related to the Ordinance update of Articles 3 and 4 have been included in the budget and were previously discussed in the Staffing Analysis and Salary Survey Report.

Discussion

Staff will be available to answer any questions.

Attachment: Ordinance

Prepared by: Gabriela Saffiote, Human Resources Analyst
Jennifer Joslin, Human Resources Manager
Reviewed by: Jennifer Joslin, Human Resources Manager
Approved by: Kimberly A. Thorner, General Manager

ORDINANCE NO. 5xx

AN ORDINANCE OF THE BOARD OF DIRECTORS OF
OLIVENHAIN MUNICIPAL WATER DISTRICT
AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE
(Article 4 – Classified Positions)

BE IT ORDAINED by the Board of Directors of the Olivenhain Municipal Water District as follows:

SECTION 1: Article 3, Organization of Staff, Organizational Chart of District Personnel is hereby amended (see attached).

SECTION 2: Article 4, Classified Positions, Section 4.4 of the District's Administrative and Ethics Code is hereby amended to read as follows:

Sec. 4.4. Salary Schedule and Job Classification

OLIVENHAIN MUNICIPAL WATER DISTRICT
RANGES FROM ~~12/27/2025~~ 6/27/2026 THROUGH ~~6/26/2026~~ 6/25/2027
(revised ~~12/17/2025~~ 5/20/2026)

| NO. | JOB CLASSIFICATION | GRADE | RANGE | |
|----------|---|-----------|-------------------------------------|---------------------------------------|
| | | | <u>BI-WEEKLY SALARY</u> | |
| | <u>EXEMPT CLASSIFICATION</u> | | | |
| | | | Actual Effective 12/27/25 | |
| 1 | GENERAL MANAGER | N/A | | 12,538.46 |
| 1 | ASSISTANT GENERAL MANAGER | 19 | 8,093.878 <u>595.69</u> | 11,331.43 <u>12,033.98</u> |
| 1 | ENGINEERING MANAGER | 18 | 6,229.646 <u>615.88</u> | 9,936.21 <u>10,552.26</u> |
| 1 | FINANCE MANAGER | 18 | 6,229.646 <u>615.88</u> | 9,936.21 <u>10,552.26</u> |
| 1 | OPERATIONS MANAGER | 18 | 6,229.646 <u>615.88</u> | 9,936.21 <u>10,552.26</u> |
| 1 | HUMAN RESOURCES MANAGER | 17 | 5,781.166 <u>139.59</u> | 9,241.969 <u>814.96</u> |
| 1 | CUSTOMER SERVICES MANAGER | 17 | 5,781.166 <u>139.59</u> | 9,241.969 <u>814.96</u> |
| 0 | NO INCUMBENT | 16 | 5,379.595 <u>713.12</u> | 8,593.639 <u>126.44</u> |
| 0 | NO INCUMBENT | 15 | 4,861.345 <u>162.74</u> | 7,285.667 <u>737.37</u> |
| 1 | WATER TREATMENT FACILITIES SUPERVISOR | 14 | 4,524.084 <u>804.57</u> | 6,779.437 <u>199.75</u> |
| 1 | INFORMATION TECHNOLOGY SUPERVISOR | 14 | 4,524.084 <u>804.57</u> | 6,779.437 <u>199.75</u> |
| 1 | CUSTOMER SERVICE AND PUBLIC AFFAIRS SUPERVISOR | 13 | 4,205.944 <u>466.71</u> | 6,305.766 <u>696.72</u> |
| 1 | SAFETY RISK COMPLIANCE ADMINISTRATOR | 13 | 4,205.944 <u>466.71</u> | 6,305.766 <u>696.72</u> |
| 1 | ACCOUNTING SUPERVISOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| 1 | ENGINEERING SERVICES SUPERVISOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| 2 | OPERATIONS SUPERVISOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| 1 | FIELD SERVICES SUPERVISOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| 0 | ENGINEERING PROJECT ADMINISTRATOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| 1 | WATER RECLAMATION FACILITIES SUPERVISOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| 1 | SENIOR SYSTEMS ADMINISTRATOR | 12 | 3,908.314 <u>150.63</u> | 5,865.276 <u>228.92</u> |
| <u>1</u> | <u>SENIOR RISK ANALYST</u> | <u>11</u> | <u>3,861.55</u> | <u>5,788.96</u> |
| 2 | SYSTEMS ADMINISTRATOR | 11 | 3,636.11 <u>3,861.55</u> | 5,451.005 <u>788.96</u> |
| <u>1</u> | <u>PARK SUPERVISOR</u> | 11 | 3,636.11 <u>3,861.55</u> | 5,451.005 <u>788.96</u> |

NON-EXEMPT CLASSIFICATION

HOURLY WAGE

| | | | | |
|--------------|--|--------------|-----------------------|-----------------------|
| 1 | WATER TREATMENT PLANT OPERATOR LEVEL IV | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 2 | INSTRUMENT CONTROL TECHNICIAN II | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | WATER RECLAMATION OPERATOR LEVEL IV | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 2 | PUMP/MOTOR TECHNICIAN II | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | HUMAN RESOURCES ANALYST | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | EXECUTIVE SECRETARY | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | FACILITIES COORDINATOR | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | SYSTEMS OPERATOR III | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | INSPECTOR III | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | FINANCIAL ANALYST II | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | ENGINEERING TECHNICIAN III | 6 | <u>46.1449.00</u> | <u>64.5868.58</u> |
| 1 | INSPECTOR II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 0 | PROJECT ACCOUNTANT II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 3 | ADMINISTRATIVE ANALYST | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 2 | SYSTEMS OPERATOR II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 4 | WATER TREATMENT PLANT OPERATOR LEVEL III | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 4 | WATER RECLAMATION OPERATOR LEVEL III | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 1 | BACKFLOW AND CROSS CONNECTION COORDINATOR II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 1 | INFORMATION TECHNOLOGY COORDINATOR | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 0 | GENERAL LEDGER ACCOUNTANT II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 1 | ENGINEERING TECHNICIAN II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 1 | COLLECTION SYSTEM OPERATOR LEVEL III | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 0 | VALVE MAINTENANCE TECHNICIAN LEVEL II | 5 | <u>39.7742.24</u> | <u>55.6859.13</u> |
| 2 | INSTRUMENT CONTROL TECHNICIAN I | 5 | 42.24 | 59.13 |
| 3 | UTILITY III | 5 | 42.24 | 59.13 |
| 1 | FINANCIAL ANALYST I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 0 | PUMP/MOTOR TECHNICIAN I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 1 | CATHODIC PROTECTION TECHNICIAN | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 0 | ENGINEERING TECHNICIAN I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 2 | FIELD SERVICES TECHNICIAN III | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 2 | INSTRUMENT CONTROL TECHNICIAN I | 4 | 34.58 | 48.38 |
| 1 | INSPECTOR I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 1 | OPERATIONS COORDINATOR | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 1 | RECORDS AND CONTRACTS COORDINATOR | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 1 | SYSTEMS OPERATOR I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 3 | UTILITY III | 4 | 34.58 | 48.38 |
| 1 | EQUIPMENT TECHNICIAN | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 1 | WATER TREATMENT PLANT OPERATOR LEVEL II | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 0 | WATER RECLAMATION OPERATOR LEVEL II | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 1 | BACKFLOW AND CROSS CONNECTION COORDINATOR I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 3 | ACCOUNTANT I | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 0 | COLLECTION SYSTEM OPERATOR LEVEL II | 4 | <u>34.5836.72</u> | <u>48.3851.38</u> |
| 0 | DEPARTMENT ASSISTANT II | 3 | 30.3632.24 | 42.4845.11 |
| 1 | CUSTOMER SERVICE REPRESENTATIVE II | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 2 | FIELD SERVICES TECHNICIAN II | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 1 | PARK RANGER II | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 1 | PURCHASING/WAREHOUSE CLERK | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 2 | VALVE MAINTENANCE TECHNICIAN LEVEL I | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 3 | UTILITY II | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 0 | WATER TREATMENT PLANT OPERATOR LEVEL I | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 0 | WATER RECLAMATION OPERATOR LEVEL I | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 0 | COLLECTION SYSTEM OPERATOR LEVEL I | 3 | <u>30.3632.24</u> | <u>42.4845.11</u> |
| 2 | DEPARTMENT ASSISTANT I | 2 | 26.8728.54 | 37.5639.89 |

| | | | | |
|-----------|--|---|--------------------|-------------------|
| 3 | CUSTOMER SERVICE REPRESENTATIVE I | 2 | <u>26.8728.54</u> | <u>37.5639.89</u> |
| 3 | FIELD SERVICES TECHNICIAN I | 2 | <u>-26.8728.54</u> | <u>37.5639.89</u> |
| 1 | PARK RANGER I | 2 | <u>26.8728.54</u> | <u>37.5639.89</u> |
| 5 | UTILITY I | 2 | <u>26.8728.54</u> | <u>37.5639.89</u> |
| 0 | UTILITY I - Limited term | 2 | <u>26.8728.54</u> | <u>37.5639.89</u> |
| 0 | NO INCUMBENT | 1 | <u>-23.9525.43</u> | <u>33.5235.60</u> |
| <u>74</u> | NON-EXEMPT (current approved headcount) | | | |
| <u>95</u> | TOTAL EXEMPT AND NON-EXEMPT (current approved headcount) | | | |

9596 TOTAL APPROVED POSITIONS

With approval of the General Manager, classifications may be flexibly staffed according to the “Grow Your Own” (GYO) program and department need. GYO does not add to the employee total headcount; it is an in-house promotional opportunity.

PASSED, APPROVED AND ADOPTED at a regular meeting of Olivenhain Municipal Water District’s Board of Directors held this 20th day of May 2026 by the following roll call vote:

AYES:
 NOES:
 ABSTAIN:
 ABSENT:

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

ATTEST:

Christy Guerin, Secretary
 Board of Directors
 Olivenhain Municipal Water District

Organizational Chart FY 2026-2027



Director Director Director Director Director

General Counsel

Executive Secretary

General Manager

Consulting Engineer

Auditors

Assistant General Manager

Operations Coord

Operations Manager

Department Assistant II

Customer Services Manager

Engineering Manager

Finance Manager

Human Resources Manager

Wastewater Collection & Reclamation

Water Treatment

Telemetry & Info Technology

Construction

Systems Operation

Field Services

Park

Customer Service & Public Affairs

Engineering Services

Accounting

Human Resources

Water Reclamation Facilities Supervisor

Water Treatment Facilities Supervisor

IT Supervisor

Operations Supervisor

Operations Supervisor

Field Services Supervisor

Park Supervisor

Customer Service & Public Affairs Supervisor

Engineering Services Supervisor

Accounting Supervisor

Safety Admin

Reclamation Operator Level IV

WTP Operator Level IV

Senior Systems Admin

Utility III

Systems Operator III

Field Services Technician III

Park Ranger II

Administrative Analyst

Engineering Technician III

Financial Analyst II

Accountant I

Reclamation Operator Level III

WTP Operator Level III

Systems Admin

Utility III

Systems Operator II

Field Services Technician III

Park Ranger I

Administrative Analyst

Department Assistant I

Financial Analyst I

Accountant I

Senior Risk Analyst

Reclamation Operator Level III

WTP Operator Level III

Systems Admin

Utility III

Systems Operator II

Field Services Technician II

Administrative Analyst

Inspector III

Accountant I

Human Resources Analyst

Reclamation Operator Level III

WTP Operator Level III

IT Coordinator

Utility II

Systems Operator I

Field Services Technician II

Customer Service Representative II

Inspector II

Accountant I

Purchasing/Warehouse Clerk

Reclamation Operator Level III

WTP Operator Level III

Instrument Control Tech II

Utility II

Valve Maint Tech I

Field Services Technician I

Customer Service Representative I

Inspector I

Engineering Technician II

Backflow & Cross Conn Coord II

WTP Operator Level II

Instrument Control Tech I

Utility II

Valve Maint Tech I

Field Services Technician I

Customer Service Representative I

Cathodic Protection Tech

Backflow & Cross Conn Coord I

Instrument Control Tech I

Pump/Motor Tech II

Utility I

Utility I

Field Services Technician I

Collection System Operator III

Pump/Motor Tech II

Equipment Tech

Utility I

Utility I

Utility I

Note: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need
Total Employee Headcount: 96



Memo

Date: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Jennifer Joslin, Human Resources Manager
Via: Kimberly A. Thorner, General Manager
Subject: **PUBLIC HEARING TO CONSIDER ANNUAL WORKFORCE VACANCY REPORT IN COMPLIANCE WITH ASSEMBLY BILL 2561**

Purpose

The purpose of this item is to provide the Board with an informational report on District vacancies, turnover, and recruitment and retention efforts in compliance with Assembly Bill (AB) 2561.

Recommendation

Staff recommend that the Board receive this report and allow for public comment to comply with the requirements of AB 2561.

Alternative(s)

Not applicable.

Background

AB 2561 was introduced to address the issue of job vacancies in local government, which can adversely affect the delivery of public services and employee workload. Among other requirements, the bill mandates that public agencies present the status of vacancies and recruitment and retention efforts during a public meeting before the agency's governing body at least once per fiscal year, allowing for public comment. The

bill was enacted into law and is codified at Government Code section 3502.3. The law took effect on January 1, 2025.

According to AB 2561, the District shall identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process. If the Board of Directors adopts an annual or multiyear budget during the fiscal year, this presentation must occur prior to the Board of Director's adoption of the final budget for the District. The District must also allow a representative from each bargaining unit at the District to make a presentation, if desired, during the meeting concerning vacancies and recruitment and retention efforts. The District bargaining unit representatives (DEA for administrative staff and BUMA for field staff) were invited to make a presentation at the Board meeting but declined the offer.

If vacancies within a single bargaining unit meet or exceed 20% of authorized full-time positions in that bargaining unit, upon request of the recognized employee organization for that bargaining unit, the District must provide additional information during the public hearing, including the following: (1) the total number of vacancies; (2) the number of applicants; (3) the average time to fill positions; and (4) opportunities to improve compensation and working conditions for employees in the bargaining unit.

Fiscal Impact

There are no costs directly associated with this informational report.

Discussion

As of May 11, 2026, there are two vacancies of the 95 budgeted positions for fiscal year 2025/2026. The vacancies (Field Services Technician II and Water Treatment Plant Operator III) are represented by BUMA. The vacancies resulted from needing to backfill from the Water Treatment Plant Operator II and IV (Lead) internal promotions. Recruitments were recently conducted to fill the vacant positions. Of the budgeted positions by bargaining unit, that is 3.7% (2 of 53) for BUMA. There are no vacancies in DEA represented positions. Thus, not meeting the additional information 20% threshold by bargaining unit.

The District implemented a new online employment application system in 2024 to streamline the application process, making it easier for candidates to apply, which has increased the number of applications received. However, industry-wide the recruitment candidate pools have become much smaller over the years as there is generally less incentive to pursue a career in the public sector. The CalPERS pension reform and larger required employee contributions towards benefits have made recruitment and retention challenging when competing with private sector employers or even trade

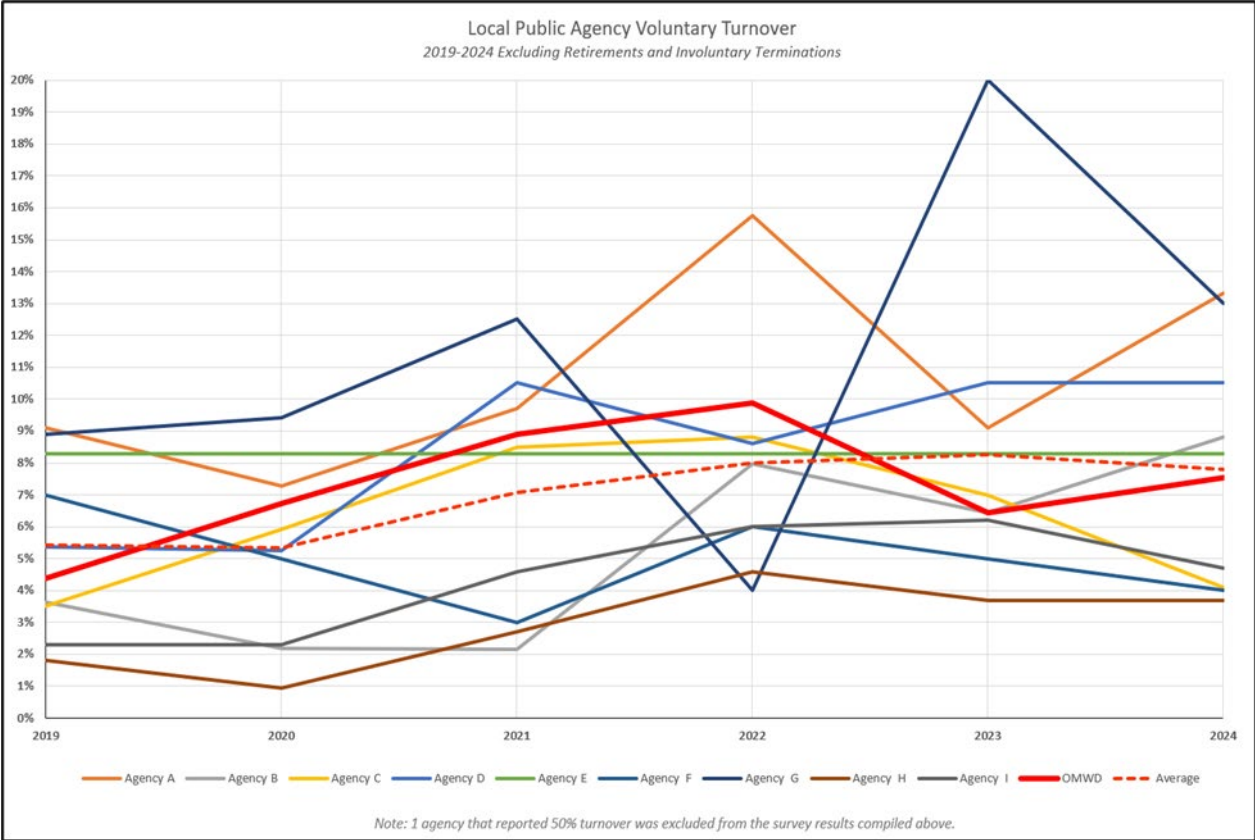
unions that can pay a much higher starting hourly wage. Entry-level candidates are attracted to the high private sector pay without consideration for the stability and opportunity to serve the community at a public agency.

To effectively examine vacancies, turnover must be looked at in further detail. The Human Resources department tracks the District's turnover and retention rates. When examining voluntary turnover data as a percentage of approved positions, the District averaged 6.89% annual voluntary turnover for the previous seven-year timeframe from 2019 to 2025. The benchmark for healthy turnover is generally considered to be 10% or less annually. The District fell under 10% for each of the previous seven years.

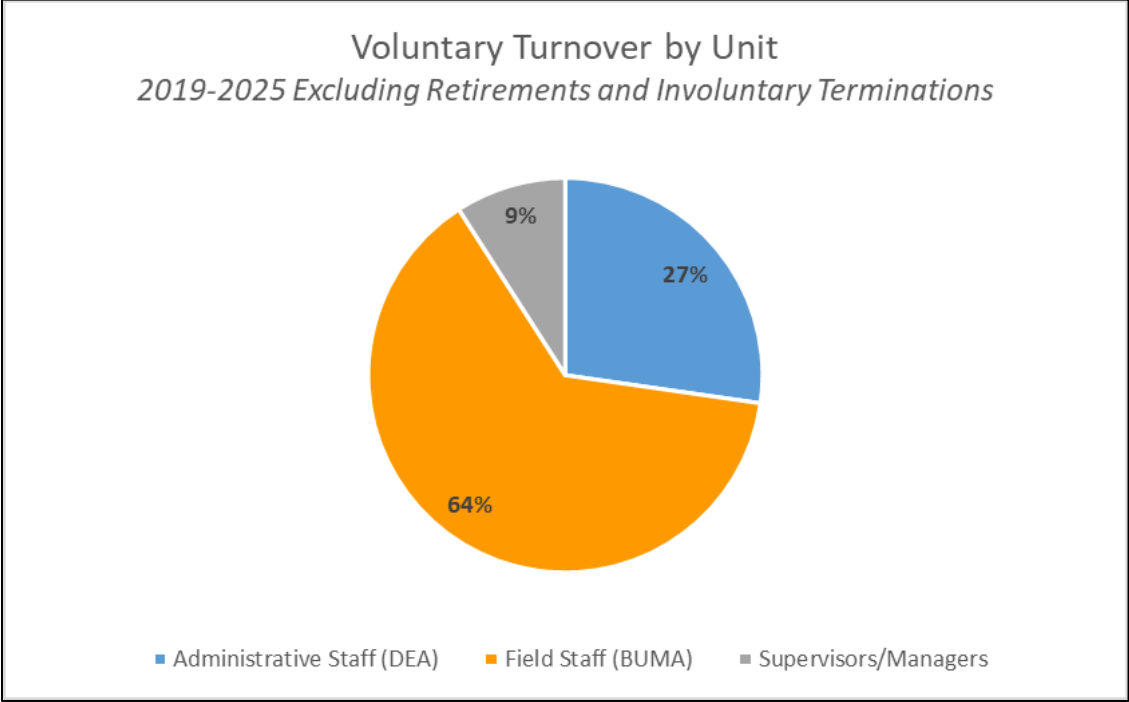
| Year | Voluntary Turnover % |
|----------------|-----------------------------|
| 2019 | 4.40% |
| 2020 | 6.74% |
| 2021 | 8.89% |
| 2022 | 9.89% |
| 2023 | 6.45% |
| 2024 | 7.53% |
| 2025 | 4.30% |
| Average | 6.89% |

Staff surveyed other San Diego County water agencies for their voluntary turnover data in 2025 to establish a local baseline for comparison purposes. The survey results received were compiled into a comparison chart on the next page. When examining District turnover versus other local public agencies, the District was slightly above average 2020 to 2022. Yet, overall, the District was close to market turnover average for the six-year period while some other public agencies experienced much more drastic swings in staffing levels.

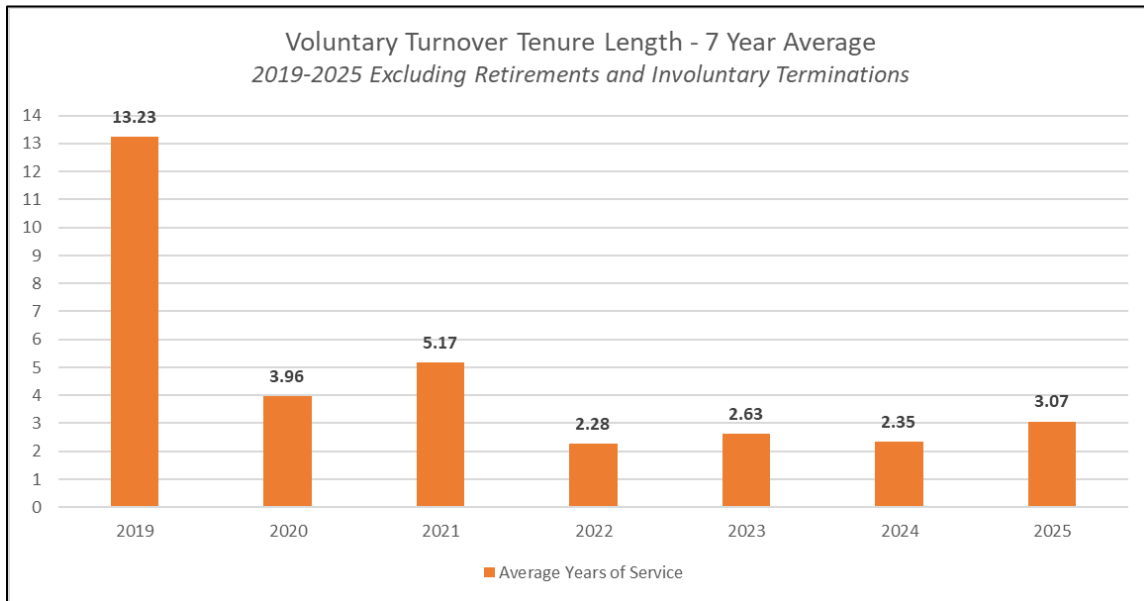
However, it is important to note that all turnover is not necessarily undesirable. Retirements allow for internal promotional opportunities or the acquisition of new talent. Voluntary turnover can be negative when the District loses highly skilled and specialized staff. However, sometimes the departure is beneficial if low performers depart. A healthy turnover rate balances retaining the institutional knowledge of highly tenured staff while also bringing in new talent.



When looking at voluntary turnover by bargaining unit for the entire 2019 to 2025 period, 64% were BUMA represented positions, 27% DEA covered positions, and 9% supervisors or managers.



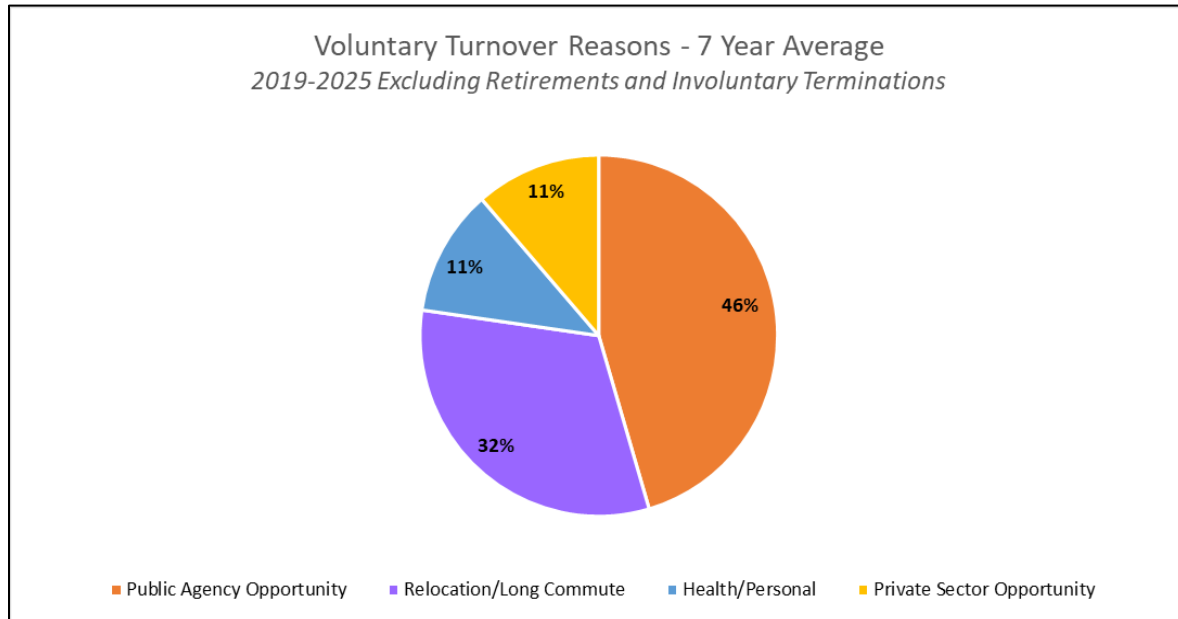
An interesting metric to examine when evaluating employee turnover is the relationship to years of service. Retention rates remain steady with an average District employee tenure of 10.5 years. The following chart displays voluntary turnover by employee tenure, which indicates that it is primarily the newer hires, with two to three years of service, that are voluntarily leaving as confirmed by the most recent annual averages. The short-term employees are often younger employees that have a desire for career advancement and professional development. They may be more likely to leave a job if they don't see opportunities for growth or promotion within what they deem a reasonable timeframe. The more long-term, tenured staff are generally not leaving and remain loyal to the District.



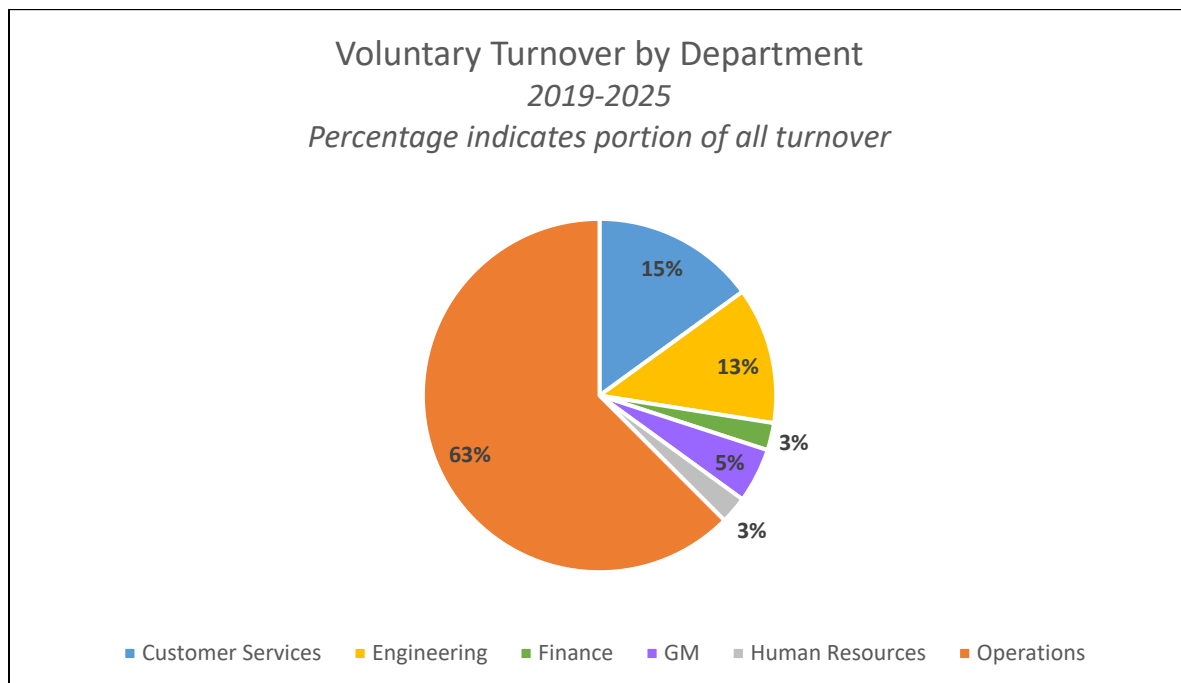
There are various reasons why employees voluntarily resign. The most frequently reported reason from staff was another public agency job opportunity, at 46%. This is often associated with a higher pay rate and/or promotion to a higher-level job classification. While the District cannot offer as many job opportunities as larger agencies, staff have developed the Grow-Your-Own (GYO) Program as an internal succession planning tool to allow for upward progression. The District also supports various training opportunities, education incentive pay (for certifications and degrees beyond what is required in the job description), and a tuition reimbursement program to help prepare internal candidates for promotional opportunities. There is also a cross-training program to allow staff to train and learn the duties of other job classifications.

The second most frequently reported reason for voluntary resignations, at 32%, was relocation or long commute. As the cost of living has become extremely high within north coastal San Diego County, employees are relocating to more affordable areas further away from the District headquarters and then seeking employment closer to

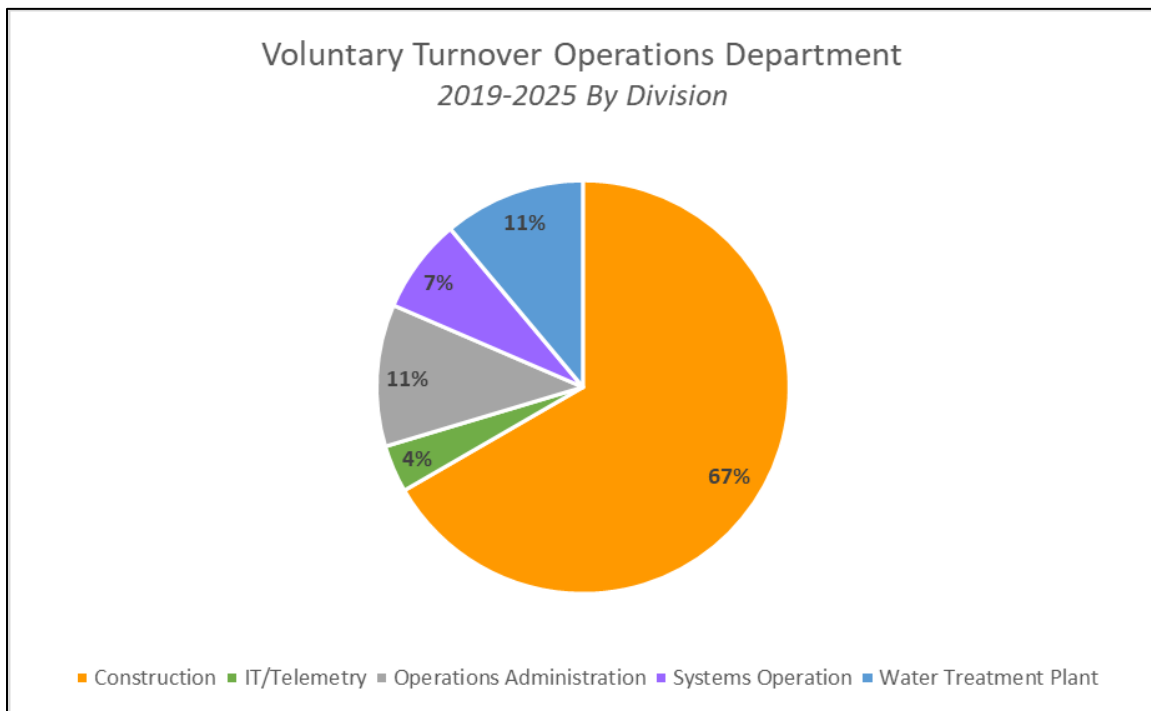
home. While the cost of living is beyond District control, staff negotiated up to 20 remote workdays per calendar year for DEA staff and 4/10 seasonal schedules for some BUMA field staff to reduce commute days. Health/personal reasons and private sector opportunities were reported less frequently at 11% for each.



Within the District, the greatest turnover has come from the Operations Department, 63% of all staff voluntary departures, which is not surprising as it is also the largest department based on the number of budgeted positions.



When looking at the Operations Department alone, the greatest turnover was from the Construction division making up 67% of the total. Vacancies for the Utility I/II/III positions in Construction are common. The Construction division has historically served as, and will continue to be, the entry-level training ground to learn about our system and the water industry. Incumbents often move up to other internal positions or external opportunities that are less physically demanding and offer better pay. However, it is getting harder to attract and fill these vacancies as other neighboring agencies pay higher entry-level starting salaries and there is less desire for manual labor positions.



To generate a pipeline for entry-level candidates, the District will continue to actively participate in the SDCWA internship program, local workforce development partnerships such as the Water Career Day, partner with local community college water technology programs, post recruitment ads on local college electronic job boards, and participate in their career fairs. To attract external new hires, the District will have to remain competitive in the local labor market regarding salary and benefits. Internally, staff will continue to work on succession planning by utilizing tools such as the annual Staffing Analysis document to help forecast employee retirements and subsequent vacancies. Staff will also continue to provide training and development opportunities to help prepare internal candidates for future promotional opportunities.

Staff will be available to answer any questions.

Prepared by: Gabriela Saffiote, Human Resources Analyst
Jennifer Joslin, Human Resources Manager

Reviewed by: Jennifer Joslin, Human Resources Manager
Approved by: Kimberly A. Thorner, General Manager

Memo

Date: May 20, 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 ELECTING TO HAVE WASTEWATER SERVICE FEES WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR**

Purpose

The purpose of this item is to consider adoption of a resolution to collect wastewater service fees for the 4S Ranch Sanitation District on the San Diego County Tax rolls for administrative streamlining and as a cost containment effort and to certify said fees with the San Diego County Assessor.

In accordance with California Health and Safety Code, Section 5470-5474.10, a written report containing a description of each parcel of real property receiving wastewater service and the proposed amount of wastewater service fee for fiscal year 2027 has been filed with the General Manager.

Recommendation

Staff recommends the Board consider and adopt the Resolution as presented. This is a housekeeping item to allow wastewater service fees on the property tax rolls.

Alternative

The Board could choose to have District staff combine water and wastewater services into one (1) monthly bill and bill customers monthly for services provided. The District would need to add one additional employee in order to accomplish this task.

Background

The District has historically billed and collected wastewater service fees via the San Diego County Assessor's Office on the Property Tax Roll due to administrative convenience and low cost. The District's wastewater bills are collected on each property owner's property tax bill on an annual basis and payment is due and payable at the same time when a property owner's tax bill is due to the San Diego County Tax Assessor Office in April and December of each year.

This methodology allows the District to collect wastewater service fees without additional billing staff and secures the fees through a Tax Assessor's lien on the property if the fees are not paid.

Staff recommends that this method for collection of wastewater service fees be continued.

Fiscal Impact

Staff anticipates that 4S Ranch Sanitation District wastewater service fee revenues to be collected from the San Diego County Property Tax Roll for fiscal year 2027 will be approximately \$5,583,527.

Discussion

At the June 19, 2024, meeting, the Board approved and adopted Olivenhain Municipal Water District Wastewater Service fees for fiscal years 2025, 2026, 2027, 2028, and 2029 to be effective on July 1st of each year. The approved and adopted wastewater rates and charges were used to calculate the annual wastewater service fee for each property receiving wastewater service in the 4S Ranch Sanitation District. Staff is not

proposing any changes to the wastewater rates and charges included in Section 28.5 of the District's Administrative and Ethics code, which is a 5.5% increase from the July 1, 2025, wastewater service fees.

The attached resolution must be adopted by the Board and filed with the San Diego County Tax Assessor's Office to continue collecting the District's annual wastewater service fees for fiscal year 2027 on customer's property tax bills.

Resolution 2024-10 was adopted by the Board in June 2024 to increase wastewater service fees for the next five years (2025-2029) and to comply with CEQA and was filed with the county clerk of San Diego.

Prepared by: August Trees, Financial Analyst I
Jared Graffam, Accounting Supervisor
Reviewed by: Leo Mendez, Finance Manager
Approved by: Kimberly A. Thorner, General Manager

Attachment: Resolution

RESOLUTION NO. 2026-xx

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE OLIVENHAIN MUNICIPAL WATER DISTRICT
ELECTING TO HAVE WASTEWATER SERVICE FEES
WITHIN THE 4S RANCH SANITATION DISTRICT
COLLECTED ON THE COUNTY TAX ROLLS FOR THE
FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027

WHEREAS, the Olivenhain Municipal Water District (District) operates a wastewater district known as the 4S Ranch Sanitation District which provides wastewater service to the 4S Ranch area of the District; and

WHEREAS, the District completed 2024 Wastewater Rate Study to calculate wastewater service fees to pay for costs of operating and maintaining the 4S Wastewater Collection and Treatment Facilities; and

WHEREAS, the District's Wastewater Rate Study also analyzed costs to construct capital infrastructure improvements needed to replace and refurbish the aging wastewater collection and treatment facilities, to maintain the operational and financial stability of the District's wastewater operations, and to comply with state and federal regulatory wastewater and disposal requirements; and

WHEREAS, the District's wastewater service charges do not exceed the reasonable cost of providing wastewater services; and

WHEREAS, the Board of Directors of the Olivenhain Municipal Water District has elected to have wastewater service fees for fiscal year July 1, 2026 to June 30, 2027 within the 4S Ranch Sanitation District collected on the San Diego County tax rolls in accordance with California Health and Safety Code Section 5470-5474.0; and

WHEREAS, in accordance with California Health and Safety Code, Section 5470-5474.10, a written report was prepared and filed with the General Manager of the District which contains a description of each parcel of real property receiving wastewater service and the proposed amount of wastewater service fee for each parcel for FY 2027; and

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

SECTION 1. The Board of Directors of the District hereby finds and determines that the wastewater service fees have been adopted and levied in full compliance with all of the requirements contained in Section 6 of Article XIID of the California Constitution. The Board of Directors of the District further finds and

RESOLUTION NO. 2026-xx *continued*

determines that these wastewater service fees fully comply with all the requirements contained in Article XIID of the California Constitution.

SECTION 2. The Board of Directors of the District hereby finds and determines that imposition of a wastewater service fee for each parcel of land within the 4S Ranch Sanitation District for the fiscal year commencing July 1, 2026 and ending June 30, 2027 is to pay for ongoing operating and maintenance costs of the 4S Wastewater Collection and Treatment Facilities.

SECTION 3. The Board of Directors of the District hereby finds that imposition of a wastewater service fee for the 4S Ranch Sanitation District for the fiscal year commencing July 1, 2026 and ending June 30, 2027 does not exceed the reasonable cost of providing wastewater service.

SECTION 4. The Board of Directors hereby determines that the wastewater service fee for each property receiving wastewater service in the 4S Ranch Sanitation District for the fiscal year commencing July 1, 2026 and ending June 30, 2027 is correctly described in the written report.

SECTION 5. Pursuant to Water Code Sections 72094 and 72100, the Board of Supervisors and the San Diego County Tax Collector are hereby requested to collect on the tax rolls the wastewater service fees for each property receiving wastewater service listed in the written report.

SECTION 6. Pursuant to Section 72094 of the California Water Code, the Secretary is hereby authorized and directed to send a certified copy of this Resolution to the Clerk of the Board of Supervisors and the County Auditor on or before September 1, 2026.

RESOLUTION NO. 2026-xx *continued*

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors of the Olivenhain Municipal Water District held on May 20, 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: May 20, 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 ELECTING TO HAVE WASTEWATER SERVICE FEES WITHIN THE RANCHO CIELO SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESOR**

Purpose

The purpose of this item is to consider adoption of a resolution to collect wastewater service fees for the Rancho Cielo Sanitation District on the San Diego County Tax rolls for administrative streamlining and as a cost containment effort and to certify said fees with the San Diego County Assessor.

In accordance with California Health and Safety Code, Section 5470-5474.10, a written report containing a description of each parcel of real property receiving wastewater service and the proposed amount of wastewater service fee for fiscal year 2027 has been filed with the General Manager.

Recommendation

Staff recommends the Board consider and adopt the Resolution as presented. This is a housekeeping item to allow wastewater service fees on the property tax rolls.

Alternative

The Board could choose to have District staff combine water and wastewater services into one (1) monthly bill and bill customers monthly for services provided. The District would need to add one additional employee in order to accomplish this task.

Background

The District has historically billed and collected wastewater service fees via the San Diego County Assessor's Office on the Property Tax Roll due to administrative convenience and low cost. The District's wastewater bills are collected on each property owner's property tax bill on an annual basis and payment is due and payable at the same time when a property owner's tax bill is due to the San Diego County Tax Assessor Office in April and December of each year.

This methodology allows the District to collect wastewater service fees without additional billing staff and secures the fees through a Tax Assessor's lien on the property if the fees are not paid.

Staff recommends that this method for collection of wastewater service fees be continued.

Fiscal Impact

Staff anticipates that Rancho Cielo Sanitation District wastewater service fee revenues to be collected from the San Diego County Property Tax Roll for fiscal year 2027 will be approximately \$394,246.

Discussion

At the June 19, 2024, meeting, the Board approved and adopted Olivenhain Municipal Water District Wastewater Service fees for fiscal years 2025, 2026, 2027, 2028, and 2029 to be effective on July 1st of each year. The approved and adopted wastewater rates and charges were used to calculate the annual wastewater service fee for each property receiving wastewater service in the Rancho Cielo Sanitation District. Staff is not proposing any changes to the wastewater rates and charges included in Section 28.5 of the District's Administrative and Ethics code, which is a 5.5% increase from the July 1, 2025, wastewater service fees.

The attached resolution must be filed with the San Diego County Tax Assessor's Office to continue collecting the District's annual wastewater service charge for fiscal year 2027 on customer's property tax bills.

Resolution 2024-10 was adopted by the Board in June 2024 to increase wastewater service fees for the next five years (2025-2029) and to comply with CEQA and was filed with the county clerk of San Diego.

Prepared by: August Trees, Financial Analyst I
Jared Graffam, Accounting Supervisor
Reviewed by: Leo Mendez, Finance Manager
Approved by: Kimberly A. Thorner, General Manager

Attachment: Resolution

RESOLUTION NO. 2026-xx

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE OLIVENHAIN MUNICIPAL WATER DISTRICT
ELECTING TO HAVE WASTEWATER SERVICE FEES
WITHIN THE RANCHO CIELO SANITATION DISTRICT
COLLECTED ON THE COUNTY TAX ROLLS FOR THE
FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027

WHEREAS, the Olivenhain Municipal Water District (District) operates a wastewater district known as the Rancho Cielo Sanitation District which provides wastewater service to the Rancho Cielo area of the District; and

WHEREAS, the District completed 2024 Wastewater Rate Study to calculate wastewater service fees to pay for costs of operating and maintaining the 4S Wastewater Collection and Treatment Facilities; and

WHEREAS, the District's Wastewater Rate Study also analyzed costs to construct capital infrastructure improvements needed to replace and refurbish the aging wastewater collection and treatment facilities, to maintain the operational and financial stability of the District's wastewater operations, and to comply with state and federal regulatory wastewater and disposal requirements; and

WHEREAS, the District's wastewater service charges do not exceed the reasonable cost of providing wastewater services; and

WHEREAS, the Board of Directors of the Olivenhain Municipal Water District has elected to have wastewater service fees for fiscal year July 1, 2026 to June 30, 2027 within the Rancho Cielo Sanitation District collected on the San Diego County tax rolls in accordance with California Health and Safety Code Section 5470-5474.0; and

WHEREAS, in accordance with California Health and Safety Code, Section 5470-5474.10, a written report was prepared and filed with the General Manager of the District which contains a description of each parcel of real property receiving wastewater service and the proposed amount of wastewater service fee for each parcel for FY 2027; and

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

SECTION 1. The Board of Directors of the District hereby finds and determines that the wastewater service fees have been adopted and levied in full compliance with all of the requirements contained in Section 6 of Article XIID of the California Constitution. The Board of Directors of the District further finds and

RESOLUTION NO. 2026-xx *continued*

determines that these wastewater service fees fully comply with all the requirements contained in Article XIID of the California Constitution.

SECTION 2. The Board of Directors of the District hereby finds and determines that imposition of a wastewater service fee for each parcel of land within the Rancho Cielo Sanitation District for the fiscal year commencing July 1, 2026 and ending June 30, 2027 is to pay for ongoing operating and maintenance costs of the 4S Wastewater Collection and Treatment Facilities.

SECTION 3. The Board of Directors of the District hereby finds that imposition of a wastewater service fee for the Rancho Cielo Sanitation District for the fiscal year commencing July 1, 2026 and ending June 30, 2027 does not exceed the reasonable cost of providing wastewater service.

SECTION 4. The Board of Directors hereby determines that the wastewater service fee for each property receiving wastewater service in the Rancho Cielo Sanitation District for the fiscal year commencing July 1, 2026 and ending June 30, 2027 is correctly described in the written report.

SECTION 5. Pursuant to Water Code Sections 72094 and 72100, the Board of Supervisors and the San Diego County Tax Collector are hereby requested to collect on the tax rolls the wastewater service fees for each property receiving wastewater service listed in the written report.

SECTION 6. Pursuant to Section 72094 of the California Water Code, the Secretary is hereby authorized and directed to send a certified copy of this Resolution to the Clerk of the Board of Supervisors and the County Auditor on or before September 1, 2026.

RESOLUTION NO. 2026-xx *continued*

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors of the Olivenhain Municipal Water District held on May 20, 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: May 20, 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 ELECTING TO HAVE WASTEWATER SERVICE FEES FOR THE SANTALUZ AFFORDABLE HOUSING AREA, BLACK MOUNTAIN RANCH EAST CLUSTERS PROJECT, AND AVION AREA WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR**

Purpose

The purpose of this item is to consider adoption of a resolution to collect wastewater service fees for the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area within the 4S Ranch Sanitation District on the San Diego County Tax rolls for administrative streamlining and as a cost containment effort and to certify said fees with the San Diego County Assessor.

In accordance with California Health and Safety Code, Section 5470-5474.10, a written report containing a description of each parcel of real property receiving wastewater service and the proposed amount of wastewater service fee for fiscal year 2027 has been filed with the General Manager.

Recommendation

Staff recommends the Board consider and adopt the Resolution as presented. This is a housekeeping item to allow wastewater service fees on the property tax rolls.

Alternative

The Board could choose to have District staff combine water and wastewater services into one (1) monthly bill and bill customers monthly for services provided. The District would need to add one additional employee in order to accomplish this task.

Background

The District has historically billed and collected wastewater service fees via the San Diego County Assessor's Office on the Property Tax Roll due to administrative convenience and low cost. The District's wastewater bills are collected on each property owner's property tax bill on an annual basis and payment is due and payable at the same time when a property owner's tax bill is due to the San Diego County Tax Assessor Office in April and December of each year.

This methodology allows the District to collect wastewater service fees without additional billing staff and secures the fees through a Tax Assessor's lien on the property if the fees are not paid.

Staff recommends that this method for collection of wastewater service fees be continued.

Fiscal Impact

Staff anticipates that wastewater service revenues to be collected from the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area for fiscal year 2027 will be approximately \$527,661.

Discussion

At the June 19, 2024, meeting, the Board approved and adopted Olivenhain Municipal Water District Wastewater Service fees for fiscal years 2025, 2026, 2027, 2028, and 2029 to be effective on July 1st of each year. The approved and adopted wastewater rates and charges were used to calculate the annual wastewater service fee for each property receiving wastewater service in the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area within the 4S Ranch Sanitation District. Staff is not proposing any changes to the wastewater rates and charges included in Section 28.5 of the District's Administrative and Ethics code, which is a 5.5% increase from the July 1, 2025, wastewater service fees.

The attached resolution must be filed with the San Diego County Tax Assessor's Office to continue collecting the District's annual wastewater service charge for fiscal year 2027 on customer's property tax bills.

Resolution 2024-10 was adopted by the Board in June 2024 to increase wastewater service fees for the next five years (2025-2029) and to comply with CEQA and was filed with the county clerk of San Diego.

Prepared by: August Trees, Financial Analyst I
Jared Graffam, Accounting Supervisor
Reviewed by: Leo Mendez, Finance Manager
Approved by: Kimberly A. Thorner, General Manager

Attachment: Resolution

RESOLUTION NO. 2026-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT ELECTING TO HAVE WASTEWATER SERVICE FEES FOR THE SANTALUZ AFFORDABLE HOUSING AREA, BLACK MOUNTAIN RANCH EAST CLUSTERS PROJECT, AND AVION AREA WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027

WHEREAS, the Olivenhain Municipal Water District (District) operates a wastewater district known as the 4S Ranch Sanitation District which provides wastewater service to the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area; and

WHEREAS, the District completed 2024 Wastewater Rate Study to calculate wastewater service fees to pay for costs of operating and maintaining the 4S Wastewater Collection and Treatment Facilities to provide wastewater collection and treatment services to the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters, and Avion Area; and

WHEREAS, the District's Wastewater Rate Study also analyzed costs to construct capital infrastructure improvements needed to replace and refurbish the aging wastewater collection and treatment facilities, to maintain the operational and financial stability of the District's wastewater operations, and to comply with state and federal regulatory wastewater and disposal requirements; and

WHEREAS, the District's wastewater service charges do not exceed the reasonable cost of providing wastewater services; and

WHEREAS, the Board of Directors of the Olivenhain Municipal Water District has elected to have wastewater service fees for fiscal year July 1, 2026 to June 30, 2027 within the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area collected on the San Diego County tax rolls in accordance with California Health and Safety Code Section 5470-5474.0; and

WHEREAS, in accordance with California Health and Safety Code, Section 5470-5474.10, a written report was prepared and filed with the General Manager of the District which contains a description of each parcel of real property receiving wastewater service and the proposed amount of wastewater service fee for each parcel for FY 2027; and

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

RESOLUTION NO. 2026-XX *continued*

SECTION 1. The Board of Directors of the District hereby finds and determines that the wastewater service fees have been adopted and levied in full compliance with all of the requirements contained in Section 6 of Article XIID of the California Constitution. The Board of Directors of the District further finds and determines that these wastewater service fees fully comply with all the requirements contained in Article XIID of the California Constitution.

SECTION 2. The Board of Directors of the District hereby finds and determines that imposition of a wastewater service fee for each parcel of land within the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area for the fiscal year commencing July 1, 2026 and ending June 30, 2027 is to pay for ongoing operating and maintenance costs of the 4S Wastewater Collection and Treatment Facilities operated and maintained by the District.

SECTION 3. The Board of Directors of the District hereby finds that imposition of a wastewater service fee for the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area for the fiscal year commencing July 1, 2026 and ending June 30, 2027 does not exceed the reasonable cost of providing wastewater service.

SECTION 4. The Board of Directors hereby determines that the wastewater service fee for each property receiving wastewater service in the Santaluz Affordable Housing Area, Black Mountain Ranch East Clusters Project, and Avion Area for the fiscal year commencing July 1, 2026 and ending June 30, 2027 is correctly described in the written report.

SECTION 5. Pursuant to Water Code Sections 72094 and 72100, the Board of Supervisors and the San Diego County Tax Collector are hereby requested to collect on the tax rolls the wastewater service fees for each property receiving wastewater service listed in the written report.

SECTION 6. Pursuant to Section 72094 of the California Water Code, the Secretary is hereby authorized and directed to send a certified copy of this Resolution to the Clerk of the Board of Supervisors and the County Auditor on or before September 1, 2026.

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors of the Olivenhain Municipal Water District held on May 20, 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: May 20, 2026
To: Olivenhain Municipal Water District Board of Directors
From: Leo Mendez, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **CONSIDER AND DISCUSS APPROVAL OF OMWD BECOMING A MEMBER OF THE CALIFORNIA STATEWIDE COMMUNITY DEVELOPMENT AUTHORITY (CSCDA), AUTHORIZATION OF CSCDA TO FORM A COMMUNITY FACILITIES DISTRICT FOR THE PINNACLE AT SANTA FE VALLEY PROJECT, AND APPROVAL OF ACQUISITION AGREEMENT RELATING THERETO**

Purpose

The purpose of this item is to consider the proposed participation in the California Statewide Community Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) for the Pinnacle at Santa Fe Valley Project, and to request Board approval to (1) join CSCDA; and (2) authorize CSCDA to form a Community Facilities District (CFD) over the project area to finance public infrastructure, facilities, and applicable fees through the issuance of Mello-Roos Bonds.

This item was reviewed by the Finance Committee (Director Maloni and Director Meyers) on May 12th and the committee recommended bringing it to the full board for consideration.

Recommendation

Staff recommends that the Board:

1. Approve a resolution (Attachment 1) that approves the form of CSCDA's Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (Joint Powers Agreement) (Attachment 2) and in doing so, authorizes OMWD to join CSCDA; and
2. Adopt a resolution (Attachment 3) that authorizes CSCDA to form a CFD over the project area and approve the form of the Funding and Acquisition Agreement (Acquisition Agreement) (included as Exhibit C to Attachment 3) with Pinnacle at Santa Fe Valley Project, LLC, the Developer of the project.

These actions enable the Developer to access competitive financing through SCIP while limiting the District's administrative responsibilities.

Alternative

The Board could instruct staff to form and administer its own CFD for the project, which would require the District to assume additional administrative responsibilities and potential liabilities associated with bond issuance and ongoing CFD management.

The Board could also consider not approving the resolutions to join the CSCDA and form the CFD for the project, which would require the Developer to seek alternative financing for the public infrastructure, facilities, and applicable fees.

Background

The Developer is proposing the construction of thirty-seven (37) single family homes, north of Four Gee Road, in the vicinity of the District's 4G and Golem Reservoirs in Director Division 4 (Hahn), known as Pinnacle at Santa Fe Valley (Project). At the April 2026 meeting, the Board approved a Master Facilities Agreement related to the facilities that are required by OMWD as part of this project.

The Developer has applied to CSCDA to participate in SCIP, a statewide financing program that enables developers to fund public infrastructure, facilities, and impact or capacity fees through the issuance of Mello-Roos CFD bonds.

The Developer proposes to use SCIP to finance facilities and fees associated with both OMWD, which would provide water for the development, and the Rancho Santa Fe Community Services District, which would provide wastewater service. Under this structure, CSCDA forms and administers the CFD and issues the bonds, while the

District's role is limited to approval of reimbursement requests as certain improvements are completed by the Developer and turned over to OMWD.

CSCDA has significant experience administering SCIP financing throughout the State. Under this model, CSCDA assumes responsibility for bond issuance and CFD administration.

Over the last several months, OMWD's staff, bond counsel, general counsel, and the Developer and its consultants have prepared the attached resolutions and other documents being presented at this meeting. The first resolution (Attachment 1), approves the form of CSCDA's Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (Joint Powers Agreement) (Attachment 2) and in doing so, authorizes OMWD to join CSCDA.

The second resolution (Attachment 3) authorizes CSCDA to form the CFD over the Project area and approves the form of a Funding and Acquisition Agreement (Acquisition Agreement) (included as Exhibit C to Attachment 3) with the Developer. The Acquisition Agreement sets forth the terms and conditions under which the proceeds of the CFD bonds, if and when available, will be disbursed to the Developer to pay the cost of improvements constructed by the Developer and acquired by OMWD, or to reimburse the Developer for OMWD fees that the Developer has paid to OMWD.

Under the Mello-Roos Act, bond proceeds may only be applied to finance the facilities of a public agency other than the agency that formed the CFD if there is "joint community facilities agreement" entered into between such agencies. Attachment 3, together with the Joint Powers Agreement, constitutes the joint community facilities agreement to allow CSCDA's CFD bonds to finance OMWD facilities.

Fiscal Impact

Participation in SCIP does not create a direct and financial obligation for the District. Bond repayment is secured by special taxes levied within the CFD, not by District revenues.

The SCIP structure limits the District's financial and administrative exposure, as CSCDA assumes responsibility for bond issuance, compliance, and ongoing administration. The Funding and Acquisition Agreement ensures that bond proceeds are only disbursed for eligible improvements and fees consistent with District requirements.

The Developer has provided the District a deposit, which has covered staff, legal, and consultant costs related to the work related to this CFD formation project to date. Once the CFD is complete, the Developer will continue to reimburse the District for its administrative costs, including for costs associated with the review and approval of reimbursement requests.

The CFD will help the Developer finance the facilities included in the Master Facilities Agreement that was approved by the Board at the April 2026 meeting. Additionally, the District is expected to collect approximately \$3 million in Capacity Fees from the Developer, for Capacity fees due to OMWD and SDCWA. The developer's obligation to build the facilities that were included in the board-approved Master Facilities Agreement, and to pay capacity fees owed to OMWD and SDCWA, remains, regardless of whether CFD financing is secured.

Discussion

The SCIP program offers developers a means to finance public infrastructure associated with the development. By joining CSCDA and providing the Developer access to the SCIP program, the District can facilitate timely delivery of infrastructure while avoiding the complexity of forming and administering its own CFD.

This approach provides the Developer access to competitive financing while maintaining OMWD oversight of eligible improvements through the Funding and Acquisition Agreement. It also ensures that infrastructure and fees are funded in a manner consistent with District standards without placing repayment risk on the District.

The required agreements have been developed in coordination with the District's Bond Counsel to ensure compliance with the Mello-Roos Act and to protect the District's interests. The Rancho Santa Fe Community Services District is also expected to participate under a similar structure for its facilities. Meetings to date have included Rancho Santa Fe CSD.

The attached resolutions were prepared by the District's Bond Counsel (Mr. Lawrence Chan from Stradling Yocca Carlson & Rauth LLP) and have also been reviewed by the District's General Counsel. Staff and the District's Bond Counsel will be available to answer any questions the Board may have.

Prepared by: Leo Mendez, Finance Manager

Reviewed by: Leo Mendez, Finance Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments:

Attachment 1 – JPA Resolution

Attachment 2 – Joint Powers Agreement

Attachment 3 – JCFA Resolution (including Acquisition Agreement as Exhibit C)

RESOLUTION NO. _____

RESOLUTION APPROVING, AUTHORIZING AND DIRECTING EXECUTION OF AN AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

WHEREAS, the Olivenhain Municipal District, California (the “District”), has expressed an interest in participating in the economic development financing programs (the “Programs”) in conjunction with the parties to that certain Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority, dated as of June 1, 1988 (the “Agreement”); and

WHEREAS, there is now before this Board the form of the Agreement; and

WHEREAS, the District proposes to participate in the Programs and desires that certain projects to be located within the District be financed pursuant to the Programs and it is in the public interest and for the public benefit that the District do so; and

WHEREAS, the Agreement has been filed with the District, and the members of the Board of the District, with the assistance of its staff, have reviewed said document;

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

SECTION 1. The Agreement is hereby approved and the President or the General Manager or designee thereof is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by said President or General Manager, and the Secretary or such Secretary’s designee is hereby authorized and directed to attest thereto.

SECTION 2. The President, the General Manager, the Secretary and all other proper officers and officials of the District are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

SECTION 3. The Secretary of the District shall forward a certified copy of this Resolution and an originally executed Agreement to:

Lawrence Chan
Stradling Yocca Carlson & Rauth LLP
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660

SECTION 4. This resolution shall take effect immediately upon its passage.

PASSED, ADOPTED AND APPROVED at a regular Board meeting of the Board of Directors of the Olivenhain Municipal Water District held on May 20, 2026.

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

Attest:

Christy Guerin,
Secretary Board of Directors
Olivenhain Municipal Water District

**AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT
RELATING TO THE CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

THIS AGREEMENT, dated as of June 1, 1988, by and among the parties executing this Agreement (all such parties, except those which have withdrawn in accordance with Section 13 hereof, being herein referred to as the "Program Participants"):

WITNESSETH

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California (the "Joint Exercise of Powers Act"), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Program Participants is a "public agency" as that term is defined in Section 6500 of the Government Code of the State of California, and

WHEREAS, each of the Program Participants is empowered to promote economic development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, and the increase of the tax base, within its boundaries; and

WHEREAS, a public entity established pursuant to the Joint Exercise of Powers Act is empowered to issue industrial development bonds pursuant to the California Industrial Development Financing Act (Title 10 (commencing with Section 91500 of the Government Code of the State of California)) (the "Act") and to otherwise undertake financing programs under the Joint Exercise of Powers Act or other applicable provisions of law to promote economic development through the issuance of bonds, notes, or other evidences of indebtedness, or certificates of participation in leases or other agreements (all such instruments being herein collectively referred to as "Bonds"); and

WHEREAS, in order to promote economic development within the State of California, the County Supervisors Association of California ("CSAC"), together with the California Manufacturers Association, has established the Bonds for Industry program (the "Program").

WHEREAS, in furtherance of the Program, certain California counties (collectively, the "Initial Participants") have entered into that certain Joint Exercise of Powers Agreement dated as of November 18, 1987 (the "Initial Agreement"), pursuant to which the California Counties Industrial Development Authority has been established as a separate entity under the Joint Exercise of Powers Act for the purposes and with the powers specified in the Initial Agreement; and

WHEREAS, the League of California Cities ("LCC") has determined to join as a sponsor of the Program and to actively participate in the administration of the Authority; and

WHEREAS, the Initial Participants have determined to specifically authorize the Authority to issue Bonds pursuant to Article 2 of the Joint Exercise of Powers Act ("Article 2") and Article 4 of the Joint Exercise of Powers Act ("Article 4"), as well as may be authorized by the Act or other applicable law; and

WHEREAS, the Initial Participants desire to rename the California Counties Industrial Development Authority to better reflect the additional sponsorship of the Program; and

WHEREAS, each of the Initial Participants has determined that it is in the public interest of the citizens within its boundaries, and to the benefit of such Initial Participant and the area and persons served by such Initial Participant, to amend and restate in its entirety the Initial Agreement in order to implement the provisions set forth above; and

WHEREAS, it is the desire of the Program Participants to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake projects within their respective jurisdictions that may be financed with Bonds issued pursuant to the Act, Article 2, Article 4, or other applicable provisions of law; and

WHEREAS, the projects undertaken will result in significant public benefits, including those public benefits set forth in Section 91502.1 of the Act, an increased level of economic activity, or an increased tax base, and will therefore serve and be of benefit to the inhabitants of the jurisdictions of the Program Participants;

NOW, THEREFORE, the Program Participants, for and in consideration of the mutual promises and agreements herein contained, do agree to restate and amend the Initial Agreement in its entirety to provide as follows:

Section 1. Purpose.

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act, relating to the joint exercise of powers common to public agencies, in this case being the Program Participants. The Program Participants each possess the powers referred to in the recitals hereof. The purpose of this Agreement is to establish an agency for, and with the purpose of, issuing Bonds to finance projects within the territorial limits of the Program Participants pursuant to the Act, Article 2, Article 4, or other applicable provisions of law; provided, however that nothing in this Agreement shall be construed as a limitation on the rights of the Program Participants to pursue economic development outside of this Agreement, including the rights to issue Bonds through industrial development authorities under the Act, or as otherwise permitted by law.

Within the various jurisdictions of the Program Participants such purpose will be accomplished and said powers exercised in the manner hereinafter set forth.

Section 2. Term.

This Agreement shall become effective as of the date hereof and shall continue in full force and effect for a period of forty (40) years from the date hereof, or until such time as it is terminated in writing by all the Program Participants; provided, however, that this Agreement shall not terminate or be terminated until the date on which all Bonds or other indebtedness issued or caused to be issued by the Authority shall have been retired, or full provision shall have been made for their retirement, including interest until their retirement date.

Section 3. Authority.

A. CREATION AND POWERS OF AUTHORITY.

(1) Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the "California Statewide Communities Development Authority" (the "Authority"), and said Authority shall be a public entity separate and apart from the Program Participants. Its debts, liabilities and obligations do not constitute debts, liabilities or obligations of any party to this Agreement.

B. COMMISSION.

The Authority shall be administered by a Commission (the "Commission") which shall consist of seven members, each

serving in his or her individual capacity as a member of the Commission. The Commission shall be the administering agency of this Agreement, and, as such, shall be vested with the powers set forth herein, and shall execute and administer this Agreement in accordance with the purposes and functions provided herein.

Four members of the Commission shall be appointed by the governing body of CSAC and three members of the Commission shall be appointed by the governing body of LCC. Initial members of the Commission shall serve a term ending June 1, 1991. Successors to such members shall be selected in the manner in which the respective initial member was selected and shall serve a term of three years. Any appointment to fill an unexpired term, however, shall be for such unexpired term. The term of office specified above shall be applicable unless the term of office of the respective member is terminated as hereinafter provided, and provided that the term of any member shall not expire until a successor thereto has been appointed as provided herein.

Each of CSAC and LCC may appoint an alternate member of the Commission for each member of the Commission which it appoints. Such alternate member may act as a member of the Commission in place of and during the absence or disability of such regularly appointed member. All references in this Agreement to any member of the Commission shall be deemed to refer to and include the applicable alternate member when so acting in place of a regularly appointed member.

Each member or alternate member of the Commission may be removed and replaced at any time by the governing body by which such member was appointed. Any individual, including any member of the governing body or staff of CSAC or LCC, shall be eligible to serve as a member or alternate member of the Commission.

Members and alternate members of the Commission shall not receive any compensation for serving as such but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member or alternate member, if the Commission shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

C. OFFICERS; DUTIES; OFFICIAL BONDS.

The Commission shall elect a Chair, a Vice-Chair, and a Secretary of the Authority from among its members to serve for such term as shall be determined by the Commission. The Commission shall appoint one or more of its officers or

employees to serve as treasurer, auditor, and controller of the Authority (the "Treasurer") pursuant to Section 6505.6 of the Joint Exercise of Powers Act to serve for such term as shall be determined by the Commission.

Subject to the applicable provisions of any resolution, indenture or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, instrument and proceeding being herein referred to as an "Indenture") providing for a trustee or other fiscal agent, the Treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source derived.

The Treasurer of the Authority shall have the powers, duties and responsibilities specified in Section 6505.5 of the Joint Exercise of Powers Act.

The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Secretary of the Authority in the amount specified by resolution of the Commission but in no event less than \$1,000. If and to the extent permitted by law, any such officer may satisfy this requirement by filing an official bond in at least said amount obtained in connection with another public office.

The Commission shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

The Commission shall have the power, by resolution, to the extent permitted by the Joint Exercise of Powers Act or any other applicable law, to delegate any of its functions to one or more of the members of the Commission or officers or agents of the Authority and to cause any of said members, officers or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Commission or the Authority.

D. MEETINGS OF THE COMMISSION.

(1) Regular Meetings.

The Commission shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Commission and a copy of such resolution shall be filed with each party hereto.

(2) Special Meetings.

Special meetings of the Commission may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

(3) Ralph M. Brown Act.

All meetings of the Commission, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California).

(4) Minutes.

The Secretary of the Authority shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Commission and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Commission.

(5) Quorum.

A majority of the members of the Commission which includes at least one member appointed by the governing body of each of CSAC and LCC shall constitute a quorum for the transaction of business. No action may be taken by the Commission except upon the affirmative vote of a majority of the members of the Commission which includes at least one member appointed by the governing body of each of CSAC and LCC, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Authority may adopt, from time to time, by resolution of the Commission such rules and regulations for the conduct of its meetings and affairs as may be required.

Section 4. Powers.

The Authority shall have any and all powers relating to economic development authorized by law to each of the parties hereto and separately to the public entity herein created, including, without limitation, the promotion of opportunities for the creation and retention of employment, the stimulation of economic activity, and the increase of the tax base, within the jurisdictions of such parties. Such powers shall include the common powers specified in this

Agreement and may be exercised in the manner and according to the method provided in this Agreement. All such powers common to the parties are specified as powers of the Authority. The Authority is hereby authorized to do all acts necessary for the exercise of such powers, including, but not limited to, any or all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works or improvements; to acquire, hold or dispose of property wherever located; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entity; to sue and be sued in its own name; and generally to do any and all things necessary or convenient to the promotion of economic development, including without limitation the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, and the increase of the tax base, all as herein contemplated. Without limiting the generality of the foregoing, the Authority may issue or cause to be issued bonded and other indebtedness, and pledge any property or revenues as security to the extent permitted under the Joint Exercise of Powers Act, including Article 2 and Article 4, the Act or any other applicable provision of law.

The manner in which the Authority shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California county could exercise such powers and perform such duties until a California general law city shall become a Program Participant, at which time it shall be subject to the restrictions upon the manner in which a California general law city could exercise such powers and perform such duties. The manner in which the Authority shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

Section 5. Fiscal Year.

For the purposes of this Agreement, the term "Fiscal Year" shall mean the fiscal year as established from time to time by the Authority, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 1988.

Section 6. Disposition of Assets.

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2 hereof, after payment of all expenses and liabilities of the Authority, all property of the Authority both real and personal shall automatically vest in the Program Participants and shall thereafter remain the sole property of the Program Participants; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Program Participants.

Section 7. Bonds.

The Authority shall issue Bonds for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement. Said Bonds may, at the discretion of Authority, be issued in series.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing shall be used by the Authority. The fees and expenses of such counsel, consultants, advisors, and the expenses of CSAC, LCC, and the Commission shall be paid from the proceeds of the Bonds or any other unencumbered funds of the Authority available for such purpose.

Section 9. Local Approval.

A copy of the application for financing of a project shall be filed by the Authority with the Program Participant in whose jurisdiction the project is to be located. The Authority shall not issue Bonds with respect to any project unless the governing body of the Program Participant in whose jurisdiction the project is to be located, or its duly authorized designee, shall approve, conditionally or unconditionally, the project, including the issuance of Bonds therefor. Action to approve or disapprove a project shall be taken within 45 days of the filing with the Program Participant. Certification of approval or disapproval shall be made by the clerk of the governing body of the Program Participant, or by such other officer as may be designated by the applicable Program Participant, to the Authority.

Section 8. Bonds Only Limited and Special Obligations of Authority.

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Program Participant, CSAC, or LCC or pledge of the faith and credit of the Program Participants, CSAC, LCC, or the

Authority. The Bonds shall be only special obligations of the Authority, and the Authority shall under no circumstances be obligated to pay the Bonds or the respective project costs except from revenues and other funds pledged therefor. Neither the Program Participants, CSAC, LCC, nor the Authority shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Program Participants nor the faith and credit of CSAC, LCC, or the Authority shall be pledged to the payment of the principal of, premium, if any, or interest on the Bonds nor shall the Program Participants, CSAC, LCC, or the Authority in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or Indenture shall be deemed to be a covenant or agreement of any member of the Commission, or any officer, agent or employee of the Authority in his individual capacity and neither the Commission of the Authority nor any officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

Section 10. Accounts and Reports.

All funds of the Authority shall be strictly accounted for. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by each Program Participant.

The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Agency by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with each Program Participant and also with the county auditor of each county in which a Program Participant is located. Such report shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

In any Fiscal Year the Commission may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

The Treasurer of the Authority, within 120 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to each of the Program Participants to the extent such activities are not covered by the reports of the trustees for the Bonds. The trustee appointed under each Indenture shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said Indenture. Said trustee may be given such duties in said Indenture as may be desirable to carry out this Agreement.

Section 11. Funds.

Subject to the applicable provisions of each Indenture, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to the accounting procedures developed under Section 10 hereof, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions or purposes of this Agreement.

Section 12. Notices.

Notices and other communications hereunder to the Program Participants shall be sufficient if delivered to the clerk of the governing body of each Program Participant.

Section 13. Withdrawal and Addition of Parties.

A Program Participant may withdraw from this Agreement upon written notice to the Commission; provided, however, that no such withdrawal shall result in the dissolution of the Authority so long as any Bonds remain outstanding under an Indenture. Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Commission which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to this Agreement effective upon such filing.

Qualifying public agencies may be added as parties to this Agreement and become Program Participants upon: (i) the filing by such public agency of an executed counterpart of this Agreement, together with a certified copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (ii) adoption of a resolution of the Commission approving the addition of such public agency as a Program Participant. Upon satisfaction of such conditions, the Commission shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

Section 14. Indemnification.

To the full extent permitted by law, the Commission may authorize indemnification by the Authority of any person who is or was a member or alternate member of the Commission, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member or alternate member of the Commission, or an officer, employee or other agent of the Authority, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Section 15. Contributions and Advances.

Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Authority by the parties hereto for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Authority and the party making such advance at the time of such advance.

Section 16. Immunities.

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits which apply to the activity of officers, agents or employees of Program Participants when performing their

respective functions within the territorial limits of their respective public agencies, shall apply to them to the same degree and extent while engaged as members of the Commission or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties extraterritorially under the provisions of this Agreement.

Section 17. Amendments.

Except as provided in Section 13 above, this Agreement shall not be amended, modified, or altered except by a written instrument duly executed by each of the Program Participants.

Section 18. Effectiveness.

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Program Participants at 9:00 a.m., California time, on the date that the Commission shall have received from each of the Initial Participants an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Initial Participant approving this Agreement and the execution and delivery hereof.

Section 19. Partial Invalidity.

If anyone or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

Section 20. Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no party may assign any right or obligation hereunder without the consent of the other parties.

Section 21. Miscellaneous.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement is made in the State of California, under the Constitution and laws of such state and is to be so construed.

This Agreement is the complete and exclusive statement of the agreement among the parties hereto, which supercedes and merges all prior proposals, understandings, and other agreements, including, without limitation, the Initial Agreement, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

Program Participant:

[SEAL]

By _____

Name:

Title:

ATTEST:

By _____

Name:

Title:

RESOLUTION NO. _____

A RESOLUTION OF OLIVENHAIN MUNICIPAL WATER DISTRICT

(1) AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (THE “AUTHORITY”) TO FORM A COMMUNITY FACILITIES DISTRICT WITHIN THE TERRITORIAL LIMITS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT TO FINANCE CERTAIN PUBLIC IMPROVEMENTS; (2) EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF THE COMMUNITY FACILITIES DISTRICT FINANCING; (3) APPROVING A FORM OF FUNDING AND ACQUISITION AGREEMENT BETWEEN THE DISTRICT AND THE DEVELOPER; AND (4) AUTHORIZING STAFF TO COOPERATE WITH THE AUTHORITY AND ITS CONSULTANTS IN CONNECTION THEREWITH.

WHEREAS, the Olivenhain Municipal Water District (the “District”) is a municipal water district duly organized and existing under California Water Code Section 71000 *et seq.*; and

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is a California joint-exercise of powers authority lawfully formed and operating within the State pursuant to an agreement (the “Joint Powers Agreement”) entered into as of June 1, 1988 under the authority of Title 1, Division 7, Chapter 5 (commencing with Section 6500) of the California Government Code; and

WHEREAS, the District is a party to the Joint Powers Agreement and, by virtue thereof, a member (a “Program Participant”) of the Authority; and

WHEREAS, the Joint Powers Agreement was entered into to establish the Authority as an agency authorized to issue bonds to finance projects within the territorial limits of its Program Participants; and

WHEREAS, the Joint Powers Agreement authorizes the Authority to undertake financing programs under any applicable provisions of State law to promote economic development, the stimulation of economic activity, and the increase of the tax base within the jurisdictional boundaries of its Program Participants; and

WHEREAS, the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State (the “Act”) is an applicable provision of State law available to, among other things, finance public improvements necessary to meet increased demands placed upon local agencies as a result of development; and

WHEREAS, there is a development project, commonly known as “Pinnacle at Santa Fe Valley,” within the jurisdictional boundaries of the District, owned by Pinnacle at Santa Fe Valley, LLC (the “Development Project” and the “Developer,” respectively), and the Developer has requested that the District consider formation of a community facilities district for the Development Project under the Act; and

WHEREAS, the District does not desire to allocate District resources and District staff time to the formation and administration of a community facilities district and to the issuance of bonds therefor; and

WHEREAS, the Development Project will promote economic development, the stimulation of economic activity, and the increase of the tax base within the District; and

WHEREAS, both the Authority and the District are “local agencies” under the Act; and

WHEREAS, the Act permits two or more local agencies to enter into a joint community facilities agreement to exercise any power authorized by the Act; and

WHEREAS, the District desires to enter into such an agreement with the Authority to authorize the Authority to form a community facilities district within the territorial limits of the District in order to finance certain public improvements, including through the financing of certain water connection and capacity fees, meter surcharges, and fair share contributions, required of the Development Project; and

WHEREAS, a form of the Funding and Acquisition Agreement (the “Acquisition Agreement”) between the District and the Developer has been presented to the District’s Board of Directors (the “Board”) and is on file with the Secretary of the Board; and

WHEREAS, nothing herein constitutes the District’s approval of any applications, Development Project entitlements and/or permits, and such, to the extent required in the future, are subject to and contingent upon the District’s approval following, to the extent applicable, environmental review in compliance with the California Environmental Quality Act (“CEQA”); and

WHEREAS, nothing herein affects, without limitation, requirements for and/or compliance with any and all applicable and/or necessary improvement standards, land use requirements or subdivision requirements relating to the Development Project or any portion thereof, which obligations are and shall remain independent and subsisting; and

WHEREAS, the Board is fully advised in this matter.

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 specifically finds and declares that the actions authorized hereby constitute and are with respect to municipal affairs of the District, and the statements, findings and determinations of the District set forth in the recitals above are true and correct.

SECTION 2. This resolution shall constitute full “local approval,” under Section 9 of the Joint Powers Agreement, and under the Authority’s Local Goals and Policies (as defined below), for the Authority to undertake and conduct proceedings in accordance herewith

and under the Act to form a community facilities district (the “Community Facilities District”) with boundaries substantially as shown on Exhibit A attached hereto, and to authorize a special tax within the Community Facilities District and to issue bonds for the Community Facilities District.

SECTION 3. The Joint Powers Agreement, together with the terms and provisions of this resolution, shall together constitute a joint community facilities agreement between the District and the Authority under the Act. As, without this resolution, the Authority has no power to conduct proceedings under the Act to form the Community Facilities District, adoption by the Commission of the Authority of the Resolution of Intention to form the Community Facilities District under the Act shall constitute acceptance of the terms hereof by the Authority.

SECTION 4. This resolution and the agreement it embodies are determined to be beneficial to the residents/customers of the District and are in the best interests of the residents of the District, and of the future residents of the area within the Community Facilities District.

SECTION 5. The Authority has adopted Local Goals and Policies as required by Section 53312.7 of the Act (the “Local Goals and Policies”). If there is a conflict between the Authority’s Local Goals and Policies and the District’s local goals and policies with respect to the use of the Act, the District’s local goals and policies shall control with respect to the Community Facilities District.

SECTION 6. Pursuant to the Act and this resolution, the Authority may conduct proceedings under the Act to form the Community Facilities District, and to have it authorize the financing of the facilities and fees set forth on Exhibit B, attached hereto. All of said facilities, whether to be financed directly or through fees, are facilities that have an expected useful life of five years or longer and are facilities that the District or other local public agencies, as the case may be, are authorized by law to construct, own or operate, or to which they may contribute revenue. The facilities (including facilities financed through the water connection and capacity fees, meter surcharges, sewer capacity charges, fair share contributions or similar) are referred to herein as the “Improvements,” and the Improvements to be owned by the District are referred to as the “District Improvements.” The fees, including but not limited to water connection and capacity fees, meter surcharges, sewer capacity charges, fair share contributions and similar, are referred to as the “Fees,” and the Fees paid or to be paid to the District are referred to as the “District Fees.”

SECTION 7. For Fees paid or to be paid to another local agency (any such local agency referred to herein as an “Other Local Agency”), the Authority will obtain the written consent of that Other Local Agency before issuing bonds to fund such Fees, as required by the Act. If it is expected that the proposed Community Facilities District will finance Improvements (whether directly or through the financing of Fees) to be owned by an Other Local Agency, the Authority will separately identify such Improvements in its proceedings, and will enter into joint community facilities agreements with each Other Local Agency prior to issuing bonds to finance such Improvements, as required by the Act. Each joint community facilities agreement with an Other Local Agency will contain a provision that the Other Local Agency will provide indemnification to the District to the same extent that the District provides indemnification to the Other Local Agency under the terms of this resolution.

SECTION 8. The Board certifies to the Commission of the Authority that all of the District Improvements, including the improvements to be constructed or acquired with the proceeds of the District Fees, are necessary to meet increased demands placed upon the District as a result of development occurring or expected to occur within the Community Facilities District. Joint community facilities agreements with each Other Local Agency shall each contain a certification with respect to the Improvements to be owned by, and Fees paid or to be paid to, the Other Local Agency equivalent to that made by the District in this paragraph.

SECTION 9. The Authority will apply the special tax collections initially as required by the documents under which any bonds are issued; and thereafter, to the extent not provided in the bond documents, may pay its own reasonable administrative costs incurred in the administration of the Community Facilities District. The Authority will remit any special tax revenues remaining after the final retirement of all bonds to the District and to each Other Local Agency pro rata to the amounts of bond proceeds applied thereto. The District will apply any such special tax revenues it receives for authorized District Improvements or the District Fees and its own administrative costs only as permitted by the Act. The joint community facilities agreements with each Other Local Agency must require such Other Local Agency to apply the special tax revenues they receive for their authorized Improvements and Fees under the Community Facilities District and for their own related administrative costs only as permitted by the Act.

SECTION 10. The Authority will administer the Community Facilities District, including employing and paying all consultants, annually levying the special tax and all aspects of paying and administering the bonds, and complying with all State and Federal requirements appertaining to the proceedings, including the requirements of the United States Internal Revenue Code. The District will cooperate fully with the Authority in respect of the requirements of the Internal Revenue Code and to the extent information is required of the District to enable the Authority to perform its disclosure and continuing disclosure obligations with respect to the bonds, although the District will not participate in nor be considered to be a participant in the proceedings respecting the Community Facilities District (other than as a party to the agreement embodied by this resolution) nor will the District be or be considered to be an issuer of the bonds. The Authority shall obtain a provision equivalent to this paragraph in each joint community facilities agreement with each Other Local Agency.

SECTION 11. In the event the Authority forms the Community Facilities District and special tax revenues become available to finance the Improvements (including through the financing of the Fees), or the Authority completes the issuance and sale of bonds and bond proceeds become available to finance the District Improvements and the District Fees, the Authority shall establish and maintain one or more special funds for deposit of such special tax revenues and bond proceeds (collectively, the "Acquisition and Construction Fund"). The portion of special tax revenues and bond proceeds which is intended to be utilized to finance the Improvements and the Fees shall be deposited in the Acquisition and Construction Fund. The Acquisition and Construction Fund will be available to fund the District Improvements and the District Fees and for the Improvements and Fees pertaining to each Other Local Agency. Amounts in the Acquisition and Construction Fund shall be applied to pay for the acquisition of District Improvements or to provide a credit for District Fees in the manner set forth in the Acquisition Agreement.

SECTION 12. With respect to the Authority and each Other Local Agency, the District agrees that the Authority and each Other Local Agency have no responsibility for the administration of the construction or acquisition of District Improvements and expenditure of District Fees. The District reserves the right, with respect to the Developer, to require the Developer to contract with the District to assume any portion or all of this responsibility. The Authority shall obtain a provision equivalent to this paragraph in each joint community facilities agreement with each Other Local Agency.

SECTION 13. The District agrees to indemnify and to hold the Authority, its other members, and its other members' officers, agents and employees, and each Other Local Agency and their officers, agents and employees (collectively, the "Indemnified Parties") harmless from any and all claims, suits and damages (including costs and reasonable attorneys' fees) arising out of the design, engineering, construction and installation of the District Improvements and the District Improvements to be financed or acquired with the District Fees. The District reserves the right, with respect to the Developer, to require the Developer to assume by contract with the District any portion or all of this responsibility. The Authority shall obtain a provision equivalent to this paragraph in each joint community facilities agreement with each Other Local Agency indemnifying the District and its officers, agents and employees as Indemnified Parties with respect to such Other Local Agency's Improvements and the Improvements to be constructed or acquired with such Other Local Agency's Fees. The Authority agrees to indemnify and to hold the District, its officers, employees and agents harmless from any and all claims, suits, and damages (including costs and reasonable attorneys' fees) arising out of the formation and administration of the Community Facilities District and issuance and administration of any bonds by the Authority relating to the District Improvements and District Fees, including any claims, suits, and damages (including costs and reasonable attorneys' fees), relating to the tax-exempt status of such bonds except to the extent such claims, suits or damages relating to the tax-exempt status are derived from an untrue statement of fact made by the District regarding the use of the proceeds of the Bonds or derived from or related to the use of the District Improvements.

SECTION 14. With respect to the Authority and each Other Local Agency, the District agrees, once the District Improvements are constructed according to the approved plans and specifications and the District and the Developer have put in place their agreed arrangements for the funding of maintenance of the District Improvements, to accept ownership of the District Improvements, to take maintenance responsibility for the District Improvements, and to indemnify and hold harmless the Indemnified Parties to the extent provided in the preceding paragraph from any and all claims, etc., arising out of the use and maintenance of the District Improvements. The District reserves the right, as respects the Developer, to require the Developer by contract with the District to assume any portion or all of this responsibility. The Authority shall obtain a provision equivalent to this paragraph in each joint community facilities agreement with each Other Local Agency indemnifying the District and its officers, agents and employees as Indemnified Parties.

SECTION 15. The District acknowledges the requirement of the Act that if the District Improvements are not completed prior to the adoption of the Resolution of Formation of the Community Facilities District by the Commission of the Authority, the District Improvements must be constructed as if they had been constructed under the direction and supervision, or under the authority of, the District. The District acknowledges that this includes a requirement that all District Improvements must be constructed under contracts that require the payment of prevailing

wages as required by Section 1720 *et seq.* of the Labor Code of the State of California. The Authority makes no representation that this requirement is the only applicable legal requirement in this regard. The District reserves the right, with respect to the Developer, to assign appropriate responsibility for compliance with this paragraph to the Developer.

SECTION 16. The form of the Acquisition Agreement attached hereto as Exhibit C is hereby approved, and the Board President, the General Manager of the District, or any such officer's designee (each, an "Authorized Officer") is authorized to execute, and deliver to the Developer, the Acquisition Agreement on behalf of the District in substantially that form, with such changes as shall be approved by an Authorized Officer after consultation with the District's counsel and the Authority's bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 17. After completion of the District Improvements and appropriate arrangements for the maintenance of the District Improvements, or any discrete portion thereof as provided in Section 53313.51 of the Act and in the Acquisition Agreement, to the satisfaction of the District, and in conjunction with the District's acceptance thereof, acquisition of the District Improvements shall be undertaken as provided in the Acquisition Agreement.

SECTION 18. The District hereby consents to the formation of the Community Facilities District in accordance with this resolution and consents to the assumption of jurisdiction by the Authority for the proceedings respecting the Community Facilities District with the understanding that the Authority will hereafter take each and every step required for or suitable for consummation of the proceedings, the levy, collection and enforcement of the special tax, and the issuance, sale, delivery and administration of the bonds, all at no cost to the District and without binding or obligating the District's general fund or taxing authority.

SECTION 19. The terms of the agreement embodied by this resolution may be amended by a writing duly authorized, executed and delivered by the District and the Authority, except that no amendment may be made after the issuance of the bonds by the Authority that would be detrimental to the interests of the bondholders without complying with all of the bondholder consent provisions for the amendment of the bond resolutions, bond indentures or like instruments governing the issuance, delivery and administration of all outstanding bonds.

SECTION 20. Except to the extent of the indemnifications extended to each Other Local Agency in the agreement embodied by this resolution, and the District's agreement to take responsibility for and ownership of the District Improvements and the administration and expenditure of the District Fees, no person or entity, including the Developer, shall be deemed to be a third party beneficiary of this resolution, and nothing in this resolution (either express or implied) is intended to confer upon any person or entity other than the Authority and the District (and their respective successors and assigns) any rights, remedies, obligations or liabilities under or by reason of this resolution.

SECTION 21. The District shall be identified as a third-party beneficiary of all joint community facilities agreements between the Authority and each Other Local Agency to the extent of the indemnification provisions and the provisions whereby each Other Local Agency agrees to take responsibility for and ownership of their Improvements.

SECTION 22. This resolution shall remain in force until all bonds of the Community Facilities District have been retired and the authority to levy the special tax conferred by the Community Facilities District proceedings has ended or is otherwise terminated.

SECTION 23. The Board hereby authorizes and directs the General Manager and other appropriate District staff to cooperate with the Authority and its consultants and to do all things necessary and appropriate to carry out the intent of this resolution and the Community Facilities District financing, and to execute any and all certificates and documents in connection with the bond issuance as shall be approved by the General Manager after consultation with the District's counsel and the Authority's bond counsel.

SECTION 24. All actions heretofore taken by the General Manager and other appropriate officers and agents of the District with respect to the Community Facilities District are hereby ratified, confirmed and approved. The Board hereby approves the execution and delivery of the Acquisition Agreement with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the California Government Code using DocuSign.

SECTION 25. The Board hereby approves delivery of a certified copy of this resolution to the Authority's bond counsel, Stradling Yocca Carlson & Rauth LLP.

SECTION 26. This Resolution shall take effect upon its adoption.

PASSED, ADOPTED AND APPROVED at a regular Board meeting of the Board of Directors of the Olivenhain Municipal Water District held on May 20, 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

COMMUNITY FACILITIES DISTRICT BOUNDARIES

**PROPOSED BOUNDARIES OF
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2026-08
(PINNACLE AT SANTA FE VALLEY)
COUNTY OF SAN DIEGO, STATE OF CALIFORNIA**

SHEET 1 OF 1

LEGEND

| | |
|---|-----------------------------|
| <p>Proposed Boundaries of Zone 1 of California Statewide Communities Development Authority Community Facilities District No. 2026-08 (Pinnacle at Santa Fe Valley), County of San Diego, State of California</p> <p>Proposed Boundaries of Zone 2 of California Statewide Communities Development Authority Community Facilities District No. 2026-08 (Pinnacle at Santa Fe Valley), County of San Diego, State of California</p> | <p>Assessor Parcel Line</p> |
|---|-----------------------------|

Assessor Parcels included within C.S.D.A. CFD No. 2026-08 (Pinnacle at Santa Fe Valley):

Zone 1:
678-061-01-00 to 678-061-12-00

Zone 2:
678-022-01-00 to 678-022-15-00
678-062-01-00 to 678-062-10-00

For particulars of lines and dimensions or Assessor's parcels reference is made to the maps of the San Diego County Assessor, California.

Filed in the office of the Secretary of California Statewide Communities Development Authority this ____ day of _____, 2026.

For Secretary of the Authority, Kevin O'Rourke
California Statewide Communities Development Authority

I hereby certify that the within map showing the proposed boundaries of California Statewide Communities Development Authority, Community Facilities District No. 2026-08 (Pinnacle at Santa Fe Valley), County of San Diego, State of California, was approved by the Commission of the California Statewide Communities Development Authority at a regular meeting thereof, held on this ____ day of _____, 2026, by its Resolution No. _____.

For Secretary of the Authority, Kevin O'Rourke
California Statewide Communities Development Authority

San Diego County Recorder's Certificate

This map has been filed under Document Number _____, this ____ day of _____, 2026, at _____ m., in Book _____ of Maps of Assessment and Community Facilities Districts at Page(s) _____, in the office of the County Recorder in the County of San Diego, State of California, at the request of the California Statewide Communities Development Authority in the amount of \$ _____.

Jordan Z. Marks
Assessor-Recorder-County Clerk
County of San Diego

By: _____
Deputy Recorder

Exempt from SB2 fees per Government Code Section 27388.1 (a) (2) (D).

PREPARED BY DTA PUBLIC FINANCE, INC.

EXHIBIT B

AUTHORIZED IMPROVEMENTS AND FEES

Generally, for each of the categories of public capital improvements that are described below to be acquired, constructed and installed on public property (including dedicated rights-of-way and public easements), the authorized improvements shall be deemed to include, without limitation, the cost of real property, the cost and expense of mobilization, clearing, grubbing, protective fencing and erosion control, excavation, dewatering, lime treatment, drainage ditches, rock outfalls, curb, gutter and sidewalks, base and finish paving, striping, traffic signage, traffic signals, streetlights, landscaping, irrigation, soundwalls, retaining walls, barricades, water mains, pump stations, water tanks, and other related appurtenant work and facilities, together with the cost and expense of engineering design, plan review, project management, construction-related surety bonds or like security instruments, construction staking and management, inspection, and any like fees and costs incidental to such acquisition, construction and installation.

The following public capital improvements to be funded include those improvements eligible for construction from water connection and capacity fees, meter surcharge, sewer capacity charges, and other similar charges or fees. The property owners within the Community Facilities District will receive a credit for certain improvements eligible for funding from a water connection and capacity fees, meter surcharge, sewer capacity charge or similar, or for their required fair share contribution toward funded improvements, in the amount of any special tax or bond proceeds applied to such improvements.

Public Capital Improvements and Fees

1. Sewer improvements, including, but not limited to, pipelines, valves, pumps, treatment facilities and improvements funded through a sewer connection fee, sewer capacity charge or a similar charge or fee.
2. Water improvements, including, but not limited to, water distribution system improvements, pump stations, water connection and capacity fees (including capacity in existing systems), wells, well site improvements, reservoirs, pipelines, valves, meters, hydrants, tie-ins and improvements funded through a water system backup facilities charge, water demand offset fee, meter surcharge, or similar charges or fees.

EXHIBIT C

FORM OF FUNDING AND ACQUISITION AGREEMENT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

FUNDING AND ACQUISITION AGREEMENT

BY AND BETWEEN

OLIVENHAIN MUNICIPAL WATER DISTRICT

AND

PINNACLE AT SANTA FE VALLEY, LLC

Dated as of May 20, 2026

FUNDING AND ACQUISITION AGREEMENT

This Funding and Acquisition Agreement (the “Agreement”) is entered into as of 20th day of May, 2026 by and between the Olivenhain Municipal Water District, a public agency (the “District”) and Pinnacle at Santa Fe Valley, LLC, a California limited liability company (the “Developer”), authorized to conduct business in the State of California.

Recitals

A. The Developer has applied for the financing of certain public capital improvements (the “Acquisition Improvements”) and water connection and capacity fees, meter surcharges, and fair share contributions (together, the “Fees”) through the California Statewide Communities Development Authority (the “Authority”) and its Statewide Community Infrastructure Program (“SCIP”) for its development project known as “Pinnacle at Sante Fe Valley” located in the County of San Diego (such project and the related infrastructure improvements, the “Project”). The public capital improvements are to be owned and operated by the District, and the financing is to be accomplished through a Community Facilities District which will be administered by the Authority under and pursuant to the Mello-Roos Community Facilities Act of 1982, being California Government Code Sections 53311 *et seq.* (the “Act”). The Developer has submitted an application to the Authority to participate in SCIP and to form a community facilities district (the “Community Facilities District”) and within the territorial limits of the District to finance the Acquisition Improvements and Fees.

B. The Authority intends to levy special taxes on property within the Community Facilities District and issue bonds to fund, among other things, all or a portion of the costs of the Acquisition Improvements and Fees. The portion of the proceeds of the special taxes and bonds allocable to the cost of the Acquisition Improvements and Fees, together with interest earned thereon, is referred to herein as the “Available Amount.”

C. The Authority will provide financing for the acquisition by the District of the Acquisition Improvements and the payment of the Acquisition Price (as defined herein) of the Acquisition Improvements, or to provide for a credit to the Developer for the Fees, from the Available Amount. Attached hereto as Exhibit A is a description of the Acquisition Improvements, which includes authorized discrete and usable portions, if any, of the public capital improvements, pursuant to Section 53313.51 of the Act, to be acquired from the Developer, and a description of the Fees.

D. The parties anticipate that, upon completion of the Acquisition Improvements and subject to the terms and conditions of this Agreement, the District will acquire the completed Acquisition Improvements.

E. Any and all monetary obligations of the District arising out of this Agreement are the special and limited obligations of the District payable only from the Available Amount, and no other funds whatsoever of the District shall be obligated therefor under any circumstances.

F. Attached to this Agreement are Exhibit A (*Description of Acquisition Improvements, Fees and Budgeted Amounts*), Exhibit B (*Disbursement Request Form*), and

Exhibit C (*Bidding, Contracting and Construction Requirements*) each of which are incorporated into this Agreement for all purposes.

Agreement

ARTICLE I

DEFINITIONS; COMMUNITY FACILITIES DISTRICT FORMATION AND
FINANCING PLAN

Section 1.01. Definitions. As used herein, the following capitalized terms shall have the meanings ascribed to them below:

“Acceptable Title” means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except those items which are reasonably determined by the District Engineer not to interfere with the intended use and therefore are not required to be cleared from the title.

“Acquisition and Construction Fund” means any fund or account established by the Authority pursuant to the Authority Trust Agreement and Section 1.03 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements.

“Acquisition Improvement” means a public capital improvement described in Exhibit A hereto.

“Acquisition Price” means the total amount eligible to be paid to the Developer upon acquisition of an Acquisition Improvement and/or any Eligible Portion as provided in Section 2.03 not to exceed the Actual Cost of the Acquisition Improvement.

“Actual Cost” means the total cost of an Acquisition Improvement and/or any Eligible Portion, as documented by the Developer to the satisfaction of the District and as certified by the District Engineer in an Actual Cost Certificate including, without limitation, (a) the Developer’s cost of constructing such Acquisition Improvement including grading, labor, material and equipment costs, (b) the Developer’s cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer’s cost of any performance, payment and maintenance bonds and insurance, including title insurance, required hereby for such Acquisition Improvement, (d) the Developer’s cost of any real property or interest therein that is either necessary for the construction of such Acquisition Improvement (e.g., temporary construction easements, haul roads, etc.), or is required to be conveyed with such Acquisition Improvement in order to convey Acceptable Title thereto to the District or its designee, (e) the Developer’s cost of environmental evaluation or mitigation required for such Acquisition Improvement, (f) the amount of any fees actually paid by the Developer to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Acquisition Improvement, (g) the Developer’s cost for construction and project management, administration and supervision services for such Acquisition Improvement in an amount equal to five percent (5.0%), (h) the Developer’s cost for professional services related to such Acquisition Improvement, including

engineering, accounting, legal, financial, appraisal and similar professional services, and (i) the costs of construction financing incurred by the Developer with respect to such Acquisition Improvement.

“Actual Cost Certificate” means a certificate prepared a person or firm retained by the Developer that is experienced with the preparation of reimbursement requests from proceeds of the Bonds or Special Taxes for facilities similar to the Acquisition Improvements, detailing the Actual Cost of an Acquisition Improvement, or an Eligible Portion thereof, to be acquired hereunder, as may be revised by the District Engineer pursuant to Section 2.03. An Actual Cost Certificate shall include such necessary information (including invoices, receipts, worksheets and other evidence of cost as necessary) in sufficient detail to allow the District Engineer to verify the Acquisition Price of any Acquisition Improvement or Eligible Portion.

“Agreement” means this Acquisition Agreement, dated as of May 20, 2026.

“Authority” means the California Statewide Communities Development Authority.

“Authority Trust Agreement” means a Trust Agreement entered into by the Authority and an Authority Trustee in connection with the issuance of Bonds.

“Authority Trustee” means the financial institution identified as trustee in an Authority Trust Agreement.

“Available Amount” shall have the meaning assigned to the term in Recital B.

“Bonds” means bonds or other indebtedness issued by the Authority that is to be repaid with Special Taxes from the Community Facility District.

“District” means the Olivenhain Municipal Water District, a municipal water district duly organized and existing under California Water Code Section 71000 *et seq.*

“District Engineer” means the Engineer of the District and/or his/her designee who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

“Code” means the Government Code of the State of California.

“Community Facilities District” shall have the meaning assigned to the term in Recital D.

“Developer” means Pinnacle at Santa Fe Valley, LLC, its successors and assigns.

“Disbursement Request Form” means a requisition for payment of funds from the Acquisition and Construction Fund for an Acquisition Improvement, or an Eligible Portion thereof, and for funding Fees in substantially the form contained in Exhibit B hereto.

“Eligible Portion” shall have the meaning ascribed to it in Section 2.03 below.

“Fee” means a water demand offset fee, meter surcharge, fair share contribution or other similar charge or fee imposed by the District on the Developer eligible for funding through the

Community Facilities District and more particularly described in Exhibit A attached hereto.

“Installment Payment” means an amount equal to ninety percent (90%) of the Actual Cost of an Eligible Portion.

“Master Facilities Agreement” means the “Pinnacle at Santa Fe Valley Master Agreement for Construction of Water Facilities to be Dedicated to the Olivenhain Municipal Water District dated [April 15, 2026].

“Project” means the Developer’s development of the property in the Community Facilities District, including the design and construction of the Acquisition Improvements and the other public and private improvements to be constructed by the Developer within or near the Community Facilities District.

“Resolution” means Olivenhain Municipal Water District Resolution No. [____], adopted on May 20, 2026, titled “A Resolution of the Olivenhain Municipal Water District (1) Authorizing The California Statewide Communities Development Authority (The “Authority”) To Form A Community Facilities District Within The Territorial Limits Of The Olivenhain Municipal Water District To Finance Certain Public Improvements; (2) Embodying A Joint Community Facilities Agreement Setting Forth The Terms And Conditions Of The Community Facilities District Financing; (3) Approving A Form Of Funding And Acquisition Agreement Between The District And The Developer; And (4) Authorizing Staff To Cooperate With The Authority And Its Consultants In Connection Therewith.”

“Special Taxes” means annual special taxes, and prepayments thereof, authorized by the Community Facilities District to be levied by the Commission of the Authority within the Community Facilities District.

“Substantially Complete” or “Substantial Completion” with respect to an Acquisition Improvement means that such Acquisition Improvement is substantially complete in accordance with its Plans and Specifications and is available for use by the public for its intended purpose, notwithstanding any final “punch list” items still required to be completed, unless such items are required for the safe operation of such Acquisition Improvement, and shall be based upon approval of the District’s inspectors, which shall not be unreasonably withheld.

“Title Documents” means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the District of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a notice of completion or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the District, where applicable.

Section 1.02. Establishment of Community Facilities District. Developer has requested the District to permit the Authority to provide for financing of the Acquisition Improvements and Fees through the establishment and authorization of the Community Facilities District and the District agreed by its adoption of the Resolution. The Developer and the District

agree to reasonably cooperate with one another and with the Authority in the formation of the Community Facilities District and the completion of the financing through the issuance of Bonds in one or more series.

Section 1.03. Deposit and Use of Available Amount.

(a) Prior to the issuance of any Bonds, any Special Taxes collected by the Authority for the Community Facilities District shall be deposited in the Acquisition and Construction Fund established by the Authority, and may be disbursed to pay the Acquisition Price of Acquisition Improvements or applied to provide a credit for Fees in accordance with Article II of this Agreement. All funds in the Acquisition and Construction Fund shall be considered a portion of the Available Amount, and upon the issuance of the Bonds the Acquisition and Construction Fund shall be transferred to the Authority Trustee to be held in accordance with the Authority Trust Agreement.

(b) Upon the issuance of the Bonds, the Authority will cause the Authority Trustee to establish and maintain the Acquisition and Construction Fund for the purpose of holding all funds for the Acquisition Improvements and Fees. All earnings on amounts in the Acquisition and Construction Fund shall remain in the Acquisition and Construction Fund for use as provided herein and pursuant to the Authority Trust Agreement. Money in the Acquisition and Construction Fund shall be available to respond to delivery of a Disbursement Request Form and to be paid to the Developer or its designee, or to the District or its designee, to pay the Acquisition Price of the Acquisition Improvements or to pay for public capital improvements eligible for construction from Fees, as specified in Article II hereof. Upon completion of all of the Acquisition Improvements and the payment of all costs thereof and the application of amounts to the Fees, any remaining funds in the Acquisition and Construction Fund (less any amount determined by the District as necessary to reserve for claims against the account) shall be applied by the Authority to call Bonds or to reduce Special Taxes as the Authority shall determine.

Section 1.04. No District Liability; District Discretion; Effect on Other Agreements. In no event shall any actual or alleged act by the District or any actual or alleged omission or failure to act by the District with respect to the Community Facilities District or Bonds subject the District to monetary liability therefor. Further, nothing in this Agreement shall be construed as affecting the Developer's or the District's duty to perform their respective obligations under any other agreements, public improvement standards, land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer's and the District's rights and obligations under this Agreement.

ARTICLE II

DESIGN, CONSTRUCTION AND ACQUISITION OF ACQUISITION IMPROVEMENTS;
CREDITS FOR FEES

Section 2.01. Letting and Administering Design Contracts. The Developer has awarded and administered, or will award and administer, engineering design contracts for the Acquisition Improvements to be acquired from Developer. Any such work shall be paid for and conducted by the Developer, and all eligible expenditures of the Developer for design engineering

and related costs in connection with the Acquisition Improvements (whether as an advance to the District or directly to the design consultant) shall be reimbursed at the time of acquisition of the Acquisition Improvements. The Developer shall be entitled to reimbursement for any design costs of the Acquisition Improvements only out of the Acquisition Price as provided in Section 2.03 and shall not be entitled to any payment for design costs independent of the acquisition of Acquisition Improvements.

The Developer shall employ, at its sole cost and expense, subject to potential reimbursement, a qualified professional engineering firm (“Developer Engineer”) to plan, design and prepare plans and specification (“Plans and Specifications”) for the Acquisition Improvements in full accordance with the District’s design criteria and standards. The Plans and Specifications shall be subject to the District’s approval, which shall not be unreasonably withheld. In the event the District disapproves the Plans and Specifications, the Developer shall cause the Developer Engineer to modify the Plans and Specifications in accordance with the reasons given for disapproval and shall resubmit the revised Plans and Specifications to the District for approval or disapproval. The foregoing procedure shall be continued until the Plans and Specifications have been approved by the District. The District agrees to process any Plans and Specifications for approval with such diligence and in such time as the District accords customers similarly situated. The cost and expense of the District’s review (including but not limited to, agents, employees and independent contractors) shall be paid by the Developer to the District and such costs shall be eligible to be reimbursed from the Available Amount. The Plans and Specifications shall conform to all applicable Federal, State and local governmental rules, ordinances, regulations and all applicable environmental laws.

A qualified engineering firm (the “Field Engineer”) shall be employed by the Developer to provide all field engineering surveys determined to be necessary by the District inspection personnel. The Field Engineer shall promptly furnish to the District a complete set of grade sheets listing all locations, offsets, etc., in accordance with good engineering practices, and attendant data and reports resulting from the Field Engineer’s engineering surveys and/or proposed facility design changes. The District shall have the right, but not the obligation, to review, evaluate and analyze whether such results comply with applicable specifications.

The cost of all surveying, compaction testing and report costs associated with such Acquisition Improvements furnished and constructed by any contractors shall be paid for by the Developer, and the costs of such work shall be eligible to be reimbursed from the Available Amount.

The Developer shall, at its sole cost and expense, be responsible for compliance with all environmental laws and all requirements of the Federal Endangered Species Act and the California Endangered Species Act, arising out of or in connection with the planning, design, construction and installation of the Acquisition Improvements and for compliance with all conditions and mitigation measures of each consent or approval of a public agency which must be satisfied for the purpose of the planning, design, construction and installation of the Acquisition Improvements. The term “environmental laws” shall include, without limitation, the California Environmental Quality Act and all other applicable State and Federal environmental laws. Any such work shall be paid for and conducted by, or on behalf of, the Developer, and the costs of such work shall be eligible to be reimbursed from the Available Amount.

Section 2.02. Letting and Administration of Construction Contracts; Indemnification; Construction.

(a) State law requires that all Acquisition Improvements not completed prior to the formation of the Community Facilities District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the District, so that they may be acquired by the District pursuant to Government Code Section 53313.5. In order to assure compliance with those provisions Developer agrees to comply with the requirements set forth in Exhibit C hereto, provided that the provisions in Exhibit C with respect to the bidding and contracting for the construction of the Acquisition Improvements shall not apply to contracts entered into prior to the date hereof. The Developer agrees that all the contracts shall call for payment of prevailing wages as required by the Labor Code of the State of California. The Developer's indemnification obligation set forth in Section 4.01 of this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

(b) Following receipt of the District's written approval of the Plans and Specifications, the Developer shall, or shall employ a licensed contractor or contractors, to construct and complete the Acquisition Improvements at no cost or expense to the District and in accordance with the laws, rules and regulations of all governmental bodies and agencies having jurisdiction over the Acquisition Improvements. The Acquisition Improvements shall be constructed and installed in strict compliance with the Plans and Specifications. Any deviations from the approved Plans and Specifications must be approved by the District, in writing. The Developer shall, at its sole cost and expense, apply for and obtain all necessary consents, approvals, permits, authority and entitlements as shall be required for the design, construction and installation of the Acquisition Improvements, if any, from all appropriate governmental authorities. The Developer shall directly pay all costs associated with the construction of the Acquisition Improvements, including but not limited to, furnishing of materials, and the Developer shall keep the District free and harmless from all such costs.

(c) Upon request of the District, the Developer shall require its contractors, at its sole cost and expense, to furnish labor and material payment bonds and contract performance bonds in an amount equal to one hundred percent (100%) of the contract price for the Acquisition Improvements and naming the Developer, the District, and the Community Facilities District, as obligees unto which the Developer, as principal, and the surety are bound, and issued by insurance or surety companies approved by the District. All such bonds shall be in a form approved by the District, and the labor and material payment bond shall comply with all requirements of payment bonds on public works of improvements, including but not limited to Civil Code Section 9550, *et seq.* Notwithstanding, if bonds have already been posted in connection with the recordation of the final maps additional bonds shall not be required.

(d) Upon constructing Acquisition Improvements, the Developer shall deliver to the District a Certificate of Insurance evidencing the coverage required under the Master Facilities Agreement.

(e) Subject to the terms and conditions of all other agreements related to the Acquisition Improvements, the Developer shall comply with such other reasonable requirements

relating to the construction of the Acquisition Improvements to be completed by the Developer which the District may impose by written notification delivered to the Developer at any time, either prior to the receipt of bids by the Developer for the construction of the Acquisition Improvements to be completed by the Developer, or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof.

(f) The Developer shall, at the time the District acquires the Acquisition Improvements to be completed by the Developer or Owner, grant to the District by appropriate instruments prescribed by the District, all easements across private property and/or fee title ownership deeds and/ or public access or rights-of-way which may be necessary for the proper operation and maintenance of the Acquisition Improvements to be completed by the Developer, or any part thereof. The easements and/or fee title shall be in a width and at such locations as shall be acceptable to the District. The Developer shall ensure that all monetary liens, including deeds of trust and mortgages are subordinated to the easements and reconveyed as to the fee title ownership.

(g) Upon completion of the Acquisition Improvements to be completed by the Developer and completion of the final inspection, testing and written assurance thereof by the District, the Developer shall execute and deliver a Notice of Completion in the form and content acceptable to the District. The Notice of Completion shall convey title of the Acquisition Improvements to be completed by the Developer to the District. The Acquisition Improvements to be completed by the Developer shall be transferred to the District free of all liens and encumbrances. Nothing contained herein shall require the District to accept the Acquisition Improvements to be completed by the Developer, if such facilities are Substantially Complete. The District shall only accept such facilities if the Acquisition Improvements to be completed by the Developer are complete, including all punch list items that need to be completed and/or corrected.

(h) The Developer warrants and represents to the District that the Acquisition Improvements to be completed by the Developer shall be free from construction defects (and shall correct or cause to be corrected any such defects) in accordance with the terms of the Master Facilities Agreement.

(i) After the acceptance of the Acquisition Improvements, all permits, plans and operating manuals relating thereto, shall become the sole property of the District, at no cost to the District, subject to any warranty work. On the acceptance of the Acquisition Improvements by the District, the Developer shall deliver to the District, at no cost to District, all surveys and as-built drawings associated with the construction of the Acquisition Improvements.

(j) The District shall have the right to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer for the design and construction of the Acquisition Improvements.

(k) The District shall have the right to inspect, or cause to be inspected, the construction of the Acquisition Improvements constructed by the Developer. The District's personnel shall have access to the site of the work at all reasonable times for the purpose of accomplishing such inspection. Any inspection completed by the District shall be for the sole use and benefit of the District and neither Developer nor any third party shall be entitled to rely thereon

for any purpose. The District does not undertake or assume any responsibility for or owe a duty to inspect, review or supervise the creation of the Acquisition Improvements. Upon substantial completion of the construction of such Acquisition Improvements, the Developer shall notify the District's authorized representative in writing that the construction of such Acquisition Improvements has been substantially completed. The cost and expense of the District's inspection (including, but not limited to, agents, employees and independent contractors) shall be paid by Developer to the District.

(1) After an Acquisition Improvement has been completed and final inspection, testing and written assurance thereof has been completed, the Developer shall provide a Notice of Completion to the District for consideration of acceptance by the District's Board of Directors. Upon acceptable by the Board of Directors, the District shall forthwith file with the County Recorder of the County of San Diego the Notice of Completion pursuant to the provisions of Section 3093 of the Civil Code of California.

Section 2.03. Sale of Acquisition Improvements. Provided the Developer has complied with the requirements of this Agreement, the Developer agrees to sell to the District and the District hereby agrees to purchase from the Developer each Acquisition Improvement and/or Eligible Portion thereof to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is completed to the satisfaction of the District for an amount not to exceed the lesser of (i) the Available Amount, or (ii) the Actual Cost of the Acquisition Improvement. Exhibit A, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. Portions of an Acquisition Improvement eligible for Installment Payments prior to completion of the entire Acquisition Improvement are described as eligible, discrete and usable portions in Exhibit A (each, an "Eligible Portion"). At the time of completion of each Acquisition Improvement, or Eligible Portion thereof, the Developer shall deliver to the District Engineer a written request for acquisition, accompanied by an Actual Cost Certificate and any other documents requested by the District Engineer, and by executed Title Documents for the transfer of the Acquisition Improvement where necessary. In the event that the District Engineer finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work, the District Engineer shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed and shall request further documentation from the Developer. If the further documentation is still not adequate, the District Engineer may revise the Actual Cost Certificate to delete any disallowed items and the determination shall be final and conclusive. The Developer shall ensure that all monetary liens, including deeds of trust and mortgages will be subordinated to the easements and reconveyed as to the fee title ownership. Notwithstanding the foregoing, the Acquisition Price of an Acquisition Improvement or Eligible Portion may be paid prior to transfer of ownership and acceptance of the District if it is "Substantially Complete" at the time of payment. The Acquisition Improvement or Eligible Portion shall be considered "Substantially Complete" when it has been reasonably determined by the District to be usable, subject to final completion of punch list items or any other items not essential to the primary use or operation of such Acquisition Improvement or Eligible Portion. If the Acquisition Price of an Acquisition Improvement or Eligible Portion is paid prior to transfer of ownership and acceptance based on it being Substantially Complete, the Developer may, upon transfer of ownership of such Acquisition Improvement or Eligible Portion to the District, submit a second reimbursement request for any

unpaid portion of the Actual Costs associated with completing such Acquisition Improvement or Eligible Portion.

Certain soft costs for the Acquisition Improvements, such as civil engineering, may have been incurred pursuant to single contracts that include work relating also to the private portions of the Project. In those instances, the total costs under such contracts will be allocated to each Acquisition Improvement as approved by the District Engineer. Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement. Amounts allocated to an Acquisition Improvement will be further allocated among the Eligible Portions of that Acquisition Improvement, if any, in the same proportion as the amount to be reimbursed for hard costs for each Eligible Portion bears to the amount to be reimbursed for hard costs for the entire Acquisition Improvement. Costs will be allocated to each Acquisition Improvement as approved by the District Engineer. The costs of certain environmental mitigation required to mitigate impacts of the public and private portions of the Project will be allocated to each Acquisition Improvement as approved by the District Engineer.

Upon completion of the construction of any Acquisition Improvements by the Developer, the Developer shall deliver to the District copies of the contract(s) with the contractor(s) who have constructed the Acquisition Improvements or other relevant documentation with regard to the payments made to such contractor(s) for the construction of such Acquisition Improvements, and shall also provide to the District copies of all invoices, purchase orders, canceled checks (or other proof of payment) with respect to all supplies and materials purchased for the construction of such Acquisition Improvements. The District shall require the District Representative to complete its determination of the cost of the Acquisition Improvements as promptly as is reasonably possible.

The Acquisition Price of any Acquisition Improvements may be determined and paid out of the Available Amount prior to transfer of ownership of the Acquisition Improvements to the District upon a determination of Substantial Completion of such Acquisition Improvement. The Developer shall submit a payment request form to the Community Facilities District which must also contain therewith approval of the District, which approval shall not be unreasonably withheld.

Notwithstanding the preceding provisions of this section, the sole source of funds for the acquisition by the District of the Acquisition Improvements or any Eligible Portion thereof shall be the proceeds made available by the Community Facilities District. The amount of the Acquisition Price actually paid for an Acquisition Improvement will be determined by the Available Amount and reserved for the financing of the Acquisition Improvements. If for any reason the proceedings for the formation of the Community Facilities District are not completed or the bonds are not sold, the Developer shall not be required to construct or offer any Acquisition Improvements to the District and the District shall not be required to acquire any Acquisition Improvements from the Developer pursuant to this Agreement. In such event, the Developer shall complete the design and construction and offer to the District ownership of such portions of Acquisition Improvements as are required to be constructed by the Developer as a condition to service meters requested by the Developer and issued by the District, or any other agreement between the Developer and District, but need not construct or offer any portion of the Acquisition Improvements which it is not so required to construct.

Prior to the transfer of ownership of an Acquisition Improvement by the Developer to the District, the Developer shall be responsible for the maintenance thereof and shall maintain and transfer such Acquisition Improvement to the District in as good condition as the Acquisition Improvement was in at the time the Developer notified the District that construction of same had been substantially completed in accordance with the Plans and Specifications, excepting wear and tear determined to be reasonable and customary in the sole discretion of the District. After acceptance of the Acquisition Improvements, all permits, plans and operating manuals relating thereto, shall become the sole property of the District, at no cost to District, subject to any warranty work. On the acceptance of the Acquisition Improvements by District, the Developer shall deliver to District, at no cost to District, all surveys and as-built drawings associated with the construction of the Acquisition Improvements.

Section 2.04. Conditions Precedent to Payment of Acquisition Price. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from the Acquisition and Construction Fund shall in every case be conditioned first upon the determination of the District Engineer, pursuant to Section 2.03, in consultation with the District, that the Acquisition Improvement satisfies all District regulations and ordinances and is otherwise Substantially Complete or complete and ready for acceptance by the District, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the District with lien releases or other similar documentation satisfactory to the District Engineer as evidence that none of the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the special taxes of the Community Facilities District, is not subject to any prospective mechanics lien claim respecting the Acquisition Improvements.

(b) The Developer shall be current in the payment of all due and payable general property taxes, and all special taxes of the Community Facilities District, on property owned by the Developer or under option to the Developer within the Community Facilities District.

(c) The Developer shall certify that it is not in default with respect to any loan secured by any interest in the Project or with respect to this Agreement.

(d) To the extent completed Acquisition Improvements have not already been dedicated to the District pursuant to the final tract map or other documents, the Developer shall have provided the District with Title Documents needed to provide the District with title to the site, right-of-way, or easement upon which the subject Acquisition Improvement is situated. All such Title Documents shall be in a form acceptable to the District and shall convey Acceptable Title. The Developer agrees to comply with the applicable requirements of the District with respect the transfer and acceptance of the Acquisition Improvements. The amount paid to the Developer or its designee upon satisfaction of the foregoing conditions precedent shall be the Acquisition Price less all Installment Payments paid previously with respect to the Acquisition Improvement.

(e) Prior to the acceptance of an Acquisition Improvement by the District, the Developer shall provide to the District such evidence or proof as the District shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment on behalf of the Developer for the construction of an Acquisition Improvement has been paid, and that there are no claims by or on behalf of any such person, firm or corporation.

Section 2.05. Payment for Eligible Portions. The Developer shall submit an Actual Cost Certificate to the District Engineer with respect to any Eligible Portion. Payment to the Developer or its designee from the Acquisition and Construction Fund of an Installment Payment with respect to such Eligible Portion shall in every case be conditioned first upon the determination of the District Engineer, pursuant to Section 2.03, in consultation with the District, that the Eligible Portion has been completed in accordance with the applicable Plans and Specifications and that the Eligible Portion satisfies all District regulations and ordinances and is otherwise complete and, where appropriate, is ready for acceptance by the District, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the District with lien releases or other similar documentation satisfactory to the District Engineer as evidence that the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Eligible Portion, to the extent not already owned by the District) comprising the Eligible Portion is not subject to any prospective mechanics lien claim respecting the Eligible Portion.

(b) The Developer shall be current in the payment of all due and payable general property taxes, and all special taxes of the Community Facilities District, on property owned by the Developer or under option to the Developer within the Community Facilities District.

(c) The Developer shall have provided the District with Title Documents needed to provide the District with title to the site, right-of-way, or easement upon which the subject Eligible Portion is situated. All such Title Documents shall be in a form acceptable to the District Engineer and shall be sufficient, upon completion of the Acquisition Improvement of which the Eligible Portion is a part, to convey Acceptable Title.

(d) Payment and performance bonds, from a bonding company with an A.M. Best rating of at least "A-" or its equivalent, applying to Plans and Specifications for the Acquisition Improvement approved by the District, shall be in place to secure completion of the Acquisition Improvement of which the Eligible Portion is a part.

(e) The Developer shall certify that it is not in default with respect to any loan secured by any interest in the Project or with respect to this Agreement.

(f) Prior to the acceptance of an Eligible Portion by the District, the Developer shall provide to the District such evidence or proof as the District shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment on behalf of the Developer for the construction of an Eligible Portion has been paid, and that there are no claims by or on behalf of any such person, firm or corporation.

Section 2.06. Disbursement Request Form – Acquisition Improvements or Eligible Portions. Upon a determination by the District Engineer and the District to pay the

Acquisition Price of an Acquisition Improvement pursuant to Section 2.04 or to pay an Installment Payment for an Eligible Portion pursuant to Section 2.05, the District Engineer shall cause a Disbursement Request Form substantially in the form attached hereto as Exhibit B to be submitted to the Authority Trustee, and the Authority Trustee shall make payment directly to the Developer or its designee of the amount pursuant to the Authority Trust Agreement. The District and the Developer acknowledge and agree that the Authority Trustee shall make payment strictly in accordance with the Disbursement Request Form and shall not be required to determine whether or not the Acquisition Improvement or Eligible Portion has been completed or what the Actual Costs may be with respect to the Acquisition Improvement or Eligible Portion. The Authority Trustee shall be entitled to rely on the executed Disbursement Request Form on its face without any further duty of investigation.

In the event that the Actual Cost of an Acquisition Improvement or the Installment Payment for an Eligible Portion is in excess of the Available Amount, the Authority Trustee shall withdraw all funds remaining in the Acquisition and Construction Fund and shall transfer those amounts to the Developer or its designee. The unpaid portion of the Actual Cost shall be paid from funds that may subsequently be deposited in the Acquisition and Construction Fund from a subsequent issuance of Bonds or from Special Tax revenues, if either of those occur.

Section 2.07. Fee Payment Credits

(a) The Developer may elect to apply the proceeds of Bonds to reimburse the Developer for Fees paid directly to the District by the Developer or a subsequent property owner prior to the date of issuance of Bonds (such payments, the “Reimbursable Fees”). The Developer may submit a written request to the District to reimburse such Reimbursable Fees from the Available Amount. In such case, and subject Section 2.07(c) and to any applicable laws and regulations, the District shall direct the Authority Trustee to disburse to the Developer an amount up to the amount of the Reimbursable Fees from the Available Amount, provided, if the Available Amount consists of tax exempt bond proceeds, the District shall, within 30 days of the request, either (i) transfer such prepaid amounts to the Authority Trustee for deposit in the Acquisition and Construction Fund for arbitrage and rebate tracking purposes or (ii) certify to the Authority Trustee that such amounts received from the Developer have been spent and the District delivers a certificate in substantially the form attached hereto as Exhibit B.

(b) Subject to Section 2.07(c) and the other provisions set forth herein, the Developer may elect to fund all or a portion of Fees directly from the Available Amount to the extent of funds available. In such case, Developer shall submit a written request to District specifying (i) the description of the Fees and amount requested to be funded and (ii) the lot numbers (or other applicable description) for which the Fees are payable. The District shall thereafter submit a written request to the Authority to apply the requested portion of the Available Amount to the funding of such Fees and the District shall provide a credit for the payment of such Fees in the records of the District, which credit shall be applied to the benefit of the Developer or subsequent Landowner when the Fees would otherwise be due and payable and the moneys shall be available to the District for payment of the costs of capital expenditures for public capital improvements eligible for funding from the Acquisition and Construction Fund. When the District has capital expenditures payable from the funded Fees, the District shall cause a Disbursement Request Form substantially in the form attached hereto as Exhibit B to be submitted to the

Authority Trustee, and the Authority Trustee shall make payment directly to or at the direction of the District pursuant to the Authority Trust Agreement.

(c) Notwithstanding the foregoing, the Developer and the District acknowledge that proceeds of tax-exempt Bonds have certain limitations under applicable federal income tax laws. The District covenants to cooperate with the Authority and the Authority's bond counsel by providing representations and certifications regarding the use of the Fees and Acquisition Improvements, the application of the Developer's fee credits, and the reasonably expected use of the Available Amount therefor to allow the Authority to determine the Fees eligible for financing from such tax-exempt Bond proceeds. The District and the Developer further acknowledge that not all Fees and not all components of the Fees may be eligible for application of tax-exempt Bond proceeds. The Developer further acknowledges that in no case are the District or the Authority required to provide for the issuance of Bonds.

Section 2.08. Limitation on Obligations. In no event shall the District be required to pay the Developer or its designee more than the Available Amount. The District shall not be obligated to pay all or a portion of the Fees or the acquisition price for the Acquisition Improvements except from the moneys available from the Community Facilities District.

Section 2.09. Costs of District Engineer. The Developer agrees to pay or reimburse the District for all costs of the District Engineer for the undertakings under this Agreement including, but not limited to, the costs relating to reviewing documentation to determine the Actual Cost and/or Eligible Portion of the Acquisition Improvements.

ARTICLE III

EVENTS OF DEFAULTS; REMEDIES

Section 3.01 Notice of Breach and Default. The occurrence of any of the following constitutes a breach and default of this Agreement:

(a) Developer refuses or fails to complete any Acquisition Improvement for which Bonds have been sold within the applicable time or abandons the construction of an Acquisition Improvement.

(b) Except for an assignment of this Agreement to a successor-in-interest to the property within the Community Facilities District, Developer assigns this Agreement without the prior written consent of District.

(c) Developer is adjudged bankrupt or makes a general assignment for the benefit of creditors, or a receiver is appointed in the event of Developer's insolvency.

(d) Developer or Developer's contractors, subcontractors, agents or employees, fail to comply with any terms or conditions of this Agreement to which the Developer or Developer's contractors, subcontractors, agents, or employees are subject.

(e) Developer fails to perform any obligation under this Agreement. The District must serve written notice of breach and default upon Developer (and any surety that has

provided bonds with respect to an Acquisition Improvement). Developer shall have thirty (30) days to cure the breach and default described in the written notice of breach and default.

(f) District fails to perform any obligation under this Agreement. Developer must serve written notice of breach and default upon the District. The District shall have thirty (30) days from receipt of such notice to cure the breach and default described in the written notice of breach and default.

Section 3.02 Breach of Agreement; Performance by District. If the District gives Developer notice under Section 3.01 herein and Developer fails to cure the breach and default described in the written notice prior to the expiration of the applicable cure period, a “Developer Event of Default” shall be deemed to have occurred. In the event of the occurrence and continuation of a Developer Event of Default, the District may exercise the remedies described in Section 3.01 and in Section 3.03 below, including the right of the District to proceed to complete the Acquisition Improvement by contract or other method the District considers advisable, at the sole expense of Developer, however, the District is under no obligation, financial, performance or otherwise, to complete the Acquisition Improvement. Where funds are currently available from the collection of Special Taxes said funds shall be used first for completion of the Acquisition Improvements in the event that the District elects to complete the Acquisition Improvement. In the event of the occurrence and continuance of a Developer Event of Default, (i) Developer, immediately upon demand, shall pay the costs and charges related to the Acquisition Improvement and any subsequent repairs, provided, upon such payment, Developer shall be entitled to payment for the Acquisition Improvement from the Available Amount, (ii) District, without liability for doing so, may take possession of and utilize in completing the Acquisition Improvement and repairs, if any, such materials and other property belonging to Developer as may be on or about the Property and necessary for completion of the Acquisition Improvement, and (iii) the District may draw upon any surety bonds.

If the Developer gives the District notice under Section 3.01(f) and District fails to cure the breach and default described in the written notice prior to the expiration of the applicable cure period, a “District Event of Default” shall be deemed to have occurred.

Section 3.03 Remedies. It is acknowledged by the parties that the District would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the District.

In general, upon the occurrence and continuation of a Developer Event of Default or an District Event of Default, the applicable party may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the District shall not be liable in damages to the Developer or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Indemnification and Hold Harmless. The Developer hereby assumes the defense of, and indemnifies and saves harmless the District, the Authority and their respective officers, directors, employees and agents, including the Authority Trustee, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from or alleged to have resulted from the acts or omissions of the Developer or its contractors, subcontractors, agents and employees arising out of any contract for the design, engineering and construction of the Acquisition Improvements entered into by the Developer, the financing of the Acquisition Improvements, the formation of the Community Facilities District, the levy of special taxes, the issuance of bonds, or arising out of any alleged misstatements of fact or alleged omission of a material fact made by the Developer, its officers, directors, employees or agents to the Authority's underwriter, financial advisor, appraiser, district engineer or bond counsel or regarding the Developer, its proposed developments, its property ownership and its contractual arrangements contained in the official statement relating to the Authority financing (provided that the Developer shall have been furnished a copy of the official statement and shall not have objected thereto); and provided, further, that nothing in this Section 4.01 shall limit in any manner the District's rights against any of the Developer's architects, engineers, contractors or other consultants. Except as set forth in this Section 4.01, no provision of this Agreement shall in any way limit the extent of the responsibility of the Developer for payment of damages resulting from the operations of the Developer, its agents and employees. Nothing in this Section 4.01 shall be understood or construed to mean that the Developer agrees to indemnify the District, the Authority or any of their respective officers, directors, employees or agents, for any wrongful acts or omissions to act of the Authority or its officers, employees, agents or any consultants or contractors, including the Authority Trustee, and for any wrongful acts, willful misconduct, active negligence or omissions to act of the District, or its officers, employees, agents or any consultants or contractors, including the Authority Trustee.

The aforementioned indemnity shall apply regardless of whether or not District has approved Plans and Specifications for the Acquisition Improvements and regardless of whether any insurance, workers compensation, disability or other employee benefit acts or terms required under this Agreement are applicable to any claims. The District does not and shall not waive any of its rights under this indemnity provision because of its acceptance of the bonds or insurance required under the provisions of this Agreement. The Developer's obligations to indemnify the District shall survive the expiration or termination of this Agreement.

The Developer further agrees to assume the defense of, and indemnify and save harmless the District and its respective officers, directors, employees and agents, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from or alleged to result from the issuance and administration of any Bonds by the Authority, including any claims, suits, and damages (including costs and reasonable attorneys' fees), relating to the tax-exempt status of such Bonds except to the extent such claims, suits or damages relating to the tax-exempt status are derived from an untrue statement or alleged untrue statement of fact made by the District regarding the use of the proceeds

of the Bonds or derived from or related to the use of the improvements funded from such proceeds and owned or to be owned by the District.

Section 4.02. Audit. The District shall have the right, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement pursuant to this Agreement) in constructing the Acquisition Improvements.

Section 4.03. Cooperation. The District and the Developer agree to cooperate with respect to the completion of the financing of the Acquisition Improvements and Fees by the Authority through the levy of the Community Facilities District Special Taxes and issuance of Bonds. The District and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

Section 4.04. General Standard of Reasonableness. Any provision of this Agreement which requires the consent, approval or acceptance of either party hereto or any of their respective employees, officers or agents shall be deemed to require that the consent, approval or acceptance not be unreasonably withheld or delayed, unless the provision expressly incorporates a different standard. The foregoing provision shall not apply to provisions in the Agreement which provide for decisions to be in the sole discretion of the party making the decision.

Section 4.05. Third Party Beneficiaries. The Authority and its officers, employees, agents or any consultants or contractors are expressly deemed third party beneficiaries of this Agreement with respect to the provisions of Section 4.01. It is expressly agreed that, except for the Authority with respect to the provisions of Section 4.01, there are no third party beneficiaries of this Agreement, including without limitation any owners of bonds, any of the District's or the Developer's contractors for the Acquisition Improvements and any of the District's, the Authority's or the Developer's agents and employees.

Section 4.06. Conflict with Other Agreements. Nothing contained herein shall be construed as releasing the Developer or the District from any condition of development or requirement imposed by any other agreement between the District and the Developer, and, in the event of a conflicting provision, the other agreement shall prevail unless the conflicting provision is specifically waived or modified in writing by the District and the Developer.

Section 4.07. Notices. All invoices for payment, reports, other communication and notices relating to this Agreement shall be mailed to:

If to the District:

Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, CA 92024
Attn: General Manager

If to the Developer:

Pinnacle at Santa Fe Valley, LLC
18029 Calle Ambiente, Suite 513, P.O. Box 676221
Rancho Santa Fe, CA 92067
Attn: Ali Shapouri

Either party may change its address by giving notice in writing to the other party.

Section 4.08. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 4.09. Governing Law; Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California. Any legal action or proceeding concerning this Agreement shall be filed and prosecuted in the appropriate California state court in the County of San Diego, California. Each party hereto irrevocably consents to the personal jurisdiction of that court.

Section 4.10. Waiver; Time is of the Essence. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement. Time is of the essence of this Agreement and each and every provision thereof.

Section 4.11. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section 4.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 4.13. Successors and Assigns. This Agreement is binding upon the heirs, assigns and successors-in-interest of the parties hereto. The Developer may not assign its rights or obligations hereunder, except to successors-in-interest to the property within the Community Facilities District, without the prior written consent of the District.

Section 4.14. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent of the District. Except as provided herein, District shall have no responsibility to pay any contractor or supplier of the Developer. It is not intended by the parties to this Agreement to create a partnership or joint venture among them and this Agreement shall not otherwise be construed.

Section 4.15. Electronic Signatures. Each of the parties hereto agrees that the transaction consisting of this Agreement may be conducted by electronic means under the Uniform

Electronic Transactions Act (California Civil Code section 1633.1 et seq.) and California Government Code section 16.5. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Agreement using an electronic signature, it is signing, adopting, and accepting this Indenture and that signing this Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Agreement in a usable format.

Section 4.16. Remedies in General. It is acknowledged by the parties that the District would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the District.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the District shall not be liable in damages to the Developer, or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written above.

OLIVENHAIN MUNICIPAL WATER DISTRICT

By: _____
General Manager

ATTEST _____
Secretary of the Board

By: _____
Christy Guerin

PINNACLE AT SANTA FE VALLEY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

By: _____
(Signature)

(Print Name)

EXHIBIT A TO THE ACQUISITION AGREEMENT

DESCRIPTION OF ACQUISITION IMPROVEMENTS, FEES AND BUDGETED AMOUNTS

| Proposed Community Facilities District Acquisition Improvements ⁽¹⁾ | Budgeted Amounts |
|---|--------------------|
| Phase 1A Water - Potable | \$783,470 |
| Phase 1B Water - Potable | \$141,535 |
| Phase 2A Water - Potable | \$1,035,796 |
| Pinnacle Peak Road Water - Potable | \$3,288,407 |
| Phase 2B Water - Potable | \$574,266 |
| Phase 2C Water - Storage | \$3,669,565 |
| Phase 2D Water - Potable | \$356,426 |
| Total Proposed CFD Acquisition Improvements: | \$9,849,466 |

| Fees | Meter Size | Rate/Dwelling Unit (DU) | No. of DU | Budgeted Amounts |
|---|----------------|----------------------------|-----------|-----------------------------------|
| Capacity Fees | 1.5 Inch Meter | \$80,841 | 37 | \$2,991,117 |
| Installation Charge | N/A | 1,450 | 37 | 53,650 |
| Ordinance 280 Fee | N/A | 4,805 | 37 | 177,801 |
| | | | | <u>\$3,222,568</u> |
| Total Acquisition Improvements and Fees: | | | | <u><u>\$13,072,034</u></u> |

⁽¹⁾ All improvements shall be constructed as described in the Master Facilities Agreement. Phasing is subject to modification based on the actual plans and construction phasing and the costs above are estimates only

EXHIBIT B TO THE ACQUISITION AGREEMENT

**DISBURSEMENT REQUEST FORM
(Acquisition Improvement or Eligible Portion)**

To: [Authority Trustee]
Attention: _____
Fax: _____
Phone: _____

Re: CSCDA Community Facilities District No. _____

Dated: _____

The undersigned, a duly authorized officer of the Olivenhain Municipal Water District hereby requests a withdrawal from the Acquisition and Construction Fund pertaining to the above referenced Community Facilities District, as follows:

Request Date: [Insert Date of Request]

Name of Developer: Pinnacle at Santa Fe Valley, LLC

Withdrawal Amount: [Insert Acquisition Price/Installment Payment/Applied Fee amount]

Acquisition Improvements/Fees: [Insert Description of Acquisition Improvement(s)/ Eligible Portion(s)/Fees from Exhibit A]

Payment Instructions: [Insert Wire Instructions or Payment Address for Developer or Developer's designee as provided by the Developer or for District or direct vendor]

The undersigned hereby certifies as follows:

The Withdrawal is being made in accordance with a permitted use of the monies pursuant to the Acquisition Agreement and the Withdrawal is not being made for the purpose of reinvestment.

None of the items for which payment is requested have been reimbursed previously from the Acquisition and Construction Fund.

If the Withdrawal Amount is greater than the funds held in the Acquisition and Construction Fund, the Authority Trustee is authorized to pay the amount of such funds and to pay remaining amount(s) as funds are subsequently deposited in the Acquisition and Construction Fund, should that occur.

Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Acquisition Agreement.

OLIVENHAIN MUNICIPAL WATER DISTRICT

By: _____

Title: _____

EXHIBIT C TO THE ACQUISITION AGREEMENT

BIDDING, CONTRACTING AND CONSTRUCTION REQUIREMENTS FOR ACQUISITION IMPROVEMENTS

With respect to construction contracts awarded after approval of the Agreement, bids for construction shall be solicited from qualified contractors. The Developer may directly solicit bids. The bid package may consist of preliminary plans and specifications. A minimum of three bids is preferred, but not mandatory. Developer shall provide documentation of its solicitation efforts.

Each bidder will be provided with detailed Scopes of Work (SOW), Instructions to Bidders (ITB) along with detailed and itemized bid sheets with estimated quantities.

The bidding response time shall be not less than three (3) weeks.

Contract(s) for the construction of the public Acquisition Improvements shall be awarded based on the completeness of the bids, pricing and ability to meet the construction schedule, as determined by the Developer and approved by the District on a “lowest responsible bidder or best value basis” depending on the number of bids received.

The contractor to whom a contract is awarded shall be required to pay not less than the prevailing rates of wages pursuant to Labor Code Sections 1770, 1773 and 1773.1. A current copy of applicable wage rates is available from the State Department of Industrial Relations.

Upon request, the Developer shall provide the District with certified payrolls within ten (10) business days.

Notwithstanding the foregoing provisions, contract letting procedures that differ from the procedures in this Exhibit C shall be deemed to satisfy the Agreement if the Developer and the District Engineer agree in writing on such other contract letting procedures.

Memo

Date: May 20, 2026

To: Olivenhain Municipal Water District Board of Directors

From: Leo Mendez, Finance Manager

Via: Kimberly Thorner, General Manager

Subject: **REVIEW AND DISCUSS WASTEWATER DEBT FINANCING OPTIONS INCLUDING STAFF’S RECOMMENDATION AND CONSIDER APPROVAL OF A RESOLUTION 1) AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (“IBANK”) FOR FINANCING A CAPITAL IMPROVEMENT PROJECT, 2) AUTHORIZING THE NEGOTIATION OF AN OBLIGATION PAYABLE TO IBANK FOR THE FINANCING OF A CAPITAL IMPROVEMENT PROJECT IF IBANK APPROVES SAID APPLICATION, AND 3) DECLARING OF OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF AN OBLIGATION, AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH**

Purpose

The purpose of this item is to review wastewater debt issuance options with the Board, present staff’s recommended financing approach, and consider approval of a resolution that would allow staff to: (1) submit a pre-application to the California Infrastructure and Economic Development Bank (IBank) for an estimated \$6.5 million loan with a 20 year term, (2) negotiate loan terms with IBank; and (3) declare intent to reimburse eligible project costs from future proceeds of the IBank loan.

Adoption of the resolution allows staff to submit a pre-application for the recommended debt financing option (IBank loan) and the negotiation of loan terms. The resolution also allows the District, if the loan is later approved by the Board, to

reimburse itself for eligible project costs incurred up to 60 days prior to the adoption of the resolution.

Adoption of the resolution does not obligate the Board to issue debt. Staff will return to the Board with final loan terms and a request for approval to proceed with debt issuance if the terms are favorable for the District.

This item was reviewed with the Finance Committee (Director Maloni and Director Meyers) on May 12th and the committee recommended bringing it to the full board for consideration.

Recommendation

Staff recommends that the Board consider approval of the recommended debt financing approach and approval of a resolution that would allow staff to:

1. Submit a pre-application to the IBank for an estimated \$6.5 million loan with a 20 year term
2. Negotiate loan terms with IBank; and
3. Declare intent to reimburse eligible project costs from future proceeds of the IBank loan.

Alternative

The primary alternative includes pursuing a private placement loan with a commercial bank, as originally contemplated. While this option generally offers a shorter timeline to close, it is currently expected to result in higher borrowing costs compared to the IBank program. Alternatively, the Board could consider a public debt issuance, which is also projected to incur higher costs due to the smaller bond size and structure of debt issuance.

The Board may also choose to delay adoption to a later date, elect not to adopt the resolution, or elect not to issue debt. 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%. The attached resolution contains a buffer of up to \$7 million to include closing costs so that the District nets the planned \$6.5 million in funding for capital projects.

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.

The District operates its water and wastewater systems as two distinct enterprise funds, each independently responsible for issuing debt and repaying that debt from its respective system revenues and rates. The water system maintains a AAA credit rating, reflecting its strong financial position and ability to support long-term capital investment. The wastewater system is currently unrated.

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 has been working with its financing team (Fieldman as the District's Municipal Advisor and Stradling Yocca Carlson & Rauth as the District's Bond Counsel) to evaluate available financing options, following the Board's approval of the financing team at the February 2026 board meeting.

Although a private placement or public issuance was initially contemplated, Fieldman identified the IBank program as a potentially more cost-effective option due to lower expected interest rates.

The IBank program is a state-managed lending program that provides fixed-rate financing to California public agencies and non-profits for infrastructure development. It functions as an alternative to the bond market, offering loans between \$1,000,000 and \$65 million with terms up to 30 years. The capital is used for a wide range of public works, including transportation, water/wastewater systems, and public facilities.

Fiscal Impact

Based on current market conditions, the IBank loan is expected to result in lower overall borrowing costs and reduced total debt service compared to a private placement loan. Current projections favor the IBank loan, which at an all-in cost of 4.29% is 60 basis points cheaper than the 4.89% private placement rate, based on market conditions in April 2026. Choosing the IBank option is estimated to generate \$454,231 in present value savings and reduce gross debt service by \$809,364.

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.

The proposed 20-year term aligns repayment with the expected useful life of wastewater assets that would be financed through the IBank loan, supporting intergenerational equity and rate stability consistent with the 2024 Wastewater Rate Study.

Discussion

Staff evaluated multiple financing options and determined that the IBank program currently offers the most favorable combination of cost and flexibility. The program is expected to provide lower interest rates and reduced total borrowing costs relative to a private placement or public issuance, while avoiding the more extensive documentation requirements associated with a public bond issuance. However, the IBank program involves a longer timeline to close.

Submission of a pre-application allows the District to further evaluate this financing option while maintaining flexibility. The proposed resolution serves as a reimbursement resolution for the IBank program, similar to the resolution adopted by the Board at the February 2026 meeting and is necessary to preserve the District's ability to reimburse prior expenditures from future proceeds of the IBank loan. The District will retain the reimbursement resolution from the February Board meeting to preserve the option of an alternate tax-exempt financing if the IBank option is not ultimately pursued.

Staff will return to the Board with proposed IBank loan terms and seek authorization to proceed with debt issuance if the financing via the IBank program is determined to be in the District's best interest.

Staff and the District's Municipal Advisor, Lora Nichols from Fieldman, will present the attached PowerPoint to the Board regarding the debt financing options and the staff recommendation. Ms. Nichols, and the District's Bond Counsel, Mr. Lawrence Chan from Stradling Yocca Carlson & Rauth, will be available to answer any questions the Board may have.

Prepared by: Leo Mendez, Finance Manager

Reviewed by: Leo Mendez, Finance Manager

Approved by: Kimberly A. Thorner, General Manager

Attachments:

Attachment 1 – Presentation regarding wastewater debt financing options and staff recommendation

Attachment 2 – Resolution to submit application to IBank

Attachment 3 – IBank Application

Attachment 4 – IBank Application Addendum

Attachment 1



Olivenhain Water District

Board of Directors Meeting



May 20, 2026



Disclaimer

Fieldman, Rolapp & Associates, Inc. is an SEC-registered Municipal Advisor, undertaking a fiduciary duty in providing financial advice to public agencies. Compensation contingent on the completion of a financing or project is customary for municipal financial advisors. To the extent that our compensation for a transaction is contingent on successful completion of the transaction, a potential conflict of interest exists as we would have a potential incentive to recommend the completion of a transaction that might not be optimal for the public agency. However, Fieldman, Rolapp & Associates, Inc. undertakes a fiduciary duty in advising public agencies regardless of compensation structure.

These materials include an assessment of current market conditions, and include assumptions about interest rates, execution costs, and other matters related to municipal securities issuance or municipal financial products. These assumptions may change at any time subsequent to the date these materials were provided. The scenarios presented herein are not intended to be inclusive of every feasible or suitable financing alternative.

What Are Bonds?

Municipal bonds are a type of security sold through the municipal capital markets to various investors (not just one financial institution i.e. commercial bank)

- Issue is divided into different maturities and interest rates (i.e. 1-30 year maturities) to appeal to various investor types

Municipal governments that issue bonds receive a cash payment at the time of issuance in exchange for a promise to repay investors principal plus interest over time

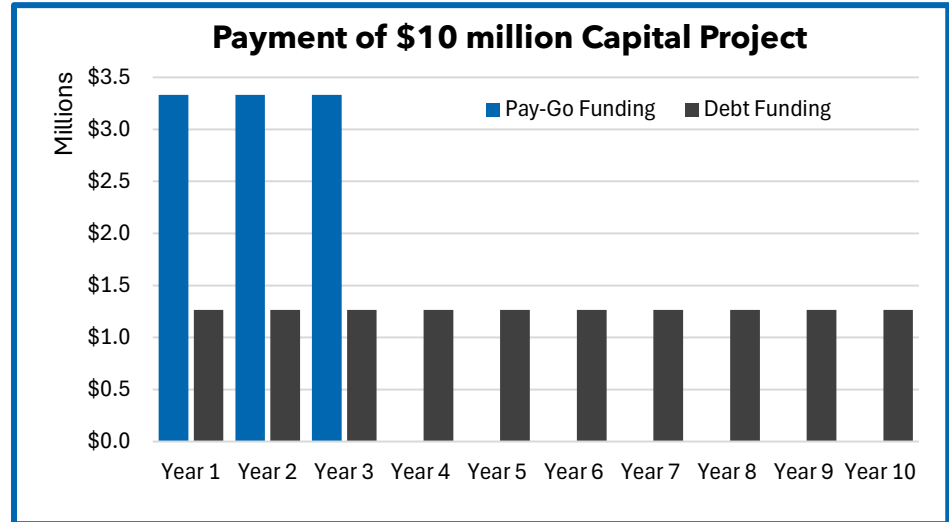
- Bonds used to finance long-term municipal infrastructure projects are typically repaid over 20-30 years (match useful life of the asset to term of bonds)

Accessing the capital markets generally results in getting the lowest cost of capital for projects of size

Bonds are repaid through a pledge of revenue received from providing services (i.e., the delivery of wastewater services and the payment of revenues from customers)

Intergenerational Equity

- Generally, using cash to fund long-term capital infrastructure is impractical as it requires increasing rates well in advance of expenditures and investing cash to maintain pace with inflation
- Using bonds to fund large capital projects allows the repayment period of the debt to equal the useful life of the project (infrastructure projects benefit current and future rate payers)
 - Current rate payers do not feel the burden of replenishing cash reserves to keep up with policies and inflation
 - Future rate payers share the cost of funding larger capital projects through the issuance of long-term debt



| Cash Funded (Pay-as-you-go) CIP | | Bond Funded CIP | |
|---------------------------------|--|--|------------------------------|
| <u>Pros</u> | <u>Cons</u> | <u>Pros</u> | <u>Cons</u> |
| Avoids negative arbitrage | Depletes reserves; must maintain policy levels | Inter-generational equity | Added interest expense |
| No interest expense | Lose operational and liquidity flexibility | Lock in current fixed interest rates | Market risk |
| No interest rate risk | Must fund project costs (including inflation) in advance of expenditures | More affordable and stable wastewater rate structure | Annually meet bond covenants |

Debt Structure Options

| | IBank | Private Placement | Public Bonds |
|--|---|---|--|
| Credit Rating | Credit Rating reduces Interest Rate | Not Required | Required |
| Size | Up to \$65 MM | Depends on Bank Market, Potential Cap at \$20 MM | Flexible, Depends on Funding Needs |
| Term | Up to 30 Years | Up to 20 Years; Market is limited >20 Years | Flexible, Up to 30 years or longer |
| Interest Rate & Lock Period | Interest Rate is Market Driven and locked at time of IBank Board Approval | Interest Rate is Market Driven and based on cost of funds, Locked Up to 45 Days after bid | Interest Rate is Market Driven and locked at time of pricing |
| Offering Statement | Not Required | Not Required | Required |
| Due Diligence | IBank | Bank | Rating Agency & Investors |
| Reporting Requirements | Audits, annual compliance report | Audits, rate covenant compliance | Federal & State Annual Disclosure Reports |
| Time to Close | 5+ Months | 3+ Months | 4 - 6 Months |
| Structure | Standard is level but alternatives may be considered | Standard is level but alternatives may be considered | Flexible repayment schedules |
| Pricing | Medium Costs of Issuance | Lowest Costs of Issuance | Highest Costs of Issuance |

Debt Options Overview*

| Options | OPTIONS COMPARISON | | | | |
|---------------------------|---------------------------|------------------|-------------|---------------------------|--------------|
| | 20YR Debt Service Options | | | 30YR Debt Service Options | |
| | Private Placement | Wrapped Bond | IBank Loan | Wrapped Bond | IBank Loan |
| Gross Debt Service | \$10,545,174 | \$10,776,383 | \$9,735,810 | \$14,389,834 | \$12,262,523 |
| PV Debt Service* | \$7,070,934 | \$6,962,735 | \$6,616,703 | \$7,561,670 | \$7,083,590 |
| Rate | 4.65% | 5.00% Coupons | 4.01% | 5.00% Coupons | 4.57% |
| All-In TIC | 4.89% | 4.77% | 4.29% | 5.12% | 4.78% |

Assumptions

1. Preliminary, subject to change. Based on current market conditions as of April 27, 2026, and bank rate estimates.
2. Borrowing costs assume a high "A" rated issuer with long-term repayment of 20-years or 30-years.
3. Public bonds include a fee for underwriting and IBank includes an additional fee 1% origination fee.
4. The Public Bond options assume a 10YR par call. IBank loan cannot be called prior to 10-years and Private Placement loans will generally be callable in 10-years.
5. All options assume a project fund of \$6.5 million.
6. All options assume level debt service, while the Public Bond options reflect debt service wrapped around existing wastewater loans.

Debt Options Overview*

| OPTIONS COMPARISON | | | | | |
|--------------------|---------------------------|---------------------|--------------------|---------------------------|---------------------|
| Fiscal Year | 20YR Debt Service Options | | | 30YR Debt Service Options | |
| | Private Placement | Wrapped Bond | IBank Loan | Wrapped Bond | IBank Loan |
| 6/30/2027 | \$284,101 | \$212,883 | \$368,786 | \$221,084 | \$308,753 |
| 6/30/2028 | 308,993 | 318,000 | 494,447 | 330,250 | 414,564 |
| 6/30/2029 | 553,993 | 483,000 | 495,024 | 330,250 | 414,308 |
| 6/30/2030 | 552,600 | 484,750 | 490,199 | 330,250 | 413,824 |
| 6/30/2031 | 555,743 | 486,000 | 495,174 | 330,250 | 413,112 |
| 6/30/2032 | 553,188 | 481,750 | 494,548 | 330,250 | 412,171 |
| 6/30/2033 | 555,168 | 482,250 | 493,520 | 330,250 | 411,001 |
| 6/30/2034 | 551,450 | 482,250 | 492,092 | 330,250 | 414,603 |
| 6/30/2035 | 552,268 | 481,750 | 490,262 | 330,250 | 412,748 |
| 6/30/2036 | 552,388 | 485,750 | 493,032 | 330,250 | 410,665 |
| 6/30/2037 | 551,810 | 484,000 | 490,200 | 330,250 | 413,353 |
| 6/30/2038 | 555,535 | 481,750 | 491,967 | 330,250 | 410,584 |
| 6/30/2039 | 553,330 | 484,000 | 493,132 | 330,250 | 412,586 |
| 6/30/2040 | 550,428 | 485,500 | 493,696 | 330,250 | 414,132 |
| 6/30/2041 | 551,828 | 481,250 | 493,659 | 330,250 | 410,220 |
| 6/30/2042 | 552,298 | 791,500 | 493,020 | 635,250 | 411,080 |
| 6/30/2043 | 551,838 | 790,500 | 491,779 | 635,000 | 411,483 |
| 6/30/2044 | 550,448 | 793,000 | 494,937 | 639,000 | 411,429 |
| 6/30/2045 | 553,128 | 793,750 | 492,293 | 637,000 | 410,918 |
| 6/30/2046 | 554,645 | 792,750 | 494,048 | 634,250 | 409,950 |
| 6/30/2047 | - | - | - | 635,750 | 413,525 |
| 6/30/2048 | - | - | - | 636,250 | 411,415 |
| 6/30/2049 | - | - | - | 635,750 | 413,847 |
| 6/30/2050 | - | - | - | 639,250 | 410,594 |
| 6/30/2051 | - | - | - | 636,500 | 411,884 |
| 6/30/2052 | - | - | - | 637,750 | 412,489 |
| 6/30/2053 | - | - | - | 637,750 | 412,408 |
| 6/30/2054 | - | - | - | 636,500 | 411,641 |
| 6/30/2055 | - | - | - | 634,000 | 410,189 |
| 6/30/2056 | - | - | - | 635,250 | 413,052 |
| Total | \$10,545,174 | \$10,776,383 | \$9,735,810 | \$14,389,834 | \$12,262,523 |

Public Issuance Considerations

Higher costs of issuance

Longer financing schedule (i.e., 5-6 months to complete)

Compliance with Continuing Disclosure & CDIC requirements

Needs credit rating for the sewer system

Volatile market conditions and size of issuance

IBank Considerations

Maximum term is the lesser of the project's useful life or 30 years.

- Borrowers may select shorter terms.

Repayment is generally structured to begin within one year of closing.

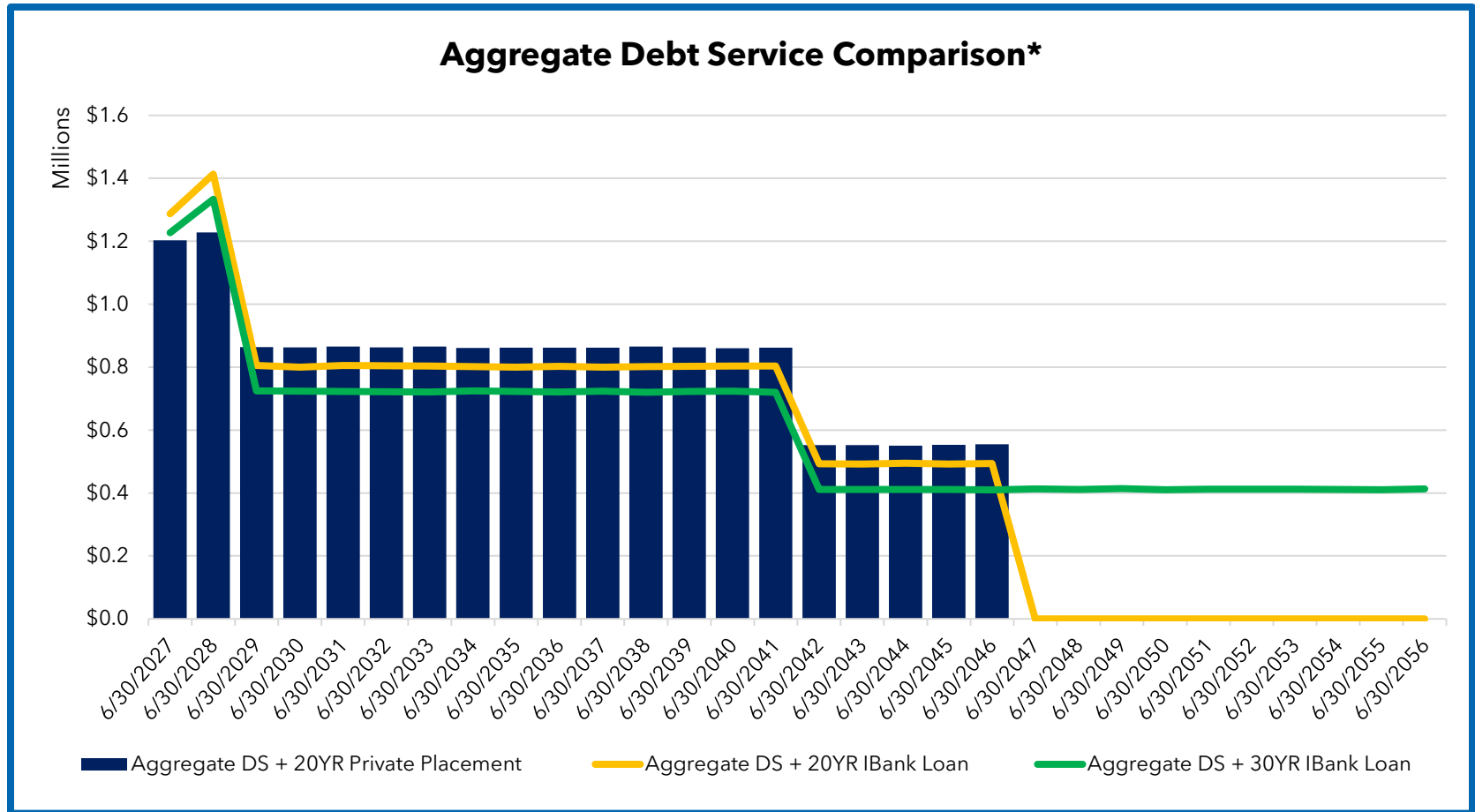
Standard amortization is level repayment, but alternative structures may be allowed or required.

IBank requires senior lien position unless certain exceptions are met.

IBank may request additional covenants, credit enhancement, or security, such as DSRF.

Financing requires preliminary review of application, credit due diligence and legal review for loan closure that can take up to 5 months

Aggregate Debt Service



Note: The 2021A (New Money) and 2021B (Refunding of Series 2018A) represent the existing debt obligations of the District and are rolled into the Aggregate Debt Service in this chart.

Recommendation

Proceed with preparing the pre-application and supporting materials to the IBank program and approval of the Resolution, pending acceptance by the Board on May 20, 2026.



QUESTIONS

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (“IBANK”) FOR FINANCING A CAPITAL IMPROVEMENT PROJECT, AUTHORIZING THE NEGOTIATION OF AN OBLIGATION PAYABLE TO IBANK FOR THE FINANCING OF A CAPITAL IMPROVEMENT PROJECT IF IBANK APPROVES SAID APPLICATION, DECLARING OF OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF AN OBLIGATION, AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the California Infrastructure and Economic Development Bank (“IBank”) administers a financing program to assist local governments with the financing of eligible projects in accordance with Section 63000 *et seq.* of the California Government Code (the “Act”); and

WHEREAS, IBank created the Infrastructure State Revolving Fund Program (“ISRF Program”) pursuant to the provision of the Act; and

WHEREAS, IBank has instituted an application process for financing under its ISRF Program; and

WHEREAS, IBank’s Criteria, Priorities and Guidelines for the Selection of Projects for Financing under the ISRF Program, dated February 23, 2016, and as may thereafter be amended from time to time (the “Criteria”), establishes requirements for the financing of projects under the ISRF Program; and

WHEREAS, the Olivenhain Municipal Water District (“Applicant”) desires to submit an application (“Financing Application”) to IBank under the ISRF Program for financing and refinancing the costs 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 (“Project”), in an amount not to exceed \$7,000,000; and

WHEREAS, the Act and the Criteria require the Applicant to make, by resolution of its governing body, certain findings prior to a project being selected for financing by IBank; and

WHEREAS, the Applicant expects to incur or pay certain expenditures in connection with the Project from the Applicant’s Revenue Fund for the Wastewater System that are reimbursable with the proceeds of tax exempt bonds or other tax exempt securities under Federal Tax Law (defined

below) prior to incurring indebtedness for the purpose of financing costs associated with the Project on a long-term basis (the "Reimbursement Expenditures"); and

WHEREAS, the Applicant reasonably expects that a financing arrangement ("Obligation") in an amount not expected to exceed \$7,000,000 will be entered into under and memorialized by one or more financing agreements and related documents (collectively, the "Financing Agreement") and that certain proceeds of such Obligation will be used to reimburse the Applicant for Reimbursement Expenditures incurred or paid prior to incurring the Obligation; and

WHEREAS, the Applicant acknowledges that IBank funds the ISRF Program, in part, with the proceeds of tax exempt bonds and, as such, has certain compliance obligations that may require it to have the Applicant enter into one or more new financing agreements to replace the Financing Agreement (collectively, the "Replacement Agreement") on terms and conditions substantially identical to the original Financing Agreement.

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

SECTION 1. The Board of Directors hereby approves confirms, ratifies, and affirms all actions of the Applicant's representatives, General Manager, Finance Manager, and officers heretofore taken in connection with, or with respect to, submitting the Financing Application, and the consideration by the Board of Directors for approval of the Obligation and the Financing Agreement, if IBank approves the Financing Application and the Obligation, and in connection therewith the Board of Directors finds and certifies:

- a. The Project facilitates the effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources;
- b. The Project develops and enhances public infrastructure in a manner that will attract, create, and sustain long-term employment opportunities;
- c. That the Project is consistent with the Applicant's capital improvement plan;
- d. The proposed financing is appropriate for the Project;
- e. The Project is consistent with the Criteria; and
- f. It has considered (i) the impact of the Project on California's land resources and the need to preserve such resources; (ii) whether the Project is economically or socially desirable; and (iii) whether the project is consistent with, and in furtherance of the State Environmental Goals and Policy Report (as defined in the Criteria).

SECTION 2. The Applicant hereby declares its official intent to use proceeds of the Obligation to reimburse itself for the Reimbursement Expenditures with the proceeds of tax exempt bonds or other tax exempt securities issued under the provisions of the Internal Revenue Code of 1986, as amended, and those Treasury Regulations implementing such provisions (collectively, "Federal Tax Law"). This declaration is made solely for purposes of establishing compliance with applicable requirements of Federal Tax Law and its date is controlling for purposes of

reimbursement under Federal Tax Law. This declaration does not bind the Applicant to make any expenditure, incur any indebtedness, or proceed with the Project.

SECTION 3. All of the Reimbursement Expenditures were made no earlier than 60 days prior to the date of this Resolution. The Applicant will allocate proceeds of the Obligation to pay Reimbursement Expenditures within eighteen (18) months of the later of the date the original expenditure was paid or the date the Project was placed in service or abandoned, but in no event more than three (3) years after the original expenditure was paid.

SECTION 4. The General Manager, Finance Manager and any of their written designees are hereby authorized and directed to act on behalf of the Applicant in all matters pertaining to the Financing Application, and if IBank approves the Financing Application and the Obligation, and the Board of Directors approves the Financing Agreement and the Obligation, the execution thereof and of related financial documents, including but not limited to the authority to: (i) pledge the Net System Revenues of the Wastewater System and held in the Revenue Fund for the Wastewater System, and all legally available amounts in the Revenue Fund for the Wastewater System, on a parity basis with the Applicant's obligations in connection with the Installment Purchase Contracts, each dated as of October 1, 2021, by and between the Applicant and the OMWD Financing Authority, to the repayment of the Obligation, (ii) provide covenants relating to, among other things, maintaining the debt service coverage ratio required by IBank, rates and charges to be pledged, and as to any other security or collateral securing the Obligation, and (iii) take any other action necessary or desirable to enable the Applicant to enter into the Financing Agreement and incur the Obligation.

SECTION 5. If the Financing Application and the Obligation is approved by IBank, the General Manager, Finance Manager and any of their written designees are authorized to negotiate the financing documents, including, but not limited to the Financing Agreement and the Replacement Agreement with IBank for the purposes of financing the Obligation, to be presented to this Board of Directors for consideration for approval.

SECTION 6. This Resolution shall become effective immediately upon adoption.

PASSED, ADOPTED AND APPROVED at a regular Board meeting of the Board of Directors of the Olivenhain Municipal Water District held on May 20, 2026.

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

Attest:

Christy Guerin, Secretary

RESOLUTION NO. 2026-__ *continued*

Board of Directors
Olivenhain Municipal Water District



**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
INFRASTRUCTURE STATE REVOLVING FUND LOAN PROGRAM**

FINANCING INFORMATION

PART I. INFORMATION

1. Legal name:

2. Type:

- | | |
|--|--|
| <input type="checkbox"/> City | <input type="checkbox"/> County |
| <input type="checkbox"/> General Law <input type="checkbox"/> Charter | <input type="checkbox"/> State Agency |
| <input type="checkbox"/> Assessment District | <input type="checkbox"/> Mello-Roos Community Facilities District |
| <input type="checkbox"/> Special District | <input type="checkbox"/> Joint Powers Authority |
| <input type="checkbox"/> School District | <input type="checkbox"/> Charter School |
| <input type="checkbox"/> Other Public Agency, specify: <input type="text"/> | <input type="checkbox"/> Non-profit Organization, provide name of Governmental Entity Sponsor (required): |

3. Mailing address:

Street: _____

City, Zip: _____

4. Mailing address of the Governmental Entity Sponsor (required only if a non-profit organization):

Street: _____

City, Zip: _____

5. In what jurisdiction(s) is the Project located?

6. Contact information:

| | |
|---------------------------------|------------|
| Name: | Title: |
| Address <i>(if different)</i> : | Telephone: |
| City: | Fax: |
| Zip: | E-mail: |

Governmental Entity Sponsor (required only if a non-profit organization):

| | |
|---------------------------------|------------|
| Name: | Title: |
| Address <i>(if different)</i> : | Telephone: |
| City: | Fax: |
| Zip: | E-mail: |

6. Additional contact information: consultants, advisors, engineers, attorneys, and others affiliated with the project.

| | |
|----------|------------|
| Name: | Title: |
| Address: | Telephone: |
| City: | Fax: |
| Zip: | E-mail: |
| Name: | Title: |
| Address: | Telephone: |
| City: | Fax: |
| Zip: | E-mail: |

PART II. FINANCING REQUESTED

1. Financing amount requested:
2. IBank origination fee included in financing: Yes No
3. Financing term requested: years

4. Source of financing repayment:

- Enterprise Fund, specify:
- Special Fund, specify:
- General Fund Lease
- Assessment District/Mello-Roos Tax
- Other, specify:
- Special Taxes / Property Related Assessments, specify:
- Voter Approved General Obligation Debt

PART III. PROJECT INFORMATION

1. Project Name:

2. Project Location/Address:

Street:
 City, Zip:

3. Project Category (please reference IBank Criteria, Priorities, and Guidelines Document)

- | | |
|--|--|
| <input type="checkbox"/> City Street | <input type="checkbox"/> County Highway |
| <input type="checkbox"/> Defense Conversion | <input type="checkbox"/> Drainage and Flood Control |
| <input type="checkbox"/> Educational Facility | <input type="checkbox"/> Environmental Mitigation Measures |
| <input type="checkbox"/> Military Infrastructure | <input type="checkbox"/> Parks and Recreational Facility |
| <input type="checkbox"/> Port Facility | <input type="checkbox"/> Power or Communications Facility |
| <input type="checkbox"/> Public Safety Facility | <input type="checkbox"/> Public Transit |
| <input type="checkbox"/> Sewage Collection and Treatment | <input type="checkbox"/> Solid Waste Collection and Disposal |
| <input type="checkbox"/> State Highway | <input type="checkbox"/> Water Treatment and Distribution |
| <input type="checkbox"/> Industrial, Utility, and Commercial | <input type="checkbox"/> Educational, Cultural, and Social |

4. Detailed description of Project. (An environmental report, such as CEQA, capital improvement plan or feasibility study, or other such reports containing a *detailed* description of the Project. If the funding request is limited to a portion of the project, please identify as appropriate. Attach as Exhibit 1.)

| Type of Permit | Date Submitted | Date Received | Expiration Date |
|----------------|----------------|---------------|-----------------|
| | | | |
| | | | |
| | | | |

5. Complete the attached Project Sources and Uses of Proceeds Table as Exhibit 2. Attach cost estimates, bids, and construction contracts, if available. [Label and attach as Exhibits 2a, 2b, 2c, etc.] Attachment: Yes No

6. Provide documentation demonstrating commitment(s) for Project funding sources other than IBank's, such as resolutions, commitment letters, grant agreements, loan agreements, contracts, etc. [Label and attachment as Exhibit 3—if multiple documents, label and attach as Exhibits 3a, 3b, 3c, etc.] Attachment: Yes No

7. Is land acquisition a component of the Project?

No

Yes Provide a copy of the purchase agreement as Exhibit 4. Include a description of the land acquired or to be acquired (current owner, address, assessor's parcel number, purchase date or expected purchase date, cost or estimate), and identify the funding source for the land below:

8. Provide a Project timeline as Exhibit 5. Include specific Project milestones such as preliminary engineering report, all required permits, design, engineering, land/right-of-way acquisition, preparation of bid documents, awarding of construction contract, construction start date, construction completion date, and date the project will become operational.

Attachment: Yes No

9. Private Activity

Will any entity, including a governmental entity other than the Applicant, use or directly benefit from any portion of the Project other than as a member of the general public? (For example, will a private entity or a federal agency operate, or lease space in the proposed project?)

No

Yes Describe the entity that will use or otherwise benefit from the Project. Provide a copy of any agreement with such private entity, or federal agency. [Label and attach as Exhibit 6]

10. Will the loan finance more than 5% of the private activity costs?

No

Yes Explain:

11. Business Relocation

Will the proposed Project facilitate the relocation of a private sector business from one area of the State to another?

No

Yes Provide a justification to support the move:

[Empty text box for justification]

12. Non-Profit Applicants

Explain the affiliation between the non-profit and the public entity Sponsor (City, County, State Agency, Special District, JPA, etc.) of the proposed project.

[Empty text box for affiliation explanation]

13. Project Impact

A. Describe the economic benefits to the community and/or the State resulting from this project:

[Empty text box for economic benefits]

B. Provide the following:

1) The total number jobs created and average wage. _____/_____

2) The total number of jobs retained and average wage. _____/_____ Describe the environmental impact to the community that will result from this project.

[Empty text box for environmental impact description]

14. Useful Life

Provide evidence of the useful life of the Project. [Label and attach as Exhibit 7]

PART IV. FINANCIAL INFORMATION

Note: Information required in this part that was previously provided to IBank need not be resubmitted.

1. Provide complete copies of the five (5) most recent fiscal year-end audited financial statements, if not already provided, as well as applicable revenue projections and cash flows. [Label and attach as Exhibits 8a, 8b, 8c, etc.]

2. Provide the current year’s adopted budget as Exhibit 9.

No

Yes

3. Are there any events that have occurred since the date of the last financial statement that could materially affect revenues or overall financial condition of the Applicant?

No

Yes Explain:

4. In the table below, list all outstanding financing obligations (debts, notes, capital leases, etc.) secured by the source of repayment for the requested financing. Attach as Exhibit 10 one copy of all financing documents (e.g., official statement along with any underlying loan agreements, lease agreements, or indentures, etc.).[Label and attach as Exhibits 10a, 10b, 10c, etc.]

| Name of Lender | Date of Debt | Outstanding Balance (as of) | Maximum Annual Debt Service/Lease Payment |
|----------------|--------------|---------------------------------|---|
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |

5. Provide a description of any off-balance-sheet debt obligations, including capital leases and other contractual obligations:

6. Has there been a default on any debt or other obligation including, but not limited to, bonds, leases, or loans within the last five years?

No

Yes Specify the date(s) and circumstances:

7. Attach as Exhibit 11 the current Capital Improvement Plan. Explain below any expected Plan for future debt issuance:

8. Do you have an Inter-fund Transfer Policy?

No

Yes Attach a copy of the policy as Exhibit 12.

PART V. LOAN PROCEEDS

1. Will the loan proceeds pay current staff to perform direct work for the Project? ¹

Yes No

2. Will the loan proceeds pay for any general administration or overhead costs?

Yes No

3. Have such costs already incurred?

No

Yes Explain:

4. Does the Project include prevailing wages as required by IBank Criteria?

Yes No

5. Will loan proceeds finance preliminary costs?

Yes No

A) Are such costs greater than 20% of the total loan amount?

Yes No

B) Have any costs already incurred?

No

Yes Explain:

PART VI. LEGAL INFORMATION

1. Describe the composition of the Applicant's governing body, including the number of positions, term, and selection/appointment process:

2. Describe any pending or anticipated litigation and/or contractual disputes that may negatively impact the loan repayment source, or the ability of the Applicant to enter into or repay the IBank loan:

3. Describe any past, present, or potential issues or controversies that may impact the Project:

¹ ISRF Loan proceeds cannot be used to pay overtime

4. If this is a Charter City, attach as Exhibit 13 the completed Charter City Questionnaire, and a copy of the City's Charter including all addendums and supplements thereto.
5. For a School District, Special District, or Joint Powers Authority (JPA), provide the statutory citation of formation authority or attach a copy of all formation documents and amendments as Exhibit 14.
 - No
 - Yes
6. For a Non-Profit provide as Exhibit 15, a copy of the following:
 - a. Articles of Incorporation, together with all amendments.
 - b. Certificate of Status/Good Standing.
 - c. Bylaws, together with all amendments.
 - d. 501 (c)(3) Determination Letters(s) from IRS, and any related documents and correspondence with/from IRS.
 - e. All Form 990s for the last three years.
 - f. All Form 990-Ts for the last three years
 - g. Capital Campaign brochures, form of pledge cards and related materials, if any.

I acknowledge that:

All information submitted to the California Infrastructure and Economic Development Bank (IBank) is true and correct at the time of submission, and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements contained herein not misleading.

| AUTHORIZED SIGNATURE | PRINT NAME AND TITLE | DATE |
|----------------------|----------------------|------|
| | | |

Please tell us how you heard about IBank and the ISRF Program.

Information Checklist

| IBank Staff Use | INDICATE IF EACH DOCUMENT IS ATTACHED | | | EXHIBITS |
|-----------------|---------------------------------------|--------------------------|--------------------------|--|
| | YES | NO | N/A | |
| | <input type="checkbox"/> | | | Financial Information (Page # 9) Signed and Dated |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 1 Study, Plan, or Other Report with Detailed Project Description |
| | <input type="checkbox"/> | <input type="checkbox"/> | | Exhibit 2 Sources and Uses of Proceeds Table |
| | <input type="checkbox"/> | <input type="checkbox"/> | | Exhibit 2a Detailed cost estimates, bids, and construction contracts, that support Exhibit. Label each Exhibit a, b, c, etc. |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 3 Documentation Demonstrating Commitment of Other Project Funding Sources (includes Applicant's contribution). Label each Exhibit a ,b, c, etc. |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 4 Real Estate Purchase Agreement |
| | <input type="checkbox"/> | <input type="checkbox"/> | | Exhibit 5 Project Timeline |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 6 Project Benefit Information |
| | <input type="checkbox"/> | <input type="checkbox"/> | | Exhibit 7 Useful Life Exhibit |
| | <input type="checkbox"/> | <input type="checkbox"/> | | Exhibit 8 Five (5) Years Audited Financial Statements [and any applicable revenue projections and cash flows]. Label each Exhibit a, b, c, etc. |
| | <input type="checkbox"/> | <input type="checkbox"/> | | Exhibit 9 Current Year Adopted Budget |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 10 Outstanding Financing Documents. Label each Exhibit a, b, c, etc. |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 11 Current Capital Improvement Plan |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 12 Interfund Transfer Policy/Reimbursement Agreement |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 13 Charter City Information and Questionnaire |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 14 Districts Formation Documents and Amendments |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit 15 Non-Profit Applicants Exhibits. Label each Exhibit a, b, c, etc. |

Exhibit 2

SOURCES AND USES OF PROCEEDS TABLE

*(NOTE: **Attach** as Exhibit 2a detailed cost estimates, bids, and construction contracts, etc. to support data provided in the table.)*

| PROJECT USES | PROJECT FUNDING SOURCES | | | | | | |
|--|-------------------------------------|--------------|-----------|-----------|-----------|-----------|-----------|
| | Estimated Life of the Project | <u>IBANK</u> | Other | Other | Other | Other | TOTAL |
| Land Acquisition | | \$ | \$ | \$ | \$ | \$ | \$ |
| Building Construction/Renovation | | \$ | \$ | \$ | \$ | \$ | \$ |
| Construction Contingency | | \$ | \$ | \$ | \$ | \$ | \$ |
| Machinery/Equipment | | \$ | \$ | \$ | \$ | \$ | \$ |
| Engineering/Architectural/ Design/Permits/Environmental | | \$ | \$ | \$ | \$ | \$ | \$ |
| IBank Origination Fee: | | \$ | \$ | \$ | \$ | \$ | \$ |
| Other: | | \$ | \$ | \$ | \$ | \$ | \$ |
| Other: | | \$ | \$ | \$ | \$ | \$ | \$ |
| TOTAL | | \$ | \$ | \$ | \$ | \$ | \$ |

Please provide the justification in determining the useful life of the Project:



**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
INFRASTRUCTURE STATE REVOLVING FUND PROGRAM**

FINANCING APPLICATION ADDENDUM



**FEES & CHARGES
SPECIAL FUNDS & TAXES**

**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
INFRASTRUCTURE STATE REVOLVING FUND PROGRAM**

**FEES, CHARGES, SPECIAL FUNDS & TAXES
FINANCING APPLICATION ADDENDUM**

PART I. PROPOSED SOURCE(S) OF REPAYMENT

1. District Type:

- | | |
|---|--|
| <input type="checkbox"/> Water | <input type="checkbox"/> Lighting |
| <input type="checkbox"/> Irrigation | <input type="checkbox"/> Park |
| <input type="checkbox"/> Sewer/Wastewater | <input type="checkbox"/> Solid Waste |
| <input type="checkbox"/> Public Works | <input type="checkbox"/> Public Safety |
| <input type="checkbox"/> Flood Control | <input type="checkbox"/> Fire Protection |
| <input type="checkbox"/> Utilities | <input type="checkbox"/> School |
| <input type="checkbox"/> Community Services | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Airport | <input type="checkbox"/> Port/Harbor |
| <input type="checkbox"/> Other, specify: _____ | |

2. Source(s) of Repayment:
(Please check all that apply)

Fees & charges

- Water Enterprise Fund
 Sewer/Wastewater Enterprise Fund
 Solid Waste Enterprise Fund
 Other Fund: specify _____

Other

- Specify: _____

Special Fund

- Name _____

Taxes (other than assessments)

- Property
 Special, specify: _____

3. What lien position does the Applicant request for IBank's loan? If the IBank loan is not requested to be in a senior position or senior lien position on parity with existing debt, describe why the IBank should consider a subordinate lien position, and why a subordinate position is necessary or desired by the Applicant:

PART II. APPLICANT'S LEGAL AUTHORITY

1. Authority to operate the system. Attach as Exhibit FC-1.
2. Authority to collect funds for each proposed source of repayment. Attach as Exhibit FC-2.
3. Authority to pledge each proposed source of repayment and to do so for the entire term of the loan. Attach as Exhibit FC-3.
4. Authority to adopt a resolution making the findings necessary for the financing of Infrastructure Projects under the ISRF Program as required by CA Government Code section 63041. Attach as Exhibit FC-4.
5. Authority to enter into a loan agreement and other related documents. Attach as Exhibit FC-5.
6. Authority to enter into, and to timely perform, obligations in accordance with a loan agreement with the IBank (such as covenants to increase rates or charges, to maintain a minimum debt service coverage, and to provide annual audits and surveillance reports). Attach as Exhibit FC-6.

If the requested information is found in a system capital improvement plan, master plan or any other system-planning document, submit a copy of the plan and reference here the page(s) of the document that provides the information requested. Attach as Exhibit FC-7.

PART III. SYSTEM INFORMATION

1. **Water projects**—Provide detailed information about the supply of water, including the source, terms of the supply contract, status of water rights, storage, transmission, treatment, distribution, and age and capacity of the system:

For water systems that purchase water, provide a copy of the water purchase contract. Attach as Exhibit FC-8.

2. **Sewer projects**—Provide detailed information about the collection, transmission, treatment and sludge disposal system and procedures, age and capacity of the system:

No

Yes Submit a copy of the ordinance or adopted resolution. Attach as Exhibit FC-9.

3. **Solid waste projects**—Provide detailed information about the system collection and disposal processes and procedures, contracts with haulers, the status of landfill(s), and the age and capacity of the system:

| |
|--|
| |
|--|

For solid waste systems that have disposal contracts or contracts with haulers, provide a copy of each contract. Attach as Exhibit FC-10a and 10b, respectively.

4. Describe the service area:

| |
|--|
| |
|--|

Provide a map of the enterprise service area as Exhibit FC-11.

5. Complete the following tables:

- a. Current and historical system user distribution:

| NUMBER OF USERS | | | | | |
|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------|
| | Current Fiscal Year – 4* | Current Fiscal Year – 3* | Current Fiscal Year – 2* | Current Fiscal Year – 1* | Current Fiscal Year |
| Residential | | | | | |
| Commercial | | | | | |
| Industrial | | | | | |
| Other | | | | | |
| TOTAL | | | | | |

*Year - 1 = Year prior to current fiscal year; Y – 1 through Y – 4 are 1-4 years prior to current fiscal year.

- b. Current system usage and revenues:

| SYSTEM USAGE AND GROSS REVENUES | | | | |
|--|--------------|-------------|-----------------------|---------------------|
| as of | | | | |
| | Annual Usage | % of Usage | Annual Gross Revenues | % of Total Revenues |
| Residential | | | | |
| Commercial | | | | |
| Industrial | | | | |
| Other | | | | |
| TOTAL | | 100% | | 100% |

c. Ten (10) largest current users and their percentage of system use and revenue:

| TEN LARGEST SYSTEM USERS | | | |
|---------------------------------|------------------------|-----------------------------|--|
| as of | | | |
| User | % of System Use | % of System Revenues | Customer Class (Residential/Commercial/Industrial/Other) |
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |
| 6. | | | |
| 7. | | | |
| 8. | | | |
| 9. | | | |
| 10. | | | |
| TOTAL | | | |

d. Describe the rate-setting process, including the approval process and adherence to Proposition 218, the length of time necessary to implement adjustments, and the history of obtaining requested rate increases over the past five (5) years:

| RATE INCREASES OVER THE PAST FIVE YEARS | | |
|--|-----------------------|----------------------------|
| Date Adopted | Date Effective | Percent of Increase |
| | | |
| | | |
| | | |
| | | |
| | | |

e. Provide the historical monthly average system rates per residential unit over the last four (4) years and current rate information:

| CURRENT AND HISTORICAL AVERAGE MONTHLY USER CHARGE PER RESIDENTIAL UNIT | | | | | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------|
| | Current Fiscal Year – 4* | Current Fiscal Year – 3* | Current Fiscal Year – 2* | Current Fiscal Year – 1* | Current Fiscal Year |
| Residential Unit | _____ | _____ | _____ | _____ | _____ |

*Year - 1 = Year prior to current fiscal year, Y - 1 through Y - 4 are 1-4 years prior to current fiscal year.

- f. Provide the projected average monthly user charge per residential unit over the next five (5) years (include any adopted or anticipated rate increases):

| PROJECTED AVERAGE MONTHLY USER CHARGE PER RESIDENTIAL UNIT | | | | |
|---|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Current Fiscal Year +1* | Current Fiscal Year + 2* | Current Fiscal Year + 3* | Current Fiscal Year + 4* |
| Residential Unit | | | | |

*Year + 1 = Year after the current fiscal year; Y + 1 through Y + 4 are 1-4 years after current fiscal year.

- g. Provide current comparable monthly average residential rate information for nearby comparable systems:

| COMPARABLE RATES as of | | | | |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | System Name: _____ | System Name: _____ | System Name: _____ | System Name: _____ |
| | Location: _____ | Location: _____ | Location: _____ | Location: _____ |
| Residential Unit | | | | |

6. Describe the expected increases or decreases in demand for service over the next five (5) years:

7. Describe the enterprise system's current capital improvement plan and expected plan for financing any capital improvements (e.g., future debt issuance), including how the system capacity is expected to meet future aggregate customer demand and peak daily demand:

8. Are there any pending or threatened enforcement actions, including warnings, orders, violations or fines, by any regulatory agency against the Applicant with regard to the system?

No

Yes Describe and indicate the current status:

PART IV. FINANCIAL INFORMATION

1. Provide an aging of system accounts receivable for each proposed source of revenue to be pledged. Attach as Exhibit FC-12, FC-12a, FC-12b, etc.

2. Discuss the billing process and terms offered to users.

3. Provide the monthly accounts receivable information below:

| ACCOUNTS RECEIVABLE AGING | | | | | | |
|----------------------------------|---------|---------|---------|---------|----------|-------|
| as of | | | | | | |
| | Current | Over 30 | Over 60 | Over 90 | Over 120 | Total |
| | | | | | | |
| Percent | | | | | | |

4. Explain collection practices and/or policies addressing accounts receivable that are greater than 90 days past due.

5. Has there been a system operating deficit during any of the prior three fiscal (3) years?

No

Yes Describe any and all operating deficits and the action taken by the governing body to eliminate or balance the operating deficits:

6. Does the Applicant have a debt service reserve fund for outstanding debt of the system?

No

Yes Provide an explanation if any debt service reserve fund has not been funded at its required level during the last three (3) fiscal years below. Include the amount and circumstances of any deficits, any withdrawals, and the corresponding replenishment schedule. Attach as Exhibit FC-13.

7. Does the Applicant have a rate stabilization fund?

No

Yes Describe below any withdrawals from and deposits to the rate stabilization fund made over the last three (3) years, the circumstances necessitating any withdrawals, and the corresponding replenishment schedule. Attach as Exhibit FC-14.

8. Provide a copy of the rate study or similar report, along with resolutions, presentations, and meeting minutes for existing rates and charges for the last five years. Attach as Exhibit FC-15.

9. Has any assessment, standby charge, or rate or charge levied by the Applicant been subject to an initiative or a majority protest, or is any appeal or protest expected, or threatened, pursuant to Proposition 218?

No

Yes Explain:

10. Does the Applicant wish IBank to consider revenues from adopted rate increases (implemented, or not yet implemented) and/or system expansions in its analysis?

No

Yes Provide an independent feasibility study, or an engineer's report pertaining to the proposed Project and the system, including all assumptions. For system expansions only, also include in this report a "worst case" scenario analysis of the fiscal impact of the loan on rates for existing rate payers, assuming that there are no new system rate payers and existing rate payers' fees will fully finance the Project debt. Attach as Exhibit FC-16.

11. Is the Applicant a recipient of any grants, loans or other financial assistance for the operation of the system? If so, describe impacts on the proposed financing and provide copies. Attach as Exhibit FC-17.

No

Yes

Describe:

**FEES & CHARGES
SPECIAL FUNDS & TAXES
ADDENDUM CHECKLIST**

(Complete and submit with the Financing Application)

| IBank Staff Use | APPLICANT-INDICATE WHETHER OR NOT EACH DOCUMENT IS ATTACHED TO THIS ADDENDUM | | | ADDENDUM EXHIBITS | |
|-----------------|--|--------------------------|--------------------------|-------------------|--|
| | Date Rec'd | YES | NO | | |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-1 | Authority to Operate the System |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-2 | Authority to Collect Proposed Revenue Stream |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-3 | Authority to Pledge Proposed Revenue Stream |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-4 | Authority to Adopt Resolution |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-5 | Authority to Enter into Loan Agreement and Related Documents |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-6 | Authority to Enter into, and to Timely Perform, Obligations |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-7 | System Capital Improvement Plan, Master Plan, Other System Planning Document |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-8 | Water Purchase Contract |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-9 | Hook-up Ordinance |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-10 | Disposal/Hauler Contracts |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-11 | Map of Service Area |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-12 | Aging Accounts Receivable Aging for Each Proposed Source of Revenue. Additional Exhibits label a, b, c, etc. |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-13 | Debt Service Reserve Fund Funding Schedule |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-14 | Rate Stabilization Fund Replenishment Schedule |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-15 | Rate Study, Resolutions, Presentations, Meeting Minutes for the last Five Years |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-16 | Adopted Rate Increases: Resolution, Staff Report, and Independent Feasibility Study/Rate Study/Engineer's Report |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Exhibit FC-17 | Grants, Loans or Financial Assistance Documentation |

Memo

Date: May 20, 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 SUPPORT FOR ASSOCIATION OF CALIFORNIA WATER AGENCIES' "VISION FOR OUR WATER FUTURE" INITIATIVE**

Purpose

The purpose of this agenda item is to consider adopting a resolution supporting Association of California Water Agencies' "Vision for Our Water Future" campaign. The initiative aims to elevate water as a top priority for California's next governor, legislative leadership, and state officials. This initiative establishes a framework to secure a resilient and reliable water system that meets the needs of California's economy, communities, and environment.

Recommendation

Staff recommends the board show its support of "Vision for Our Water Future" by adopting this resolution.

Alternative(s)

- The board may choose not to adopt a resolution in support of "Vision for Our Water Future."
- The board may direct staff as it otherwise deems fit.

Background

OMWD is a member of the Association of California Water Agencies, which is the largest statewide coalition of public water agencies in the US, representing 470 public agencies on state water policy, advocacy, and legislation. Director Maloni serves on the Board of Directors of ACWA Region 10, representing the San Diego County region.

OMWD has actively contributed over the years to increasing awareness among California policymakers and leaders about the ongoing water supply crisis. This crisis affects residents, economic growth, community health, the environment, and future generations of Californians.

OMWD's legislative guidelines endorse advocating for legislation or initiatives that:

Incorporate state-provided climate change information into statewide, regional, and local water management planning, and provide funding for projects that assist in adapting to the effects of climate change on the water supply portfolios across the state.

Provide for the development of a comprehensive state water plan that balances California's competing water needs in an equitable "fair share" approach that balances costs amongst regions and results in a reliable and affordable supply of high-quality water for the San Diego region.

From 2022 through 2023, General Manager Thorner served as an officer on the Steering Committee and the Board of Directors of Solve the Water Crisis. Solve the Water Crisis aimed to raise awareness among California policymakers and leaders about the ongoing water supply crisis affecting residents, economic growth, community health, and the environment. In December 2022, General Manager Thorner presented to the San Diego Union-Tribune Editorial Board on Solving the Water Crisis, provided input on collateral development, and participated in weekly meetings. General Manager Thorner also co-authored an op-ed, attached, that ran in the Voice of San Diego, titled "Despite Preparation, San Diego is Not Protected from California's Severe Water Supply Crisis."

In 2023 and 2024, OMWD supported SB 366, the California Water Plan: long-term supply targets. OMWD urged policymakers that, despite the state experiencing flooding and record snowpack levels, such wet years are unpredictable. California would need to prepare for hotter, drier conditions.

In 2025, OMWD advocated for SB 72, California Water for All, as part of a coalition comprised of water agencies and associations, aimed at enhancing water supply reliability as a shared priority within California. SB 72 established a long-term, statewide objective to ensure that California has adequate water supplies to meet the needs of communities, agriculture, the economy, and the environment.

Further, SB 72 shifted the focus from scarcity to water supply targets to ensure California has enough water for communities, agriculture, and the environment. The legislation required Department of Water Resources to develop an action plan by 2033 to achieve long-term water supply targets by 2040. On October 1, 2025, Governor Newsom signed SB 72.

In March 2026, OMWD joined a coalition of water districts and associations in support of full funding for the implementation of SB 72 in the state's budget - \$6.8 million annually for 5 years and \$3.4 million annually thereafter.

Fiscal Impact

There are no costs associated with this item.

Discussion

Association of California Water Agencies has launched a new policy initiative to actively elevate water-related priorities with California's gubernatorial candidates, legislative leadership, and administration officials in advance of a new governor taking office in 2027.

The "Vision for Our Water Future" initiative focuses on integrating members' unified priorities into campaign platforms. These priorities will align with ACWA's strategic priorities and committee work plans.

The "Vision for Our Water Future" initiative includes the following key priorities:

- **Lead on Water.** Recognize water as an essential resource and the infrastructure that underpins California's economy, housing growth, food production, environmental health, and community resilience. Sustained executive leadership is needed to improve water supply reliability, accelerate climate resilience, and ensure coordinated action across state government.

- **Protect Affordability.** Ensure safe and reliable water remains affordable by strengthening sustained state investment and funding partnerships with local, regional, and federal agencies to address rising infrastructure, climate, and regulatory costs. California’s ratepayers fund more than 85% of the system. Without predictable investment, these costs will increasingly fall on households, businesses, and farmers.
- **Deliver Critical Infrastructure.** Future-proof California’s critical water infrastructure to ensure reliable supplies in the face of climate change, growing economic demands, and escalating emergency risks. This requires strengthening the statewide water system, including both built and natural infrastructure, while advancing regional resilience to maximize systemwide reliability.
- **Modernize Water Management.** Improve California’s regulatory and operational systems so water projects can move forward reliably and efficiently, infrastructure can be operated more flexibly, and agencies can respond more rapidly to changing conditions. California’s regulatory framework should deliver clear, coordinated decisions grounded in the best available science, while maintaining environmental protection, public transparency, and California’s existing water rights priority system.

In support of the initiative, ACWA’s Board of Directors approved at its January 2026 meeting funding to support staff’s efforts. At its March meeting, the ACWA Board of Directors approved the “Vision for Our Water Future” policy recommendations. Subsequently, ACWA asked member agencies to help support the “Vision for Our Water Future” policy framework by passing resolutions. OMWD’s adoption of this resolution would demonstrate its support of the “Vision for Our Water Future” initiative. The “Vision for Our Water Future” outlines key priorities, including elevating water as a statewide leadership priority, protecting affordability, delivering critical infrastructure, and modernizing water management. These actions are intended to provide a framework to support a more integrated and resilient water system that can meet the evolving needs of communities and the economy.

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*

- *ACWA March 2026 Board of Directors Meeting Agenda and Materials*
- December 2022 Op-Ed, San Diego Is Not Protected from California's Severe Water Supply Crisis. *Voice of San Diego*

RESOLUTION NO. 2026-xx

RESOLUTION OF THE BOARD OF DIRECTORS OF OLIVENHAIN
MUNICIPAL WATER DISTRICT PROCLAIMING SUPPORT FOR
ASSOCIATION OF CALIFORNIA WATER AGENCIES' "VISION FOR
OUR WATER FUTURE" INITIATIVE

WHEREAS, in April 2026, the Association of California Water Agencies launched "Vision for Our Water Future," a member-driven initiative to identify statewide water priorities to inform engagement with California's next Administration; and

WHEREAS, the "Vision for Our Water Future" priorities are a set of recommendations for the next governor, emphasizing the importance of strong leadership, sustainable investment, and coordinated action across all levels of government to secure California's water future; and

WHEREAS, the first priority is to lead on water and elevate water as foundational to California's economy, agriculture, communities, environment, and climate resilience through sustained leadership and coordinated state action; and

WHEREAS, the second priority is to ensure safe and reliable water remains affordable through sustained and predictable funding partnerships and streamlined investment delivery; and

WHEREAS, the third priority is to strengthen and modernize California's water infrastructure, including both built and natural systems, to improve reliability and resilience; and

WHEREAS, the fourth priority is to improve regulatory, operational, and scientific frameworks to enable efficient project delivery and adaptive water management; and

WHEREAS, local water agencies play a critical role in delivering safe and reliable water supplies and are essential partners in implementing statewide solutions; and

WHEREAS, supporting the Vision recommendations demonstrates a unified commitment to collaborative, science-based, and practical policies that advance a secure and resilient water future for California's communities, farms, economy, and environment.

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 support for Association of California Water Agencies' "Vision for Our Water Future" and affirms its commitment to working collaboratively to advance reliable, affordable, and resilient water supplies.

PASSED, ADOPTED, AND APPROVED, at a regular meeting of the Board of Directors of Olivenhain Municipal Water District held on Wednesday, May 20, 2026.

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

ATTEST:

Christy Guerin, Secretary
Board of Directors
Olivenhain Municipal Water District

Approval of Vision for Water Future Priorities

| | |
|------------------------------|-----------------------------|
| Meeting Date: March 20, 2026 | Item No.: V.B. |
| Board Action Required: YES | Chairperson: N/A |
| Fiscal/Budgetary Impact: NO | Prepared By: Chelsea Haines |

BACKGROUND

In January 2026, ACWA formally launched *Vision for Our Water Future* (Vision), a member-driven initiative to identify ACWA’s statewide water priorities and inform engagement with California’s next Administration. The effort has resulted in a *draft* concise policy document articulating ACWA’s key statewide priorities and recommendation actions for the Board’s consideration to adopt.

With a new Governor taking office on January 4, 2027, the change in administration presents ACWA with a timely and strategic opportunity to engage gubernatorial candidates early in the election cycle to:

1. Elevate water as a policy priority in campaign platforms and future administration agendas.
2. Incorporate the unified priorities of ACWA’s membership into an actionable statewide policy agenda.
3. Further establish ACWA as an essential partner and thought leader in shaping a secure, reliable, and resilient water future for California.

Throughout 2026, ACWA will elevate these priorities with gubernatorial candidates, legislative leadership, administration officials, ACWA members, coalition partners, and the media.

VISION DEVELOPMENT

ACWA developed the draft Vision policy document through a deliberate, statewide member process involving members, regional leadership, and the ACWA Board of Directors. This engagement ensured the Vision reflected the operational realities, regional diversity, and policy priorities of ACWA’s approximately 470 public water agency members.

MEMBER OUTREACH AND ENGAGEMENT

ACWA conducted extensive statewide engagement with members and Board leadership to inform the Vision priorities. Key outreach included:

Region Board Orientation Meetings

- Region 1 – February 6, 2026

- Region 2 – February 5, 2026
- Region 3 – February 13, 2026
- Region 4 – February 18, 2026
- Region 5 – January 28, 2026
- Regions 6 & 7 – February 19, 2026
- Region 8 – February 20, 2026
- Region 9 – January 27, 2026
- Region 10 – February 17, 2026

Region Board Briefings [174 registered]

- Regions 1 & 5 – February 9, 2026
- Regions 6 & 7 – February 10, 2026
- Regions 2, 3 & 4 – February 17, 2026
- Regions 8, 9 & 10 – February 18, 2026

ACWA Events

- 2025 Fall Conference Roundtable Forum – December 3, 2025
- 2026 Legislative Symposium Vision Panel – February 11, 2026
- 2026 D.C. Conference Interactive Vision Discussion – February 24, 2026

Leadership Meetings

- State Legislative Committee Meeting– February 12, 2026
- Committee Chair/ Vice Chair Leadership Meeting – March 5, 2026
- ACWA Communications Committee Meeting – March 11, 2026
- Region Chair/ Vice Chair Leadership Meeting – March 19, 2026

REVIEW OF STRATEGIC DOCUMENTS

To consider alignment with existing and previous ACWA priorities, staff also reviewed key policy documents and member feedback, including:

- ACWA’s No Time to Waste, 2005
- ACWA’s Strategic Water Action Plan, 2013
- ACWA’s Recommendations to the Newsom Administration for a Water Resilience Portfolio, 2019
- ACWA’s Climate Change Policy Principles, 2022
- ACWA’s Five Year Strategic Plan, 2024- 2029
- ACWA’s 2025 Member Survey Results
- ACWA’s Regions 1 - 10 Work Plan Policy Priorities, 2026 – 2027

ACWA BOARD INPUT AND ACTION

The Board has been engaged throughout development of the Vision initiative through the following touchpoints:

- November 21, 2025 – Board introduction of proposed initiative.
- January 29, 2026 – Board workshop with overview of member input and opportunity for Board input to shape priorities and recommended actions.
- January 30, 2026 - Board authorization of \$300,000 to support the initiative and fund a Maximum Campaign Effort.
- March 20, 2026 – Board consideration to adopt.

Staff will continue to update the Board on implementation and outreach throughout 2026.

GENERAL MANAGER WORKING GROUP

A General Manager Working Group representing agencies across ACWA’s regions was convened to synthesize member and Board input into strategic recommendations. The group met five times between January and March 2026. The Working Group is comprised of:

| PARTICIPANT | REGION | AGENCY |
|-------------------|--------|---|
| Jennifer Burke | 1 | Santa Rosa Water District |
| Grant Davis | 1 | Sonoma Water |
| Willie Whittlesey | 2 | Yuba Water Agency |
| Jeff Sutton | 2 | Glen Colusa Irrigation District |
| Sean Bigley | 3 | City of Roseville |
| Andy Fecko | 3 | Placer County Water Agency |
| Pravani Vandeyar | 3 | El Dorado Irrigation District |
| Kristin Sicke | 4 | Yolo County Flood & Water Conservation District |
| Dan York | 4 | Sacramento Suburban Water District |
| Rachael Gibson | 5 | Valley Water |
| Kathy Viatella | 5 | East Bay Municipal Utility District |
| Allison Febbo | 6 | Westlands Water District |
| Federico Barajas | 6 | San Luis & Delta Mendota Water Authority |
| Aaron Fukuda | 7 | Tulare Irrigation District |
| Johnny Amaral | 7 | Friant Water Authority |
| David Pederson | 8 | Las Virgenes Water District |
| Dee Zinke | 8 | Metropolitan Water District |
| Joe Mouawad | 9 | Eastern Municipal Water District |
| Adekunle Ojo | 9 | San Bernardino Valley Municipal Water District |
| Joone Lopez | 10 | Moulton Niguel Water District |
| Meggan Quarles | 10 | San Diego County Water Authority |

The Working Group also discussed the appropriate scope of the Vision. The resulting policy document is designed to clearly communicate ACWA's statewide priorities to gubernatorial candidates while providing a foundation for more detailed policy development with the next Administration.

VISION AMPLIFICATION AND NEXT STEPS

ACWA is implementing a coordinated cross-department outreach strategy to elevate the Vision priorities. This effort leverages ACWA's communications, advocacy, member engagement, and event platforms to reach policymakers, stakeholders, and the public.

PUBLIC AFFAIRS FIRM

On January 30, 2026, ACWA's Board of Directors approved \$300,000 to support the Vision initiative. Following a competitive request for proposals process, ACWA selected Calkin Public Affairs from seven proposals received.

ACWA and Calkin Public Affairs entered into an agreement for services on March 1, 2026, that will terminate on December 31, 2026. The firm will support strategic consulting, earned media, coalition building, collateral materials, and messaging.

TWO-PHASED APPROACH

The Vision initiative is structured as a two-phase effort designed to elevate water priorities during the 2026 gubernatorial election cycle and inform policy development with the next Administration.

Phase 1 (2026)

Develop and elevate ACWA's statewide water priorities to inform gubernatorial candidates, legislative leadership, and stakeholders and position water as a central issue for the next Administration.

Phase 2 (2027)

Following the transition to a new Administration, ACWA will work with state leadership, members, and stakeholders to translate the Vision priorities into a more detailed implementation framework identifying specific policy actions. The Action Plan will be developed through an inclusive, member-driven process led by ACWA's committees, with participation open to any interested ACWA members.

ACWA STAFF RECOMMENDATION

ACWA staff recommend that the Board approve the draft Vision for our Water Future Policy document (attached).

Vision for Our Water Future

Recommended Actions for ACWA's Board of Director's Consideration to Adopt

- 1. Lead on Water** – Recognize water as an essential resource and the infrastructure that underpins California's economy, housing growth, food production, environmental health, and community resilience. Sustained executive leadership is needed to improve water supply reliability, accelerate climate resilience, and ensure coordinated action across state government.
 - A. Set a Bold Water Agenda (First 100 Days): Establish a focused statewide water agenda aligned with this Vision.
 - B. Appoint Leaders to Deliver Results: Appoint and empower leaders to deliver measurable outcomes.
 - C. Unify State Agencies: Direct state agencies to align under unified statewide water priorities and jointly advance implementation in partnership with local, regional, and federal water managers. Designate a cabinet-level water policy executive reporting directly to the Governor to align agencies and organize state resources to implement California's water priorities.

- 2. Protect Affordability** – Ensure safe and reliable water remains affordable by strengthening sustained state investment and funding partnerships with local, regional, and federal agencies to address rising infrastructure, climate, and regulatory costs. California's ratepayers fund more than 85 percent of the system. Without predictable investment, these costs will increasingly fall on households, businesses, and farmers.
 - A. Secure Sustainable Water Funding: Create a reliable sustainable state funding source for water infrastructure that provides predictable, long-term investment. This funding should support critical water infrastructure projects, environmental needs, California's Human Right to Water while leveraging federal, regional, and local investment.
 - B. Accelerate Funding: Improve funding programs and coordination so investments reach projects faster, reducing administrative delays, lowering project costs, and accelerating infrastructure delivery.
 - C. Integrate Investments Across Sectors: Align state investments and integrate water infrastructure funding across energy, housing, and climate and hazard mitigation to advance multi-benefit projects and maximize federal, state, and regional investment.

3. Deliver Critical Infrastructure – Future-proof California’s critical water infrastructure to ensure reliable supplies in the face of climate change, growing economic and community demands, and escalating emergency risks. This requires strengthening the statewide water system, including both built and natural infrastructure, while advancing regional resilience to maximize systemwide reliability.

A. Strengthen the State’s Water Backbone: Upgrade, repair, and optimize California’s essential backbone infrastructure—the California State Water Project and Central Valley Project.

- *Modernize and Protect Infrastructure*: Advance a durable Delta conveyance solution, strengthen Delta levees, safeguard critical infrastructure from subsidence and seismic risk, and upgrade system technologies, including Forecast Informed Reservoir Operations, snowpack measurement, and remote monitoring control.
- *Improve Coordinated Operations*: Integrate operations of the California State Water Project and Central Valley Project to increase system flexibility, expand the storage and movement of water, and enhance water supply reliability.

B. Safeguard Colorado River Water Supplies: Protect California’s Colorado River allocation, consistent with the State’s legal entitlements and the efforts of the Colorado River Board of California.

C. Empower Regional Water Solutions: Champion regional and watershed-based solutions. State policy should empower regions with the tools, flexibility, and investment needed to advance regional planning, partnerships, and projects that diversify water supplies, strengthen system connectivity and operational efficiency, and restore ecosystem functions to ensure reliable water supplies.

4. Modernize Water Management – Improve California’s regulatory and operational systems so water projects can move forward reliably and efficiently, infrastructure can be operated more flexibly, and agencies can respond more rapidly to changing conditions. California’s regulatory framework should deliver clear, coordinated decisions grounded in the best available science, while maintaining environmental protections, public transparency, and California’s existing water rights priority system.

A. Improve Permitting Performance: Enhance the clarity, coordination, and efficiency of state permitting processes to accelerate infrastructure and operational improvements, eliminate avoidable costs, and ensure state and local agencies deliver timely, accountable results.

- *Integrate Permit Requirements*: Integrate requirements and processes across regulatory agencies to eliminate redundancy and inconsistency.

- *Enhance Regulatory Certainty*: Establish transparent procedures, clear criteria for permit approval, and accountable timelines for agency decisions, developed in direct partnership with water suppliers.
 - *Streamline Pathways*: Create efficient pathways to advance multi-benefit, climate-resilient water supply projects.
- B. Modernize Water Operations: Advance operational approaches that reflect changing climate realities to improve water supply reliability across environmental, agricultural, and urban sectors. This may include coordinated reservoir management, flexible diversion rules tied to real-time hydrology, accelerated groundwater recharge and conjunctive use, expanded water transfers, and other adaptive strategies.
- C. Strengthen Water Data and Science: Invest in integrated, science-based statewide data systems and technology that improve transparency, inform real-time decisions, and strengthen regulatory and operational performance to increase efficiency and better manage water resources.

San Diego Is Not Protected from California's Severe Water Supply Crisis

voiceofsandiego.org/2022/12/02/san-diego-is-not-protected-from-californias-severe-water-supply-crisis/

Gary Arant and Kimberly Thorner

December 2, 2022



A woman waters plants at a nursery in 2020. / File photo by Adriana Heldiz

California's water supply crisis has hit a tipping point, with impacts spreading far and wide, reaching local communities and critical industries, putting us once again in jeopardy.

This is a pivotal moment in the state's future – one in which bold political leadership will emerge, or future generations will suffer. Gov. Gavin Newsom's recent announcement on his new water supply plan, is encouraging that leadership is materializing, but the proof is in the pudding.

The new plan, [California's Water Supply Strategy: Adapting to a Hotter, Drier Future](#), underscores the significant challenges we face as a result of a changing climate, the need to transform the current water system, and the importance of significantly investing in California water systems to secure the future of California's water supply and reliability. The plan outlines water supply strategies and includes a pledge to fast track the advancement of

policies and new projects to begin addressing California's water supply crisis. While this new plan is promising, there is still significant work that needs to be done to adequately address California's perpetual droughts and water supply crisis.

As a result of California's systemic and repetitive water supply crisis, California is experiencing a [decline in economic activity](#), [restricting recreation and tourism](#), and seeing [large-scale job losses](#) annually – all of this despite being the fifth largest economy in the world.

We need to reverse the trend of water cutbacks and rationing and rectify the decades-long, statewide water supply crisis that is impacting 40 million Californians.

[Water agencies across the State](#) are sounding the alarm that the state can no longer take the expedient path and simply remain at the mercy of the current inadequate and inefficient system. The state has a responsibility to build a system that will provide enough water for present needs and a new system to serve the needs of the next generation. In June, as instructed by Gov. Newsom, the State Water Resources Control Board adopted an emergency water conservation regulation directing local agencies to step up their efforts. San Diego water agencies have instituted conservation programs and improved local infrastructure and operations, reducing our water use by 30 percent from 1990 to 2020. But despite the tremendous local conservation efforts and investments in our regional water resources and infrastructure, climate change and radical changes in critical State Water Project and Colorado River water supplies have put our region at risk and potentially subject to mandatory water supply cutbacks.

The state needs to act on two fronts.

First, water agencies need to continue to work with residents and businesses to navigate through the current crisis. We support the Governor's call for conservation in our current crisis.

More broadly, the state needs to follow-through on the three generational solutions – more storage, better conveyance, and improved operations – that have been discussed and debated for decades.

Storage is essential to adapt to the changing weather patterns and the uncertainty of climate change. We can no longer rely on the winter snowpack to provide a reliable source of water throughout the year. We need to store water when we have precipitation and release that water for environmental, residential, business, and agricultural use when the snowpack cannot provide sufficient water supply.

The federal and state water projects need improved infrastructure that is not constrained by a host of operational impediments. California has invested in improvements for highways, bridges, airports and other critical parts of the state's infrastructure, the state needs to

rebuild the water delivery system to improve the infrastructure that moves water throughout the state.

The operations of the state's water system also needs to be improved to provide more flexibility and certainty. The operational inefficiencies have resulted in curtailed water deliveries and resulting in rate increases for residential and business users. Flexibility and more certainty in the operations will allow water agencies to better manage the costs of upgrading local water systems, expanded conservation programs, and additional water supply needs.

Big changes, like Hoover Dam, the state highway system, and the world-renowned state university systems were not easy to approve or inexpensive to complete, but previous generations mustered the will and resources to get the job done.

We look forward to collaborating with the Administration and the Legislature to get this critically important work done and implement the Governor's new water supply plan.

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.

May 20, 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
April 2026:

| Operations & Maintenance | April 2026 | March 2026 |
|---|---|--|
| David C. McCollom Water Treatment Plant (DCMWTP) | 569.1 million gallons | 599.7 million gallons |
| DCMWTP Average Daily Production | 19 million gallons | 19.3 million gallons |
| DCMWTP Peak Day Production | 23.6 million gallons | 24.2 million gallons |
| Source Water Blend (% State Project Water) | 38% | 66% |
| Total Deliveries to Vallecitos Water District | 285.54 acre feet 93.04 million gallons | 339.48 acre feet 110.62 million gallons |
| 4S and Rancho Cielo Sewer Systems Total Inflow | 38.45 million gallons | 38.51 million gallons |
| 4S and Rancho Cielo Sewer Systems Average Daily Inflow | 1,214,918 gallons | 1,242,470 gallons |
| 4S and Rancho Cielo Sewer Systems Peak Day Inflow | 1,326,264 gallons | 1,313,852 gallons |
| 4S and Rancho Cielo Sewer Systems Low Day Inflow | 1,094,926 gallons | 1,182,540 gallons |
| 4S Water Reclamation Facility (4SWRF) Average Daily Production | 742,391 gallons | 383,481 gallons |
| 4SWRF Peak Day Production | 975,939 gallons | 1,879,040 gallons |
| 4SWRF Total to Recycled Water Distribution System | 22.27 million gallons | 22.4 million gallons |
| 4S Recycled Water Storage Pond Volume | 32 acre feet | 93 acre feet |
| Repaired Potable Water Main Leak(s) | 1 | 0 |
| Repaired Potable Water Service Lateral Assembly Leak(s) | 3 | 5 |
| 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 | 1 |
| Replaced Valve(s) Monthly Total | 0 | 1 |
| Replaced Valve(s) Calendar Year to Date | 2 | 2 |
| Recycled Water Use Site Inspections & Visits | 14 | 12 |
| Recycled Water Use Site Cross Connection Tests | 4 | 1 |
| Cross Connection Site Surveys | 10 | 10 |
| Backflow Inspections & Testing (New) | 5 | 2 |
| IT Help Requests | 18 | 12 |
| Customer Services | April 2026 | March 2026 |
| Customer Calls and Inquiries | 1,799 | 1,826 |
| Total Monthly Bills Issued | 23,007 | 23,019 |
| Service Orders | 475 | 559 |
| New Potable Meters | 1 | 0 |
| New Recycled Water Meters | 1 | 0 |
| Advanced Metering Infrastructure (AMI) | 78 | 130 |

| Customer Services - Continued | April 2026 | March 2026 |
|---|-------------------|-------------------|
| Stopped/Underperforming Meters Replaced | 153 | 136 |
| Meter Accuracy Tests Performed | 8 | 0 |
| Water Use Evaluations | 14 | 12 |
| Water Use Violation Reports | 0 | 1 |
| Workshops, Events, and Tours | 3 | 2 |
| High-Efficiency Clothes Washer Rebate Applications | 1 | 2 |
| Weather-Based Irrigation Controller Rebate Applications | 6 | 9 |
| Hose Irrigation Controller Rebate Applications | 0 | 0 |
| High-Efficiency Rotating Nozzle Rebate Applications | 1 | 0 |
| High-Efficiency Toilet Rebate Applications | 0 | 0 |
| Rain Barrel Rebate Applications | 1 | 0 |
| Flow Monitor Device Rebate Applications | 5 | 5 |
| Turf Removal Project Rebate Applications | 1 | 1 |
| Social Media Posts | 14 | 17 |
| News Releases/Media Advisories | 2 | 1 |
| EFRR | April 2026 | March 2026 |
| Special Use/Event Permits | 9 | 5 |
| Parking Notices | 51 | 67 |
| Incident Reports | 9 | 5 |
| Vehicle Count | 4,536 | 4,439 |
| Trail Use Count | 10,137 | 9,758 |
| Days Closed Due to Rain/Red Flag | 0 | 0 |
| Days Interpretive Center (IC) Open | 17 | 15 |
| Number of IC Visitors | 377 | 313 |
| Volunteer Trail Patrol Shifts | 6 | 8 |
| Volunteer Docent Hours | 92 | 57 |
| Total Number of Docents | 65 | 64 |
| Finance | April 2026 | March 2026 |
| Infosend Payments (ACH and Credit Card) | 15,659 | 16,348 |
| California Bank & Trust Lockbox Payments | 1,879 | 1,958 |
| Over the Counter Payments | 257 | 252 |
| Check-free, Metavante and Chase | 3,783 | 4,120 |
| Finance Calls and Walk-ins | 41 | 20 |
| Service Orders/New Meters Processed | 6 | 5 |
| Service Orders Closed Out | 3 | 1 |
| Purchase Orders | 6 | 12 |
| Inventory Items Received | 1,027 | 10 |
| Invoices Processed | 531 | 563 |
| Payroll Direct Deposits Processed | 246 | 245 |
| Payments to Vendors | 309 | 261 |

ENGINEERING DEPARTMENT

Engineering Manager Lindsey Stephenson Highlights for April 2026:

Received approval of Non-Applicability to declassify headquarters from State Industrial General Permit for stormwater. Work on the OMWD Cathodic Protection Improvements Project FY 2026 has been completed. Work on the Reservoirs Safety Improvements Project continues. The 4S Ranch Water Reclamation Facility (4S WRF) Headworks Screening System, Off-Specification and Wet Weather Diversion, and Strainer Improvements Project has continued work on-site and with submittal review. Work continued on the 10-year CIP for upcoming budget cycle; progressing other CIP projects and supporting developer projects; assisting other departments with engineering-related work; and managing OMWD's facilities, cathodic systems, cell sites, and right of ways.

HUMAN RESOURCES DEPARTMENT

Human Resources Manager Jennifer Joslin Highlights for April 2026:

Human Resources staff distributed the employee pre-evaluation and goal setting forms, supervisor/manager confidential performance feedback survey, and created performance review forms for all staff in preparation for the annual review process. Hosted the monthly employee forum. Conducted interviews for Water Treatment Plant Operator II/III. Participated in the Employees and Driving training conducted by Liebert Cassidy Whitmore. Attended the San Diego Women in Water luncheon meeting at Sweetwater Authority. Coordinated a district-wide records and materials "purge" organization day. Human Resources and safety staff conducted new hire orientations for the new Utility I and Cathodic Protection Technician. Safety staff also conducted a safety orientation for a new SDCWA intern. Acquired 800 MHz radios for use in emergency situations and Emergency Operations Center (EOC) activation. Completed the required five-year inspections of pressure vessels.

Requests Received Pursuant to the Public Records Act (April 1-30):

| <u>Requestor</u> | <u>Documents Requested</u> |
|------------------|--|
| Scott Honnen | Insurance policy detailing coverage in the event of a water tank failure or leak |

OPERATIONS & MAINTENANCE

Operations Manager Jesse Bartlett-May Highlights for April 2026:

The Replace Membranes Project for Train 9 refurbishment, with support from Construction and Pumps and Motors Technicians (PMT), has reached 50% completion with reconditioned hardware being installed and the filtrate pump ready for alignment. WTP staff hosted a tour for Palomar College students and negotiated terms for the Membrane Replacement Project contract change order in support of the upcoming 2027 Basin Rehabilitation Project. Wastewater staff have begun replacing the Digester Blower at 4S with support from Construction, PMT, and Instrument Control Technicians (ICT). They continue to support Engineering with the Headworks Screening System, Off-Specification and Wet Weather Diversion, and Strainer Improvements Projects, and hosted three plant tours in April. Backflow and Cross-Connection coordinators submitted the 2025 Volumetric Annual Report (VAR) to the State Water Resources Control Board. I.T. are maintaining

updates and patches to network devices. System Operators repaired a 3-inch bypass leak at the La Costa Oaks Pressure Reducing Station (PRS) and performed a 2.5-inch leak rehabilitation at the Rancho Santa Fe Lakes PRS, and continue to support Engineering with the Palms I & II Reservoirs Project. Construction, with support from System Operations, repaired a leaking service flair on Copper Crest and Lone Jack Road, and supported Cass Arrieta in emergency efforts to repair a 6-inch asbestos cement water main on Edgefield Lane. Cross Connection Coordinators submitted the 2025 Volumetric Annual Report to the SWRCB.

CUSTOMER SERVICES DEPARTMENT

Customer Services Manager John Carnegie Highlights for April 2026:

Published April issue of Watching Water newsletter; mailed 26,688 letters notifying recipients of the pause in fluoridation at DCMWTP; held a public tour of OMWD facilities; facilitated tours of 4S Ranch Water Reclamation Facility for students from Palomar College, USD, and Azrieli College; provided comments to ACWA LIRA working group for proposed amendments to SB 1125; submitted letter in support of SB 1085 (water supply planning); signed on to coalition letters in support of AB 1893 (wildfire prevention), SB 1153 (wildfire disaster preparedness), and SB 1085; signed on to a coalition letter in opposition of AB 2013 (generative artificial intelligence); and submitted letter of opposition to CARB regarding the Proposed Amendments to the Advanced Clean Fleet legislation.

At EFRR, held two “Habitat” and five “Watershed” field trips for Escondido Unified School District students; hosted “Bill the Bug Guy” docent presentation at interpretive center; held Creek to Bay volunteer cleanup in conjunction with I Love a Clean San Diego; held volunteer event to remove invasive plants from EFRR; held quarterly meeting and training for EFRR volunteers; trained new IC docent; completed installation of new Creek Trail fencing; and completed replacement of IC welcome and trailhead rules and regulations signs.

FINANCE DEPARTMENT

Finance Manager Leo Mendez Highlights for April 2026:

Presented OMWD’s Preliminary Operating and Capital Budget for Years 2027 and 2028 to Finance Committee and Board for tentative approval; worked with municipal advisor and bond counsel to evaluate wastewater debt options to finance capital improvement projects; commenced work on IT audit remediation plan in response to hosting services outage, including review of contractor agreement renewals; continued work on Pinnacles CFD formation project, included preparation of Board resolutions in collaboration with Bond Counsel, and held meeting with developer and CFD team; completed preliminary draft wastewater billing for tax roll resolutions for May Board meeting, including drafting of customer notices related to wastewater rate increase effective July 1st; submitted State Controllers Compensation Report for calendar year 2025; attended meeting with Vallecitos and Carlsbad regarding recycled water agreement; attended meeting regarding 2028/2029 Dynamics GP to Business Central migration planning (accounting system), completed EPA Grant Administration trainings related to District’s grant; and held meetings with Engineering to discuss Work for Other project deposits and capital project budgets.

ASSISTANT GENERAL MANAGER:

The Assistant General Manager reports the following for April 2026:

Attended North San Diego Water Reuse Coalition meeting, San Diego North Economic Development Council Board Meeting, CASA and CWEA “Catch the Wave” webinar presentation, and Recycled Water Purchase Agreement meeting at Carlsbad Municipal Water District. Continued efforts on Water Career Day coordination, participated in Water Treatment Operator Interview panel, Edgefield Emergency Leak management, and preparation for upcoming Employee Performance Reviews. Dedicated significant time to EPA Grant Procurement Requirements and Reporting, North San Diego Water Reuse Coalition coordination, continuing DCMWTP fluoridation review and managing Cadencia/Azahar Emergency Leak wrap-up.

GENERAL MANAGER:

The General Manager reports the following for April 2026:

General Manager Thorner held a Finance Committee Meeting, met with the City of Rialto Utilities Director, held an Employee Forum, spoke at the CSDA Media Briefing urging the California Air Resources Board (CARB) not to ban trucks needed for emergencies, attended the Encinitas State of the City, met with the SDCWA Director of Operations & Maintenance, met with the City of San Diego Director of Public Utilities, met with the Rincon del Diablo General Manager, attended the North County Manager’s Meeting, chaired the San Diego Local Agency Formation Commission Special District Advisory Committee Meeting, attended the Member Agency Managers Meeting, met with a representative from the Zona Gale Development, hosted a Social Media Winner’s Lunch, attended the Albondigas Group luncheon, continued discussions with Carlsbad and Vallecitos on the recycled water agreement, held a staff leadership meeting, attended Business Model Meetings, attended the Women in Water Luncheon, held a Purge Day, attended the Voice of San Diego Off the Record Event, and spent significant time reviewing the Volumetric Annual Report to submit to the State Water Resources Control Board, preparing and coordinating with CSDA on the CARB proposed amendments to its Advanced Clean Fleets Zero Emission Vehicle regulation, oversaw work with LAFCO on OMWD Municipal Service review, reviewing the Encinitas Blvd. Apartments project, meeting on the AI Policy, board meeting pre-briefings, and coordination with the General Counsel on legal 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: May 11, 12, 2026

This is a report on the Finance, Affordability, Asset Management, and Efficiency, the Legislation and Communication, the One Water and Adaptation, and the Engineering, Operations, and Technology Committee meetings, held on May 11, 12, 2026. This report is based on the Board webcast, presentations and reports.

Finance, Affordability, Asset Management, and Efficiency Committee –

1. FY 2025 – 2026 Q3 Financial Report –

- a. Water transactions projected through April 2026 are 1,219 TAF, versus a budget of 1,344 TAF, a difference of 115 TAF, or approximately 9 percent.
- b. Projected third quarter (End of March 2026) revenues are \$91.3 less than budget and expenditures are \$244.2 million less than budget.
- c. After fund deposits, staff expects to add \$82 million to unrestricted reserves and reach target levels.

Legislation and Communication Committee

1. Tap Water Campaign, “Can’t Beat the Tap” –

- a. The purpose of this campaign is to elevate the confidence in tap water, and support consistent, region-wide tap water messaging.
- b. Staff is finalizing the campaign and will be launching social media and community events. This will be followed by education and local government outreach.
- c. Key messages include:
 - i. Greatest Value – Cost is less than \$0.01/gallon.
 - ii. Highest Quality – Meets highest safety standards.
 - iii. Convenient & Reliable – Easiest everyday option.

One Water and Adaptation Committee –

MEMORANDUM

Metropolitan Water District of Southern California

May 11, 12, 2026 Committee Meetings

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1. 2025 Urban Water Management Plan – The Plan was unanimously adopted by the Committee on the consent calendar.

2. Water Supply and Drought Management (WSDM) –
 - a. Northern Sierra precipitation is 101 percent of average, while the snowpack is only 43 percent of average. Upper Colorado River precipitation is 82 percent of median, while the snowpack is 54 percent of median.
 - b. Storage conditions in Lake Oroville and San Luis Reservoir are favorable.
 - c. An increase in the SWP allocation above 30 percent is possible, with the storage conditions, and an improved runoff forecast of 93 percent of normal.
 - d. Forecast supplies and demands for calendar year 2026 are approximately in balance.
 - e. The projected end of CY 2026 dry-year storage is 3.9 MAF, a record level.

 - f. Report on Lower Basin (LB) States Proposal to USBR for Post-2026 Colorado River Operations – Staff presented the complicated proposal that the LB states have agreed to. It has been submitted to USBR, with a request that it be incorporated into the preferred operating alternative. It is intended to address a “structural” deficit on the River’s water supply and stabilize hydrology. It is a “bridge” plan for WY 2026 through 2028 and is not intended to be permanent. It is an independent plan and does not include upper basin states actions. It is dependent on the availability of grant funding. USBR action on the guidelines is expected by July 2026. Elements include:
 - i. 3.2 MAF of reduced water use in the LB over WY 2026-2028.
 - ii. Assumed 1 MAF of releases from reservoirs upstream of Lake Powell in WY 2026.
 - iii. Assumed 6.0 MAF release from Lake Powell in WY 2026. Increased releases in WY 2027 and 2028, based on water levels in Lake Powell.

3. Climate Action Plan (CAP) Annual Update –
 - a. Adopted 2022, 9 Strategies, 42 Measures.
 - b. Targets – Reduce emissions by 40 percent by 2030, carbon neutrality by 2045.
 - c. Between 2023 and 2024, GHG emissions increased by 84 percent due to increases in Colorado River Aqueduct pumping, from higher water demands and reduced SWP supplies. MWD is responsible for emissions related to the CRA while DWR is responsible for the SWP.
 - d. Electricity accounts for 97 percent of emissions and is the most impactful emissions lever. Progress includes:
 - i. Increased reliance on CA Independent System Operator (CAISO) lower-carbon power.
 - ii. Energy efficiency improvements.
 - iii. 5.5 MW of solar power.

MEMORANDUM

Metropolitan Water District of Southern California

May 11, 12, 2026 Committee Meetings

Page 3

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- iv. Battery storage.
 - e. Operational achievements include:
 - i. Transitioning 100 percent of the diesel fleet to renewable diesel supplies.
 - ii. Expansion of zero-emission vehicles and support infrastructure.
 - iii. LED replacements.
 - f. MWD developed an estimated carbon budget for 2005 through 2045. Through 2024, 55 percent of the allocated budget has been used. The 2027 CAP 5-year update will refine pathways to the 2030 and 2045 targets.
4. Update on Potential Public-Private Water Supply Partnership Proposals – Staff provided an update on three proposals that are being discussed and evaluated by the Water Resources Management staff.
- a. Silvertip Resources Holdings LLC is an individual landowner that has proposed a SWP supply transfer and storage project in the Dudley Ridge Water District, in the Bakersfield area.
 - b. Ocean Well LLC has proposed a project known as Water Farm #1, with a capacity of 59 MGD off the coast of Malibu, with delivery to the MWD system.
 - c. California Resources Corporation has proposed to treat oilfield-produced water in Kern County and deliver it to an agricultural partner, who would exchange SWP supplies with MWD.

Engineering, Operations, and Technology Committee –

- 1. April 2026 Demands – 109 TAF, approximately 2TAF more than in 2025.
- 2. Target Percentage of SWP Water Delivered to the Skinner Water Treatment Plant (and OMWD Raw Water Supply) – 0 percent.

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: May 20, 2026
RE: Attorney Report: Public Records Act Update
150152-0005

I. INTRODUCTION.

This attorney report provides an update on a recent decision of the California Supreme Court involving the California Public Records Act (“CPRA”). In *City of Gilroy vs. Superior Court of Santa Clara County*, the Court addressed the scope of records retention and declaratory relief under the California Public Records Act.

First, the California Supreme Court ruled that declaratory relief may still be available under the CPRA, even when a public agency has already disclosed all nonexempt, responsive records in its possession, where a requester challenges a recurring policy or practice that is likely to affect future compliance. Declaratory relief refers to a legal remedy in the form of a declaration from the court which defines the legal rights, duties, and obligations of parties in dispute.

Second, the Court held that the CPRA does not impose an obligation on a public agency to preserve records it withholds as exempt beyond their otherwise applicable retention period, merely because the agency’s justification for withholding may later be challenged in court.

II. THE PUBLIC RECORDS ACT.

California enacted the CPRA in 1968 to recognize the “fundamental and necessary right” of the public to access government records. The CPRA allows the public to submit requests for copies of public records, commonly referred to as CPRA requests.

Under the CPRA, all public records are subject to disclosure unless an exemption applies. If a public agency asserts an exemption, the requester may challenge the agency’s action and seek disclosure by filing an action for injunctive or declaratory relief.

III. BACKGROUND.

The City of Gilroy case arose from CPRA requests submitted to the City of Gilroy by the Law Foundation of Silicon Valley seeking the Gilroy Police Department's body camera footage related to encampment sweeps dating back several years.

After initially withholding records based on the CPRA's exemption for law enforcement records, the City later produced certain body camera footage and argued that the CPRA action was moot because no other responsive footage existed, as any earlier footage was destroyed pursuant to the City's one-year record retention policy.

The Santa Clara County Superior Court granted partial declaratory relief, ruling that the City violated the CPRA by conducting an inadequate search for records, asserting a blanket exemption and failing to provide a timely response to the records request.

However, the Court found that the City's failure to preserve records upon receipt of the CPRA requests did not violate the CPRA because the CPRA does not impose a record retention requirement. Both parties appealed the ruling.

IV. COURT'S ANALYSIS.

On appeal, the City argued that declaratory relief was improper because all responsive nonexempt records in its possession had already been produced. The Sixth Appellate District agreed, concluding that declaratory relief was not available because the matter was moot.

The Law Foundation appealed the trial court's determination that the CPRA does not impose a record retention requirement, arguing that public entities should be required to retain responsive records for the three-year statute of limitations period to bring a CPRA claim to prevent their destruction before a claim is made.

The appeals court disagreed, noting that nothing in the language of the CPRA imposes a record retention requirement. The California Supreme Court granted review on both issues.

A. Broader Scope of Declaratory Relief.

The California Supreme Court first addressed whether declaratory relief under the CPRA is categorically unavailable once an agency has produced all responsive, nonexempt records.

The Court rejected that narrow interpretation. Section 7923.000 of the California Government Code expressly authorizes actions for injunctive or declaratory

relief “to enforce a person’s right to inspect or receive public records.” The court emphasized that enforcement is not limited to compelling production of documents in a particular case. Declaratory relief may serve a broader purpose by clarifying rights and obligations, resolving ongoing disputes over CPRA compliance and guiding future conduct.

The Court stated: “At a minimum, declaratory relief is available where the declaration would resolve an ongoing dispute in a manner likely to affect future public records requests or agency practices.” An agency’s production of documents, particularly after litigation has commenced, does not necessarily moot claims challenging systematic or recurring practices that allegedly violate the CPRA.

Applying that standard, the Supreme Court concluded that the trial court’s declarations that the City violated the CPRA by inadequately searching for records and by asserting a blanket exemption to body camera footage were appropriate because the City’s stated practice or policy made these issues reasonably likely to recur. Declaratory relief in that context served the CPRA’s core purpose of increasing transparency by clarifying how agencies must respond to future requests.

Importantly, while the Court did expand the availability of declaratory relief in CPRA actions, it stopped short of allowing declaratory relief in every case where a public agency is found to have violated the CPRA. This is most evident in the Court’s discussion of the City’s untimely response to one of the Law Foundation’s CPRA requests.

While the majority declined to consider whether the untimely response alone would be sufficient to obtain declaratory relief, Justice Joshua Groban, joined by Justices Carol Corrigan and Leondra Kruger, more firmly emphasized the forward-looking nature of declaratory relief.

Justice Groban clarified that it is not an appropriate remedy where a party seeks only a declaration that a public agency’s past conduct violated the law. There must be some risk of future violation evidenced by a policy or repeated patterns of conduct for declaratory relief to be proper. As a result, a single instance of a public agency missing its deadline to respond to a CPRA request would likely be insufficient to grant declaratory relief.

B. No Duty to Preserve Records.

The court next addressed whether the CPRA implicitly requires agencies to preserve records for three years once an exemption is asserted. The court upheld the finding that the CPRA does not impose a record retention requirement.

The Court reasoned that the CPRA details disclosure procedures and exemptions, yet is entirely silent on retention. The Court viewed this silence as

significant, particularly in light of legislative history expressly stating that the CPRA was not intended to affect existing laws governing destruction or retention of public records.

The California Legislature has enacted retention requirements elsewhere in the government code and penal code, including specific rules governing body camera footage. The absence of a comparable provision in the CPRA, the Court reasoned, reflects a deliberate legislative choice.

The Court also rejected the argument that a preservation duty should be inferred from the CPRA's judicial review provisions. While courts may examine records in camera during litigation, that fact alone does not justify creating a sweeping preservation requirement covering potentially vast categories of records.

Such an obligation, the Court warned, would effectively transform the CPRA into a retention statute — an outcome unsupported by text, legislative history or policy.

Concerns about spoliation, the Court observed, are addressed through other doctrines and statutes, including litigation holds when litigation is reasonably foreseeable and sanctions for willful destruction of evidence. The CPRA itself, however, does not require agencies to suspend routine retention schedules simply because a records request has been made or an exemption asserted.

V. CONCLUSION.

The California Supreme Court's ruling in *City of Gilroy* brings clarification to the scope of records retention and declaratory relief rights under the CPRA. The Court's decision confirms that public entities are not required to retain exempt records for any length of time under the CPRA itself. Instead, public entities remain only subject to the retention schedules set by statute or by the entity itself.

The *City of Gilroy* decision further confirms that public agencies should be aware that claims for declaratory relief may be available even if all nonexempt records have been produced to a requester. While the Supreme Court declined to fully explain which circumstances will warrant this expansive view of declaratory relief rights, the facts in *City of Gilroy* demonstrate the type of disputes which can create ongoing declaratory relief rights. In particular, agencies should be aware of any disputes involving a recurring policy or practice that is likely to affect future compliance, as these ongoing disputes can now create the foundation for a declaratory relief action.

Finally, the significance of the *City of Gilroy* case is underscored by the availability of mandatory attorney fees to prevailing requesters under Section 7923.115 of the California Government 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 SPECIAL BOARD OF DIRECTORS' MEETING
APRIL 9, 2026**

1. Exchange Water Delivery Agreement with Eastern Municipal Water District.
The Board ratified an Exchange Water Delivery Agreement Between the San Diego County Water Authority and Eastern Municipal Water District.



**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
APRIL 23, 2026**

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report
2. Approve Assignment of San Diego County Water Authority's Semitropic Groundwater Banking Rights and Sale of 7,717 acre-feet of banked water.
The Board authorized the General Manager to execute agreements establishing the right for Westside Agriculture, LLC (Westside) to receive assignment of 100% of the Water Authority's recharge, recovery, and storage capacity in the Semitropic Water Bank (SWB) and for the sale of 7,717 acre-feet of banked water.
3. Adopt positions on various bills.
The Board took the following actions:
 - Adopted a position of Support on S. 3737, the GROW SMART Act (Padilla).
 - Adopted a position of Support on S. 3738, the MORE WATER Act (Padilla).
 - Adopted a position of Support on AB 1893, Wildfire prevention: local assistance grant program: eligible activities (Gallagher).
 - Adopted a position of Support on AB 2739, Community Water Affordability and System Stabilization Act of 2026 (Soria).
 - Adopted a position of Support on SB 1313, Public water systems: grants and loans: perfluoroalkyl and polyfluoroalkyl substances (McNerney).
4. Adopt position on Senate Bill 872.
The Board adopted a position of Support on SB 872 (McNerney), Delta Levees and Canal Subsidence Fund.
5. Adopt position on Assembly Bill 2215.
The Board adopted a position of Support on AB 2215 (Calderon), Water rights: permits: State Water Project.
6. Construction contract with James W. Fowler Co. for the Pipeline 5 Relining Oceanside 5 Flow Control Facility to Huckleberry Lane project.
The Board took the following actions:
 - A. Rejected J.F. Shea Construction bid protest; and
 - B. Awarded a construction contract to James W. Fowler Co. in the amount of \$30,472,539.85 for the Pipeline 5 Relining Oceanside 5 Flow Control Facility to Huckleberry Lane project.
7. Approval of Minutes.
The Board approved the minutes of the Formal Board of Directors' meeting of March 19, 2026 and Special Board of Directors' meeting of April 9, 2026.

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.



NOSSAMAN^{LLP} | Memorandum

TO: Olivenhain Municipal Water District
FROM: Ashley Walker, Senior Policy Advisor, Nossaman LLP
Jack Wursten, Policy Advisory, Nossaman LLP
Jennifer Capitolo, Jennifer M. Capitolo and Associates LLC
DATE: May 6, 2026
RE: May 2026 Public Policy Report

State Legislative Updates:

Status of the Legislature: The legislature passed its deadline for bills to move out of policy committees and into fiscal committees this month. Most bills that impact the state's general fund are being taken up in their respective appropriations committees, where they are being placed on the suspense file. Bills with no fiscal impact are headed for floor votes. May 15th marks the deadline to dispense with the suspense file.

State Budget Update: The May revise will be released sometime this week, and it is anticipated that revenues will be higher than in January budget proposal. The legislature has spent the past few months discussing and debating budget priorities and laying the groundwork for final budget negotiations. The Senate released its 2026-27 budget priorities document, but it was fairly broad in nature.

Legislation: Nossaman has outlined suggested and current positions on bills below.

- **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 future fiscal year appropriations of 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 being sponsored by the County of San Diego and is supported by ACWA along with a broad coalition of other water industry organizations.
Current Position: Support.
Bill Status: This bill passed out of the Assembly and is waiting for committee assignment in the Senate.

- **AB 1881 (Ramos): California Indian Freedom Act of 2026:** Prohibits governmental agencies from substantially burdening Native American religious practices, sacred site access, or ceremonial activities unless the agency can demonstrate a compelling interest pursued through the least restrictive means, applying broadly to permitting, land use, and enforcement actions; and allows tribes or individuals to assert violations as claims or defenses in judicial or administrative proceedings. Before approving or funding projects that may affect sacred sites or cultural landscapes, agencies must engage in early, good-faith government-to-government consultation and seek free, prior, and informed consent from affected tribes; all information identifying sacred sites, cultural landscapes, or religious practices is deemed confidential and explicitly exempt from the California Public Records Act.

Suggested Position: Watch

Bill Status: This bill is on the suspense file in the Assembly Appropriations committee.
- **AB 2013 (Bennett): Fire risk areas: water suppliers: emergency preparedness plan:** Water suppliers serving more than 100 customers in moderate, high, or very high fire hazard severity zones must establish plans for responding to red flag warnings, extreme weather events, and major power outages that threaten water service continuity. The plans must include, among other elements, an assessment identifying the minimum number and type of water pumps needed to maintain customer water service while simultaneously ensuring adequate water supply for firefighting activities.

Current Position: Oppose Unless Amended.

Bill Status: This bill failed to pass out of Assembly Emergency Management Committee. It will not move forward this year.
- **AB 2180 (Ward): Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service:** This bill would clarify how water and sewer service providers comply with Proposition 218 when setting water rates. This clarification would provide much needed predictability for water rate setting entities, support California's water-use conservation goals, and minimize unnecessary legal disputes over water rates.

Current Position: Support.

Bill Status: This bill passed out of the Assembly and is waiting for committee assignment in the Senate.
- **AB 2630 (Bennett): Water diversion and use: adoption of regulations:** This bill would require that all further regulations adopted by State Water Resources Control Board, pursuant to provisions in the bill, be adopted as emergency regulations and remain in effect until revised SWRCB, and would exempt them from California Environmental Quality Act.

Suggested Position: Oppose.

Bill Status: This bill failed to pass out of Assembly Natural Resources Committee. It will not move forward this year.

- **AB 2739 (Soria) Water: Affordability and system stabilization.** This bill establishes the Water Affordability and System Stabilization Trust and Fund in the State Treasury, with the Treasurer as trustee, to provide a perpetual funding source for water affordability programs. Beginning 25 years after an initial legislative transfer, the trust would distribute income equally to the Water Rate Assistance Fund and the Community Water Affordability Assistance Fund, which supports grants to local water suppliers for infrastructure projects that reduce ratepayer costs.
Suggested Position: Watch.
Bill Status: This bill is on the suspense file in the Assembly Appropriations committee.
- **SB 1001 (Archuleta): Water utility workers: identification card program:** This bill creates a statewide utility worker identification program, operated by Cal OES. Given that this is an optional program, we have taken a “Watch” position.
Current Position: Watch
Bill Status: This bill is on the suspense file in the Senate Appropriations committee.
- **SB 1085 (Durazo): Water supply planning: California Environmental Quality Act determination:** This bill requires cities and counties to identify water suppliers and request water supply assessments for certain approved projects regardless of whether those projects are subject to CEQA review.
Current Position: Support.
Bill Status: This bill is in the Senate Appropriations committee.
- **SB 1125 (Menjivar) Water Rate Assistance Program.** This bill would establish the Water Rate Assistance Program. As part of the program, the bill would establish the Water Rate Assistance Fund in the State Treasury, available upon appropriation by the legislature, to provide water affordability assistance for residential water services to low-income residential ratepayers, as specified. The bill would require State Water Resources Control Board, in consultation with relevant agencies and after a public hearing, to adopt guidelines for implementation of the program and to adopt an annual report to be posted on SWRCB’s internet website identifying how the fund has performed, as specified.
Current Position: Oppose.
Bill Status: ACWA has submitted amendments to the Author and Sponsor for consideration. This bill is on the suspense file in the Senate Appropriations committee.
- **SB 1153 (Caballero): Disaster preparedness: urban retail water suppliers and public water systems: wildfire:** This bill is being sponsored by ACWA and would clarify the limited role of public water systems during wildfires while strengthening emergency preparedness in high-risk areas.
Current Position: Support.
Bill Status: This bill is in the Senate Appropriations committee.

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

- **Proposition 4 – Climate Bond:** The governor’s proposed budget appropriates \$2.1 billion from Proposition 4 in the 2026-27 fiscal year to fund various grant programs. Nossaman will continue to monitor the release of those funds being administered by California Natural Resources Agency and various departments within CNRA. Now that the requirement to comply with the Administrative Procedures Act has been waived for the current fiscal year, we will alert Olivenhain Municipal Water District of grant solicitations that are released.

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.

- April 17 - CDPH encouraged the vaccination of high-risk Californians as Mpx cases rise across the state.
- April 17 - CalOES, through California Cybersecurity Integration Center, offered Multi-State Information Sharing and Analysis Center to qualified agencies for free. The initiative is available to California’s public agencies, including state, local, and tribal partners and helps organizations strengthen their cyber defense systems
- April 24 - Governor Newsom announced that the Delta Conveyance Project had achieved an important milestone and backed the project’s certification of consistency, an important step towards final permitting.
- April 29 - The governor announced the completion of Project Nexus, a solar-covered canal in the Central Valley.

Regulatory Updates:

Department of Water Resources: California Water Plan Advisory Committee: On May 13 and 14, DWR convened the first meetings of the 2028 California Water Plan Advisory Committee to provide recommendations and inform the development of the 2028 California Water Plan (Plan). The Plan, which is updated every five years, is California’s strategic plan for water management. Nossaman staff were in attendance and provided a report following the meeting.

California Air Resources Board: Advanced Clean Fleets Regulation: On April 2, CARB released Proposed Amendments to the Advanced Clean Fleets regulation. Following the comment deadline (April 17), the CARB Executive Officer will consider submitted comments, recommend any necessary changes, and then direct CARB staff to submit ACF Amendments to Office of Administrative Law for review and potential adoption. OMWD coordinated with California Special District Association to advocate for allowing vehicles used for emergencies to be exempted from conversion to zero-emission. Advocacy efforts included a comment letter, an op-ed, and a virtual media event.



Olivenhain Legislative Report 2025-26
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Oppose

SB 1125 (Menjivar, D) Water Rate Assistance Program.

Current Text: 03/25/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/17/2026

Last Amended: 03/25/2026

Status: 05/08/2026 - Set for hearing May 14.

Location: 05/04/2026 - Senate APPR. SUSPENSE FILE

Summary: Existing law requires the State Water Resources Control Board to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program. Existing law requires the plan to include, among other things, a description of the method for collecting moneys to support and implement the program and a description of the method for determining the amount of moneys that may need to be collected from water ratepayers to fund the program. This bill would establish the Water Rate Assistance Program. As part of the program, the bill would establish the Water Rate Assistance Fund in the State Treasury, available upon appropriation by the Legislature, to provide water affordability assistance for residential water services to low-income residential ratepayers, as specified. The bill would require the state board to take various actions in administering the fund, including, among other things, tracking and managing revenue in the fund separately from all other revenue. The bill would require the state board, in consultation with relevant agencies and after a public hearing, to adopt guidelines for implementation of the program and to adopt an annual report to be posted on the state board's internet website identifying how the fund has performed, as specified. The bill would require the guidelines to include minimum requirements for eligible systems, including the ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury. (Based on 03/25/2026 text)

Position: Oppose

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: 05/06/2026 - Referred to Com. on N.R. & W.

Location: 05/06/2026 - Senate Natural Resources and Water

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:

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)

Location: 07/17/2025 - Senate 2 YEAR

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.

4/24/25 - ACWA has a support position on bill.

6/20/2025 - Letter of Support filed Senate Local Govt, Judiciary, sent to cc's

AB 1893 (Gallagher, R) Wildfire prevention: local assistance grant program: eligible activities.

Current Text: 02/12/2026 - Introduced [HTML](#) [PDF](#)

Introduced: 02/12/2026

Status: 04/22/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 04/22/2026 - Assembly APPR. SUSPENSE FILE

Summary: Existing law requires the Department of Forestry and Fire Protection to establish a local assistance grant program for fire prevention and home hardening education activities in California and extends eligibility for grants to specified entities, including local agencies. Existing law provides that eligible activities under the local assistance grant program include, among other things, technical assistance to local agencies to improve fire prevention and reduce fire hazards and projects to improve public safety, including, but not limited to, access to emergency equipment and improvements to public evacuation routes. Existing law makes funding for this program subject to an appropriation by the Legislature. This bill would expand eligible activities under the local assistance grant program to include projects undertaken by a local governmental entity involving the acquisition or installation of mobile rigid dip tanks or similar mobile and permanent infrastructure that is capable of providing helicopter-accessible water supplies for firefighting response or suppression purposes in very high fire and high fire hazard severity zones, as provided. (Based on 02/12/2026 text)

Position: Support

AB 2180 (Ward, D) Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service.

Current Text: 03/11/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2026

Last Amended: 03/11/2026

Status: 05/06/2026 - Referred to Com. on L. GOV.

Location: 05/06/2026 - Senate Local Government

Summary: The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency. As part of those requirements, the California Constitution mandates that such fees or charges that are extended, imposed, or increased satisfy certain requirements, including, but not limited to, that the amount of the fee or charge imposed upon any parcel or person as an incident of property ownership not exceed the proportional cost of the service attributable to the parcel. Existing law, known as the Proposition 218 Omnibus Implementation Act (act), prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an

agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain circumstances. This bill would authorize a local government to demonstrate the proportional cost of the service attributable to the parcel by any method that reasonably allocates the ascertainable cost of providing service to all parcels, if substantiated as provided. The bill would, however, provide that for water or sewer service fee or charge impositions, a local government is not required to provide an exact measure of the cost of the service at each parcel and may instead impose uniform or tiered rates to parcel or customer classes that are defined based on common characteristics indicative of likely water or sewer use. (Based on 03/11/2026 text)

Position: Support

Notes:

3/23/2026 Joined ACWA Coalition Letter in Support

SB 1085 **(Durazo, D)** **Water supply planning: housing developments.**

Current Text: 04/23/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/13/2026

Last Amended: 04/23/2026

Status: 05/04/2026 - Set for hearing May 11.

Location: 04/22/2026 - Senate Appropriations

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to be responsible for determining whether a project is exempt from CEQA and whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required. Existing law requires a city or county that determines a certain type of project is subject to the requirements of CEQA to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment, as provided. This bill, among other things, would instead require a city or county, upon receipt of a preliminary application for a housing development project that meets certain conditions, or upon a development application for certain projects being determined as complete or deemed complete, to make that identification of public water systems. The bill would require a city or county, within 15 days of receiving an application that meets either of the above-mentioned criteria, to request each identified public water system to determine whether the projected water demand associated with the proposed project was included in the most recently adopted urban water management plan. (Based on 04/23/2026 text)

Position: Support

Notes:

4/17/2026 Joined Coalition - Letter of Support to Senate Local Government Committee

4/21/2026 letter of support submitted Senate Natural Resources and Water

SB 1153 **(Caballero, D)** **Disaster preparedness: urban retail water suppliers and public water systems: wildfire.**

Current Text: 04/28/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/18/2026

Last Amended: 04/28/2026

Status: 05/04/2026 - Set for hearing May 11.

Location: 04/21/2026 - Senate Appropriations

Summary: The California Emergency Services Act requires all public water systems, as defined, with 10,000 or more service connections to review and revise their disaster preparedness plans in conjunction with related agencies, including, but not limited to, local fire departments and the Office of Emergency Services, to ensure that the plans are sufficient to address possible disaster scenarios. A person, as defined, who violates the provisions of this act is guilty of a misdemeanor. This bill, beginning January 1, 2028, would require all urban retail water suppliers, as defined, serving a high or very high fire hazard severity zone to include incident-specific response procedures for wildfires as part of their disaster preparedness plans, including any applicable emergency response plan as required by federal law. The bill would require these plans to include, among other things, mitigation actions, including actions, procedures, and equipment, that can obviate or significantly lessen the impact of a wildfire on the water system and the supply of drinking water provided by the water supplier. Because violation of these requirements by certain urban retail water suppliers would constitute a misdemeanor, the bill would expand the scope of a crime, thereby imposing a state-mandated local program. (Based on 04/28/2026 text)

Position: Support

Notes:

4/2/2026 Joined ACWA Coalition

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)

Location: 09/11/2025 - Senate 2 YEAR

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)

Location: 08/29/2025 - Senate 2 YEAR

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)

Location: 08/28/2025 - Senate 2 YEAR

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 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)
Location: 09/11/2025 - Senate 2 YEAR
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)
Location: 08/29/2025 - Senate 2 YEAR
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)
Location: 09/11/2025 - Senate 2 YEAR
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: 05/06/2026 - Referred to Coms. on ED. and E.Q.
Location: 05/06/2026 - Senate Education
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

AB 1603 (Schultz, D) Perfluoroalkyl and polyfluoroalkyl substances (PFAS): Department of Pesticide Regulation.

Current Text: 04/06/2026 - Amended [HTML](#) [PDF](#)

Introduced: 01/16/2026

Last Amended: 04/06/2026

Status: 05/06/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 05/06/2026 - Assembly APPR. SUSPENSE FILE

Summary: Existing law generally regulates the use of pesticides, and requires every manufacturer of, importer of, or dealer in any pesticide, except as specified, to obtain a certificate of registration from the Department of Pesticide Regulation before the pesticide is offered for sale. Existing law requires the Director of Pesticide Regulation to endeavor to eliminate from use in the state any pesticide that endangers the agricultural or nonagricultural environment, is not beneficial for the purposes for which it is sold, or is misrepresented. Existing law prohibits, except as provided, a person from using or possessing a restricted material for any agricultural use except under a written permit of the county agricultural commissioner, as specified. Existing law provides that a violation of certain provisions relating to pesticides, or regulations issued pursuant to those provisions, is a misdemeanor. This bill would prohibit the department from registering a pesticide that has not been previously registered by the department and contains perfluoroalkyl and polyfluoroalkyl substances (PFAS), as defined, that are intentionally added as active, adjuvant, or inert ingredients. (Based on 04/06/2026 text)

Position: Watch

AB 1754 (Pacheco, D) State general obligation bonds: requirements.

Current Text: 02/09/2026 - Introduced [HTML](#) [PDF](#)

Introduced: 02/09/2026

Status: 04/15/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 04/15/2026 - Assembly APPR. SUSPENSE FILE

Summary: The State General Obligation Bond Law generally sets forth the procedures for the issuance and sale of bonds governed by its provisions and for the disbursement of the proceeds of the sale of those bonds. Current law specifies various provisions required for inclusion in a bond act. Current law requires any state bond measure approved on or after January 1, 2004, to be subject to an annual reporting process, with the head of the lead state agency administering the bond proceeds reporting certain information about the projects being funded to the Legislature and the Department of Finance. Current law permits this information to be provided on the agency's internet website or the state's open data portal under certain circumstances. Current law authorizes the costs of the report to be included in the cost of administering the bond act unless prohibited by the bond act. For any state general obligation bond measure that is approved by voters on and after January 1, 2027, this bill would require a bond act to include specified information about the objectives of the bond expenditure and related data. The bill would also require the head of the lead state agency administering the bond to post on its internet website a notification that contains, among other information, details about the programs and projects authorized to be funded by the bond. The bill would require each state agency subject to these provisions to provide a written report to the Department of Finance, the Legislative Analyst, and specified legislative committees that contains certain information regarding the general obligation bond, in accordance with the above-described provision permitting this information to be provided on the agency's internet website or the state's online data portal. (Based on 02/09/2026 text)

Position: Watch

AB 1873 (Bennett, D) County of Ventura: fire suppression: backup energy source.

Current Text: 03/26/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2026

Last Amended: 03/26/2026

Status: 05/05/2026 - In Senate. Read first time. To Com. on RLS. for assignment.

Location: 05/05/2026 - Senate Rules

Summary: Existing law requires, by July 1, 2030, a water supplier, as defined, to have access to sufficient backup energy sources to operate critical fire suppression infrastructure, as defined, needed to supply water for at

least 24 hours for the purpose of fire suppression in high or very high fire hazard severity zones in the County of Ventura, or to have access to alternative sources of water supplied by a different water supplier or agency that can serve this same purpose of supplying backup water to critical wells and water pumps for 24 hours, as provided. Existing law authorizes a water supplier that uses a backup energy source that is not permanent and stationary to use mobile backup energy sources or procure an energy source via an established mutual aid agreement provided that the backup energy source can provide power within 12 hours of the National Weather Service alerting the County of Ventura of a red flag warning and provide power for at least 24 hours after a loss of power and within 60 minutes of a loss of power. Existing law requires, if any fire damages and makes uninhabitable more than 10 residential dwellings within the service area of a water supplier, a report be made by the Ventura County Fire Department in cooperation with the water supplier, as specified. This bill would authorize a water supplier to use a backup energy source that is not permanent or stationary, provided that the backup energy source can, among other things, provide power within 90 minutes of a loss of power, or as soon as practically possible after deenergization. The bill would require a water supplier that uses a backup energy source that is not permanent and stationary to notify the Ventura County Office of Emergency Services as soon as practically possible, but no later than 72 hours after a loss of power, if that backup energy source does not provide power within 90 minutes of a loss of power. (Based on 03/26/2026 text)

Position: Watch

AB 1881 **(Ramos, D) California Indian Freedom Act of 2026.**

Current Text: 04/16/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2026

Last Amended: 04/16/2026

Status: 05/06/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 05/06/2026 - Assembly APPR. SUSPENSE FILE

Summary: Existing law establishes various protections for California Native American tribes, including prohibiting a public agency or private party using or occupying public property or operating on public property from interfering with the free expression or exercise of Native American religion as provided in the United States Constitution and the California Constitution. Existing law also requires a local government to provide formal notification to each California Native American tribe that is traditionally and culturally affiliated with the project site as an invitation to consult on the proposed project, as provided. Existing law requires the local government, during the consultation, to give deference to the tribal information, tribal knowledge and customs, and the significance of the resource to the California Native American tribe. Existing law prohibits any information, as described, that is submitted by a California Native American tribe during the environmental review process from being included in the environmental document or otherwise disclosed by the lead agency or any other public agency to the public, as specified, without the prior consent of the tribe that provided the information. This bill, the California Indian Freedom Act of 2026, would prohibit a governmental agency from substantially burdening a California Indian or California Native American tribe's exercise of religious beliefs or spiritual practices on state public lands, including their access to and use of sacred sites and objects, and their ability to perform religious ceremonies and rites, even if the burden results from a rule of general applicability, unless the governmental agency demonstrates that application of the burden is in furtherance of a compelling governmental interest and is in the least restrictive means of furthering that interest. The bill would authorize a California Indian or tribe to assert a violation of these provisions as a claim or defense in any judicial or administrative proceeding, as specified. The bill would require a governmental agency to allow California Indians access to sacred sites on state public lands, as specified. (Based on 04/16/2026 text)

Position: Watch

AB 1894 **(Rubio, Blanca, D) Fish and wildlife: invasive mussels: imported water.**

Current Text: 04/16/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2026

Last Amended: 04/16/2026

Status: 05/05/2026 - In Senate. Read first time. To Com. on RLS. for assignment.

Location: 05/05/2026 - Senate Rules

Summary: Existing law, until January 1, 2030, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water within the state, invasive mussels, and authorizes the Director of Fish and Wildlife, or the director's designee, to engage in various enforcement activities with regard to invasive mussels. Existing law, until January 1, 2030, requires a public or private agency that operates a water supply system to cooperate with the department to implement measures to avoid infestation by invasive mussels and to control or eradicate any infestation that occurs in a water supply system. Existing law requires any person, or federal, state, or local agency, district, or authority that owns or manages a reservoir, where specified activities are permitted, except as specified, to develop and implement a program designed to prevent the introduction of invasive mussel species, as provided. Existing law requires any entity that discovers invasive mussels within the state to immediately report the discovery to the Department of Fish and Wildlife. This bill would prohibit a public agency from prohibiting imported water deliveries,

as defined, for groundwater replenishment due to invasive mussels unless there is substantial, documented evidence of a proven health and safety risk as a result of the invasive mussels. (Based on 04/16/2026 text)

Position: Watch

AB 2026 **(Aguiar-Curry, D)** **Water diversion: groundwater recharge: permit.**

Current Text: 04/22/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/17/2026

Last Amended: 04/22/2026

Status: 04/23/2026 - Re-referred to Com. on APPR.

Location: 04/21/2026 - Assembly Appropriations

Summary: Existing law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. Existing law requires the appropriation to be for some useful or beneficial purpose. Existing law provides, however, that the diversion of floodflows for groundwater recharge does not require an appropriative water right if certain conditions are met, including that a local or regional agency that has adopted a local plan of flood control or has considered flood risks as part of its most recently adopted general plan has given notice, as provided, of imminent risk of flooding and inundation of lands, roads, or structures. Existing law defines "floodflow" for these purposes to include circumstances in which flows would inundate ordinarily dry areas in the bed of a terminal lake to a depth that floods dairies and other ongoing agricultural activities, or areas with substantial residential, commercial, or industrial development. Existing law applies those requirements to diversions commenced before January 1, 2029. Existing law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or from depositing or disposing of certain material where it may pass into any river, stream, or lake, without first notifying the Department of Fish and Wildlife of that activity, and entering into a lake or streambed alteration agreement if required by the department to protect fish and wildlife resources, except as specified. This bill would revise and recast those conditions required for the appropriative water right exemption for a diversion of floodflows for groundwater recharge, would apply the requirements to a diversion commenced before January 1, 2034, and would further exempt those diversions from the requirements of CEQA and requirements relating to lake or streambed alteration agreements, subject to conducting tribal consultation, as provided. (Based on 04/22/2026 text)

Position: Watch

AB 2032 **(Ransom, D)** **Fish and wildlife: golden mussels.**

Current Text: 04/16/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/17/2026

Last Amended: 04/16/2026

Status: 04/20/2026 - Re-referred to Com. on APPR.

Location: 04/15/2026 - Assembly Appropriations

Summary: Existing law, until January 1, 2030, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water within the state, invasive mussels, as defined. Existing law requires a public or private agency that operates a water supply system to cooperate with the Department of Fish and Wildlife to implement measures to avoid infestation by invasive mussels and to control or eradicate any infestation that may occur in a water supply system, and, if invasive mussels are detected, to prepare and implement a plan, as specified, to control or eradicate invasive mussels within the system. system (control plan). Existing law prohibits the importation, transportation, possession, or live release of specified wild animals, except under a revocable, nontransferable permit, known as a restricted species permit, issued by the department, in cooperation with the Department of Food and Agriculture, and only if certain requirements are met. Existing law authorizes the department to issue permits, commonly known as scientific collecting permits, to take or possess any form of plant or animal life for scientific, educational, or propagation purposes. This bill would exempt from the requirement to obtain a restricted species permit for golden mussels a public or private agency that operates a water supply system and has submitted a control plan to the department for maintenance and operational activities to control the spread of golden mussels in the water supply system, as specified. (Based on 04/16/2026 text)

Position: Watch

AB 2125 **(Bennett, D)** **Groundwater basin adjudication: notice.**

Current Text: 03/25/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/18/2026

Last Amended: 03/25/2026

Status: 03/26/2026 - Read second time. Ordered to third reading.

Location: 03/26/2026 - Assembly THIRD READING

Summary: Existing law requires a plaintiff who files an action to comprehensively determine rights to extract groundwater from a basin to provide the court a draft notice of commencement of groundwater basin adjudication and a draft form answer to adjudication complaint, as specified. Existing law also requires a plaintiff to file, within a specified timeframe, a motion for approval of the draft notice and draft form answer. Under existing law, once the court approves the draft notice, the plaintiff is required to serve the notice, as specified. Following a court order approving both the notice and draft form answer and authorizing service thereof, existing law requires the plaintiff to take additional steps to provide notice to defendants including, but not limited to, mailing, by registered mail or certified mail, return receipt requested, the notice, complaint, and form answer to all holders of fee title to real property in the basin. Under existing law, if a return receipt is not received for a parcel of real property, the plaintiff must post a copy of the notice, complaint, and form answer in a conspicuous place on the real property. After completing these notice procedures, existing law requires the plaintiff to file a notice of completion of the mailing with the court. Existing law permits a court to authorize any other procedures it finds appropriate and necessary to provide notice to persons who may hold groundwater rights in basin. This bill would impose additional requirements on a plaintiff when filing the notice of completion of mailing. The bill would require the plaintiff to include with the notice of completion an affidavit of the person who mailed the notice and the certified or registered mail delivery receipt for each parcel stating the date, time, and place of mailing. The bill would further require the notice to include as an attachment any certified or registered mail delivery receipts received as of the date of the filing. (Based on 03/25/2026 text)

Position: Watch

AB 2215 **(Calderon, D) Water rights: permits: State Water Project.**

Current Text: 04/16/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2026

Last Amended: 04/16/2026

Status: 04/30/2026 - Read second time. Ordered to third reading.

Location: 04/30/2026 - Assembly THIRD READING

Summary: The Department of Water Resources operates the State Water Resources Development System, commonly referred to as the State Water Project.

Existing law requires that construction work for a project that will put appropriated water to beneficial use be commenced, prosecuted with due diligence, and completed within the time period specified in the water right permit. Existing law authorizes the State Water Resources Control Board to extend the deadline specified in the permit to commence or complete construction work and to put appropriated water to beneficial use for good cause shown. This bill would require that the time periods for the application of water to beneficial use and for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project be December 31, 2046. (Based on 04/16/2026 text)

Position: Watch

AB 2218 **(Kalra, D) Water policy: California Native American tribes.**

Current Text: 04/16/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2026

Last Amended: 04/16/2026

Status: 05/06/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 05/06/2026 - Assembly APPR. SUSPENSE FILE

Summary: Would require the state government to support California Native Americans to maintain cultural and linguistic traditions, practice ecosystem stewardship, and engage in good faith government-to-government consultations with all California Native American tribes regarding policies that may affect tribal communities. (Based on 04/16/2026 text)

Position: Watch

AB 2322 **(Papan, D) Water discharge: commercial, industrial, or institutional sites.**

Current Text: 04/06/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2026

Last Amended: 04/06/2026

Status: 04/30/2026 - Read second time. Ordered to third reading.

Location: 04/30/2026 - Assembly THIRD READING

Summary: The State Water Resources Control Board and the 9 California regional water quality control boards prescribe waste discharge requirements for the discharge of stormwater by municipalities and industries in accordance with the federal national pollutant discharge elimination system (NPDES) permit program, established

by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act. Under existing law, the state board and the 9 regional water quality control boards issue permits for the discharge of stormwater from municipal separate storm sewer systems (MS4s). For purposes of issuing permits for the discharge of stormwater from MS4s, this bill define “commercial, industrial, or institutional site” or “CII site” as a privately owned parcel or contiguous parcels of land that are commercial, industrial, or institutional based on the appropriate county tax assessor land use codes, as specified. (Based on 04/06/2026 text)

Position: Watch

AB 2469 (Papan, D) Data centers: water use disclosures.

Current Text: 04/08/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2026

Last Amended: 04/08/2026

Status: 05/06/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 05/06/2026 - Assembly APPR. SUSPENSE FILE

Summary: The Planning and Zoning Law authorizes the legislative body of any county or city to adopt ordinances that, among other things, regulate the use of buildings, structures, and land as between industry, businesses, residences, and open space, as specified. This bill would prohibit a city, county, or city and county from approving a discretionary or ministerial permit or other entitlement that would result in the construction, or an expansion that increases the maximum peak water use, of a data center unless specified conditions are satisfied, including, among others, that the applicant provides the city, county, or city and a county prescribed information. The bill would include in this prescribed information a water scarcity plan, a water supply assessment, and a water use assessment, each as provided. The bill would also include in the specified conditions that the construction or expansion is not within the boundaries of a groundwater basin designated as critically overdrafted by the Department of Water Resources, except as specified. (Based on 04/08/2026 text)

Position: Watch

AB 2521 (Papan, D) California Council on Science and Technology: water availability study: Central Valley.

Current Text: 04/15/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2026

Last Amended: 04/15/2026

Status: 05/06/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 05/06/2026 - Assembly APPR. SUSPENSE FILE

Summary: Existing law requires the State Water Resources Control Board to administer a water rights program pursuant to which the board grants and revokes permits and licenses to appropriate water. Existing law authorizes any person who has an urgent need to divert and use water to apply for, and authorizes the board to issue, a conditional, temporary permit, as prescribed. Existing law finds and declares that the California Council on Science and Technology (CCST) was organized as a nonprofit corporation at the request of the Legislature for the specific purpose of offering expert advice to the state government on public policy issues significantly related to science and technology. This bill would, on or before January 1, 2028, require the Department of Water Resources, in consultation with the State Water Resources Control Board and the Department of Fish and Wildlife, to select 2 watersheds that are within, or drain into, the Central Valley to conduct a watershedwide water availability study. The bill would, subject to an appropriation by the Legislature, request CCST to, in consultation with the Department of Water Resources and the board, undertake and complete a comprehensive study of water availability in the selected watersheds. The bill would require the study to, among other things, determine daily flow rates in rivers, streams, and creeks in the watersheds over the past 30 years to the extent data is available. (Based on 04/15/2026 text)

Position: Watch

AB 2728 (Soria, D) Open and Transparent Water Data Act.

Current Text: 03/19/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2026

Last Amended: 03/19/2026

Status: 04/29/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 04/29/2026 - Assembly APPR. SUSPENSE FILE

Summary: Existing law, the Open and Transparent Water Data Act, requires the Department of Water Resources, the State Water Resources Control Board, and the Department of Fish and Wildlife to coordinate and integrate existing water and ecological data from local, state, and federal agencies for specified purposes, including, among others, improving the management of the state’s water resources. This bill would specify for purposes of that provision that improving the management of the state’s water resources includes improving the

efficacy of management actions. This bill contains other related provisions and other existing laws. (Based on 03/19/2026 text)

Position: Watch

AB 2739 **(Soria, D) Water: affordability and system stabilization.**

Current Text: 04/06/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2026

Last Amended: 04/06/2026

Status: 04/29/2026 - In committee: Set, first hearing. Referred to APPR. suspense file.

Location: 04/29/2026 - Assembly APPR. SUSPENSE FILE

Summary: Existing law establishes in the Natural Resources Agency the Department of Water Resources. Existing law vests in the department powers, duties, purposes, responsibilities, and jurisdiction in matters pertaining to water or dams. Existing law declares the responsibility of the state to assist local governments in providing certain essential services and facilities where water resource construction projects financed, in whole or in part, by the state or by the state jointly with the federal government create an undue burden on a local area's ability to provide these services and facilities. Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund for holding the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create. The bill would designate the Treasurer as trustee of the trust, as specified, and would require the trustee, among other things, to hold, manage, and invest the principal of the trust with the obligation of providing a growing perpetual source of annual funding to the Water Rate Assistance Fund, administered by the state board, and the Community Water Affordability Assistance Fund, administered by the department, beginning 25 years after the Legislature transfers funding from the General Fund to the Water Affordability and System Stabilization Fund. (Based on 04/06/2026 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.

Location: 03/24/2025 - Assembly PRINT

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.

Location: 01/27/2026 - Assembly 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 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)

Location: 07/17/2025 - Assembly 2 YEAR

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)

Location: 09/11/2025 - Assembly 2 YEAR

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)

Location: 08/28/2025 - Assembly 2 YEAR

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)

Location: 08/28/2025 - Assembly 2 YEAR

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 872 **(McNerney, D) Delta Levees and Canal Subsidence Fund.**

Current Text: 04/14/2026 - Amended [HTML](#) [PDF](#)

Introduced: 01/06/2026

Last Amended: 04/14/2026

Status: 05/08/2026 - Set for hearing May 14.

Location: 04/27/2026 - Senate APPR. SUSPENSE FILE

Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 declares that the Sacramento-San Joaquin Delta (Delta) is a critically important natural resource for California and the nation and it serves as both the hub of the California water system and the most valuable estuary and wetland ecosystem on the west coast of North and South America. Existing law establishes in the Natural Resources Agency the Department of Water Resources. Existing law requires the department and the Department of Fish and Wildlife to determine the principal options for the Delta and requires the department to evaluate and comparatively rate each option for its ability to do specified things, including, among others, to maintain Delta water quality for Delta users, and to preserve, protect, and improve Delta levees. Existing law establishes in the agency the Sacramento-San Joaquin Delta Conservancy. Existing law requires the conservancy to act as a primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. Existing law provides for the preservation of specified management areas of the Suisun Marsh, pursuant to a protection plan prepared and adopted by the San Francisco Bay Conservation and Development Commission, as provided. This bill would establish the Delta Levees and Canal Subsidence Fund in the State Treasury and, upon appropriation, would make the moneys in the fund available to the Secretary of the Natural Resources Agency for expenditure consistent with the allocations described below. The bill would authorize the secretary to seek out, and the fund to accept, state moneys from, among other sources, any bond funds, the General Fund, or the Greenhouse Gas Reduction Fund. The bill would authorize the fund to accept moneys from nonstate sources, including federal and private moneys, and would continuously appropriate those moneys without regard to fiscal year, for allocation as described below, thereby making an appropriation. The bill would require the secretary to allocate moneys in the fund, through the 2046–47 fiscal year, subject to funding availability, as follows: (1) in the amount of \$150,000,000, annually, to the Department of Water Resources for the purposes of supporting capital improvements to restore the original design water conveyance capacity for state water conveyance systems, as defined, impacted operationally by land subsidence, and (2) in the amount of \$150,000,000, annually, to the conservancy for projects in the Delta or Suisun Marsh to improve existing levees, as specified. (Based on 04/14/2026 text)

Position: Watch

SB 952 **(Laird, D) State Water Project: renewable energy resources and zero-carbon resources.**

Current Text: 03/17/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/02/2026

Last Amended: 03/17/2026

Status: 04/28/2026 - Read second time. Ordered to third reading.

Location: 04/28/2026 - Senate THIRD READING

Summary: Under existing law, it is the policy of the state that eligible renewable energy resources and zero-carbon resources supply 90% of all retail sales of electricity to California end-use customers by December 31, 2035, 95% of all retail sales of electricity to California end-use customers by December 31, 2040, 100% of all retail sales of electricity to California end-use customers by December 31, 2045, and 100% of electricity procured to serve all state agencies by December 31, 2035, as specified. Existing law requires the Department of Water Resources to procure eligible renewable energy resources and zero-carbon resources to satisfy those obligations imposed on the State Water Resources Development System, commonly known as the State Water Project, pursuant to that policy. Existing law requires the department, in conducting procurement, to consider specified factors and requires that all resources procured be used first to meet the department's own electricity needs. This bill would require the department, in conducting procurement, to consider portfolio diversity, resource type, location, and hours of typical peak operation. (Based on 03/17/2026 text)

Position: Watch

SB 1001 (Archuleta, D) Local agency, public utility, or mutual water company: personnel access: Personal Identity Verification-Interoperable.

Current Text: 04/21/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/09/2026

Last Amended: 04/21/2026

Status: 05/08/2026 - Set for hearing May 14.

Location: 04/27/2026 - Senate APPR. SUSPENSE FILE

Summary: Existing law authorizes officers of the Department of the California Highway Patrol, police departments, marshal's office or sheriff's office, and officers or employees of the Department of Forestry and Fire Protection or the Department of Fish and Wildlife designated as peace officers to close to all unauthorized persons an area where a menace to the public health or safety created by a calamity exists for the duration of the menace and the immediate area surrounding any emergency field command post or any other command post activated for the purpose of abating a calamity, riot, or other civil disturbance, as specified. Under existing law, an unauthorized person who enters or remains in a closed area, as prescribed, is guilty of a misdemeanor. This bill would, beginning on July 1, 2028, require the Office of Emergency Services, upon request, to issue a local agency, public utility, or mutual water company responsible for public works and critical infrastructure with specified credentialing to facilitate personnel access to an area during or following a natural disaster, act of terrorism, or other man-made disaster. The bill would specify that the credentialing, a Personal Identity Verification-Interoperable (PIV-I), would conform with the federal Personal Identity Verification standards pursuant to federal National Incident Management System guidelines. (Based on 04/21/2026 text)

Position: Watch

SB 1036 (Grayson, D) Mitigation Fee Act.

Current Text: 04/16/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/11/2026

Last Amended: 04/16/2026

Status: 04/27/2026 - Read third time. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 04/27/2026 - Assembly DESK

Summary: The Mitigation Fee Act imposes various requirements with respect to the establishment, increase, or imposition of a fee by a local agency as a condition of approval of a development project, including requiring the local agency to identify the use to which the fee is to be put and determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. This bill would require the amount of a fee that is imposed on a development project that demolishes or changes an existing use to be offset to account for the demolition or change so that the amount of the fee is attributable only to the development project's incremental impact on public facilities or services, as provided. (Based on 04/16/2026 text)

Position: Watch

SB 1041 (Arreguin, D) Voluntary contractual assessments: wildfire safety improvements.

Current Text: 04/27/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/11/2026

Last Amended: 04/27/2026

Status: 05/04/2026 - Set for hearing May 11.

Location: 04/22/2026 - Senate Appropriations

Summary: Existing law authorizes a public agency to establish a contractual assessment program, under which public agency officials and individual property owners may enter into voluntary contractual assessments to finance certain improvements to real property, as specified. To finance those improvements, existing law authorizes a public agency to issue bonds, or to advance its own funds and later sell bonds to reimburse itself for those advances. Under the program, those bonds or advances would be repaid through the voluntary contractual assessments, which constitute a lien against the lots and parcels land, as specified. To establish a contractual assessment program, existing law requires the legislative body of the public agency to adopt a resolution that, among other things, provides certain details of the program, including the kinds of projects and the geographic area within which properties would be eligible for financing under the program. Existing law authorizes a public agency to establish a contractual assessment program to finance certain kinds of improvements that are attached to real property, including energy or water efficiency improvements. This contractual assessment program is commonly known as a Property Assessed Clean Energy (PACE) program. The California Financing Law requires the Commissioner of Financial Protection and Innovation to license and regulate persons who administer a contractual assessment program on behalf of a public agency, as specified. Existing law, the Wildfire Safety Finance Act (act), authorizes the legislative body of any public agency that has accepted the designation of Very High Fire Hazard Severity Zone to create a voluntary contractual assessment program to finance wildfire safety improvements, as specified. The act defines "wildfire safety improvements" as, among other things, permanent wildfire resilience and safety improvements fixed to existing real property. The act prohibits a wildfire safety improvement financed under the act from being used as a part of a project to construct a new home or to rebuild or reconstruct a home that was destroyed or damaged in a fire. Existing law repeals the Wildfire Safety Finance Act on January 1, 2029. This bill would indefinitely extend the operation of certain provisions of the Wildfire Safety Finance Act and would revise the requirements on a legislative body of a public agency to establish a voluntary contractual assessment program under the act. (Based on 04/27/2026 text)

Position: Watch

SB 1139 (Laird, D) Monterey Peninsula Water Management District: nonfunctional turf: noncompliance and enforcement.

Current Text: 03/23/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/18/2026

Last Amended: 03/23/2026

Status: 04/20/2026 - Read third time. Passed. (Ayes 38. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 04/20/2026 - Assembly DESK

Summary: The Monterey Peninsula Water Management District Law establishes the Monterey Peninsula Water Management District. The act authorizes the district to, among other things, prohibit the use of district water during an emergency caused by drought, or other threatened or existing water shortage, for specific uses that the district finds to be nonessential. Existing law prohibits the use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, other than a cemetery, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities, as specified. Existing law requires a person or entity to be subject to civil liability or penalties by the State Water Resources Control Board, as prescribed, or to civil liability and penalties imposed by an urban water supplier, pursuant to a locally adopted ordinance or policy. Existing law authorizes a public water system, city, county, or city and county to enforce the provisions relating to the prohibition, as specified. This bill would require a person or entity to be subject to civil liability or penalties imposed by the Monterey Peninsula Water Management District pursuant to a locally adopted ordinance or policy. (Based on 03/23/2026 text)

Position: Watch

SB 1313 (McNerney, D) Drinking water: perfluoroalkyl and polyfluoroalkyl substances.

Current Text: 04/27/2026 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2026

Last Amended: 04/27/2026

Status: 05/04/2026 - Set for hearing May 11.

Location: 04/22/2026 - Senate Appropriations

Summary: Existing law establishes the Safe Drinking Water State Revolving Fund, and moneys in the fund are continuously appropriated to the State Water Resources Control Board for the provision of grants and revolving fund loans to provide for the design and construction of projects for public water systems that will enable suppliers to meet safe drinking water standards. Existing law provides that moneys in the fund and its special accounts may be expended for additional purposes provided in the federal Safe Drinking Water Act. This bill would provide that moneys in the fund and its special accounts may be considered eligible and expended for projects that address perfluoroalkyl and polyfluoroalkyl substances in drinking water. By expanding the purposes for which a continuously appropriated fund may be expended, the bill would make an appropriation. (Based on 04/27/2026 text)

Position: Watch

Total Measures: 42

Total Tracking Forms: 42

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 5/11/26)

| Date(s) | Event | Time | Location | Attending Board Member(s) | Additional Information (Speakers' Topic, Cohosts, etc.) |
|-------------------|---|---------------------|------------------------------------|---------------------------|---|
| APRIL 2026 | | | | | |
| 20-Apr | Conference Call with the General Manager RE: CWA Board Meeting | | | Meyers | |
| 24-Apr | Albondigas Luncheon | 11: 45 AM - 1:30 PM | The University Club 750 B St Suite | Meyers | |
| 25-Apr | Creek to Bay Clean Up | 9:00 - 11:00 AM | EFRR | Meyers | |
| 29-Apr | Conference Call with the General Manager RE: SDCWA Issues | | | Meyers | |
| MAY 2026 | | | | | |
| May 3-4 | ACWA JPIA Summit | | Sacramento, CA | Lanfried | |
| May 4-7 | ACWA Spring Conference | | Sacramento, CA | Meyers | |
| 5-May | Conference Call with the General Manager RE: LAFCO MSR | | | Guerin | |
| May 5-7 | ACWA Spring Conference | | Sacramento, CA | Maloni | |
| 12-May | Finance Committee Meeting | 11:00 AM | Boardroom | Maloni, Meyers | |
| 18-May | Conference Call with the General Manager RE: Board Meeting Pre- | 3:30 PM | | Hahn | |

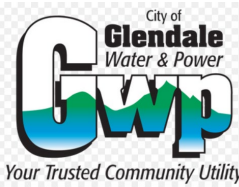
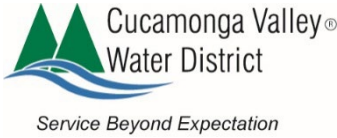
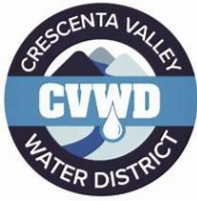
Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CORRESPONDENCE

Any correspondence is attached.



March 31, 2026

Honorable James Gallagher
California State Assembly
1021 O Street, Suite 4730

Honorable Nick Schultz
California State Assembly
1021 O Street, Suite 5150

SUBJECT: AB 1893 – Wildfire Prevention: Eligible Activities - SUPPORT

Dear Assemblymembers Gallagher and Schultz:

On behalf of a broad coalition of interests, we are pleased to support your AB 1893, which would ensure that helicopter-accessible water supply infrastructure for wildfire response and suppression would be an eligible expenditure category for future wildfire prevention grant funding opportunities.

We have all witnessed the devastation caused by California wildfires over the last several years alone. The conditions responsible for this devastation are widely anticipated to continue intensifying. Communities throughout California, particularly those within the urban-wildland interface areas, are acutely aware of the need to harden infrastructure and prepare for more intense wildfire response activities. Water agencies are well-positioned to provide critical firefighting response support through the acquisition, installation, and operation of infrastructure that makes water supplies for firefighting response more accessible to our first responders. Accessibility to water supplies for aerial firefighting crews is especially critical in those urban-wildland interface areas where conventional water sources are not readily available and accessible.

Mobile and permanent water supply tanks – such as mobile rigid dip tanks, Heli-Hydrant systems, and similarly situated helicopter-accessible water supply infrastructure – are essential to quick firefighting response in many areas throughout the state. This infrastructure has proven essential in significantly reducing response times, thereby enhancing the effectiveness of wildfire suppression efforts.

Some communities are installing, are planning to install, or have already installed, helicopter-accessible infrastructure to improve wildfire suppression and response efforts:

- The **Crescenta Valley Water District** has recently acquired two mobile rigid dip tanks for firefighting helicopters to help augment firefighting capabilities. The local and regional firefighting personnel recognize the value of the tanks as tremendous assets and an advantage in the ability to protect the community of Crescenta Valley and the surrounding communities in case of wildfire. During the recent Eaton Fire, the mobile rigid dip tanks were credited by Los Angeles County Fire Department with significantly contributing to the halt of the fire and saving the Jet Propulsion Laboratory.
- The **Jurupa Community Services District** has constructed the first of four planned permanent heli-hydrants within its service area, the first of their kind in the Inland Empire. JCSD's project has garnered regional accolades and innovation awards for providing a reliable and enduring resource that can significantly enhance long-term firefighting efforts, especially in strategic locations prone to recurrent wildfires. At the recent Baine Fire in Jurupa Valley, JCSD's heli-hydrant provided the water supply for approximately 20 aerial water drops, significantly reducing response time and limiting the fire's progression.

- Heli-hydrants proved to be central to the success of firefighting efforts for a fire that broke out near Lake Garden Drive in Fallbrook in November 2024. The heli-hydrant system was the first of its kind in San Diego County and was commissioned by **Rainbow Municipal Water District** in 2021 as a joint project with the North County Fire Protection District and CalFIRE. The infrastructure provided a water supply for approximately 30 aerial water drops, significantly increasing the effectiveness of the air response and protecting homes in the fire's path.

These limited examples demonstrate the value and need for infrastructure that can be acquired, installed, and utilized in the near-term to provide essential support for firefighting response and suppression. We are greatly appreciative of your joint leadership in advancing necessary statutory modifications through AB 1893 to ensure that communities can pursue wildfire grant opportunities for investment in this critical infrastructure going forward.

Sincerely,

James Lee, General Manager – Crescenta Valley Water District
 Kevin Phillips, General Manager – Paradise Irrigation District
 Chris Berch, General Manager – Jurupa Community Services District
 Lance Eckhart, General Manager – San Geronio Pass Water Agency
 John Thiel, General Manager – West Valley Water District
 Greg Thomas, General Manager – Elsinore Valley Municipal Water District
 Kimberly Thorner, General Manager – Olivenhain Municipal Water District
 Jack Bebee, General Manager - Fallbrook Public Utility District
 Jake Wiley, General Manager – Rainbow Municipal Water District
 Craig D. Miller, General Manager – Western Municipal Water District
 David Pedersen, General Manager – Las Virgenes Municipal Water District
 Andrea Abergel, Director of Water – California Municipal Utilities Association
 Kylie Wright, Policy Advocate – Association of California Water Agencies
 Steve Lenton, General Manager – Bellflower-Somerset Mutual Water Company
 Sherry Shaw, General Manager – Walnut Valley Water District
 Joe Basulto, General Manager – Pico Water District
 Matthew G. Stone, General Manager – Santa Clarita Valley Water Agency
 Charles Wilson, Executive Director – Southern California Water Coalition
 Matthew Litchfield, General Manager – Three Valleys Municipal Water District
 Jose Reynoso, General Manager – San Gabriel Valley Municipal Water District
 Jason Martin, General Manager – Rancho California Water District
 Randall Reed, Board President – Cucamonga Valley Water District
 Chisom Obegolu, Assistant General Manager – Water Services – City of Glendale Water and Power
 Tom Majich, General Manager – Kinneloa Irrigation District
 Justin Bailey, General Manager – La Cañada Irrigation District
 Joe Matthews, General Manager – La Habra Heights County Water District
 Roy Frausto, General Manager – La Puente Valley County Water District
 Kelly Gardner, Executive Officer – Main San Gabriel Basin Watermaster
 Korey Bradbury, General Manager – Montebello Land and Water Company
 Brent Byrne, General Manager – Quartz Hill Water District
 Tom Coleman, General Manager – Rowland Water District
 Lisa Yamashita-Lopez, General Manager – Rubio Cañon Land and Water Association
 Jose Reynoso, General Manager – San Gabriel County Water District
 Alberto Corrales, General Manager – South Montebello Irrigation District
 Drew Lander, General Manager – Sunnyslope Water District

Dave Michalko, General Manager – Valencia Heights Water Company
Jose Martinez, General Manager – Valley County Water District

cc: Assemblymember Isaac Bryan, Chair – Assembly Natural Resources Committee
Members, Assembly Natural Resources Committee
Assemblymember Rhodesia Ransom, Chair – Assembly Emergency Management Committee
Members, Assembly Emergency Management Committee



April 3, 2026

The Honorable Josh Becker
 Chair, Senate Natural Resources and Water Committee
 1021 O Street, Suite 3220
 Sacramento, CA 95814

RE: SB 1153 (Caballero) – Support

Dear Chair Becker:

On behalf of the Association of California Water Agencies (ACWA) and the undersigned organizations, we are writing to express our support for SB 1153, which would require urban retail water suppliers serving high-risk areas to include wildfire response procedures within their emergency response plans to bolster wildfire planning efforts. The bill would also clarify the role of public water systems in wildfire response, including the limitations of water systems.

Over the last decade, California has faced some of the largest and most destructive wildfires in history, placing extraordinary demands on public water systems and customers. Despite these demands, public water systems are investing and taking actions to prepare for future wildfire events through emergency preparedness and planning actions, which vary based on the needs of the system and area of the state. Emergency preparedness and planning actions include infrastructure investments; drills and tabletop exercises with local government, fire departments, and other stakeholders to test communications and response systems ahead of wildfires; and emergency communication plans to notify customers about service impacts, water quality, advisories, and safety guidance during wildfire emergencies.

SB 1153 would build upon existing emergency planning requirements and strengthen wildfire preparedness by requiring all urban retail water suppliers serving a high or very high fire hazard severity zone to incorporate a specific planning element regarding wildfire preparedness and response into their disaster preparedness and emergency response plans. The bill would require these plans to include mitigation actions, procedures, and equipment that can obviate or significantly lessen the impacts of wildfires on water infrastructure and the supply of drinking water. This bill would allow water suppliers, the experts on their systems, to develop preparedness strategies that reflect local conditions and operational needs. Water suppliers would have until January 1, 2028, to develop and incorporate wildfire response procedures within their plans, which would result in water agencies in high-risk areas developing their plans at the same time, therefore creating more opportunities for coordination and collaboration.

In January of this year, the University of California, Los Angeles (UCLA) Luskin Center for Innovation published a report which synthesizes insights from a workshop of 42 experts representing water agencies, fire services, regulators, researchers, and technical assistance providers. The report stated that, "Participants reached a strong consensus that water systems have a limited and inherently constrained role in wildfire suppression. Hydrants, storage, and pipe networks are neither required nor engineered to deliver the sustained flows and pressures required to stop fastmoving, multi-block fires. Yet public perception, misinformation, and fragmented communication have created unrealistic expectations and, at times, misplaced blame. Workshop discussions emphasized the need for clearer communication with policymakers and the public; improved coordination among water systems, fire agencies, and emergency response entities; and careful evaluation of trade-offs in proposed infrastructure or operational interventions."

As wildfires become more frequent and destructive across California, misunderstandings of public water systems have led to unrealistic public expectations and have resulted in the public perception that water systems may have underperformed during a wildfire event. Following major wildfire events, public water systems have increasingly faced claims and lawsuits for wildfire damages. The financial burden of litigation is ultimately borne by customers, impacting water rates and affordability.

In alignment with UCLA's findings, SB 1153 would include legislative findings and declarations which illustrate that while public water systems are designed to aid in firefighting, they are not intentionally designed or constructed for wildfire defense or suppression and that doing so would be physically impracticable, financially infeasible, and may compromise the quality and affordability of water. The bill would also establish that the inability of a public water system to maintain water supply or water pressure during a wildfire shall not be considered a substantial cause of the damages resulting from a wildfire and that the spread of wildfire is not an inherent risk presented by the deliberate design, construction, or maintenance of a public water system. The bill would further clarify that the bill's provisions shall not be construed to limit or affect liability regarding acts of negligence.

This bill would correct misconceptions about the capabilities of water systems during wildfire events, reducing exposure to costly litigation and providing greater financial certainty so public water systems can continue investing in water reliability and resilience projects.

SB 1153 improves wildfire preparedness while recognizing operational realities. California must acknowledge the limited role of our public water systems, support their efforts to adapt to climate

change, and prepare for future long-term investments in disaster response. For these reasons, ACWA and the undersigned organizations support SB 1153 and respectfully request your “AYE” vote when the bill is heard in the Senate Natural Resources and Water Committee. If you have any questions about our position, please contact Kylie Wright at KylieW@acwa.com.

Sincerely,

Kylie Wright
Policy Advocate
Association of California Water Agencies

Pat Kaspari
General Manager
McKinleyville Community Services District

Jennifer Capitolo
Executive Director
California Water Association

Kristine McCaffrey, P.E.
General Manager
Calleguas Municipal Water District

Andrea Abergel
Director of Water
California Municipal Utilities Association

Ernesto A. Avila
President
Contra Costa Water District

Kristopher Anderson
Policy Advocate
California Chamber of Commerce

Norman Huff
General Manager
Camrosa Water District

Lisa Yamashita-Lopez
President, Board of Directors
California Association of Mutual Water Companies

Kyle Swanson
CEO/General Manager
Padre Dam Municipal Water District

Jessica Self
General Manager
Union Public Utility District

Paul E. Shoenberger, P.E.
General Manager
Mesa Water District

Albert C. Lau, P.E.
General Manager
Santa Fe Irrigation District

Jeremy Wolf
Legislative Program Manager
Las Virgenes Municipal Water District

Dennis P. Cafferty
General Manager
El Toro Water District

Tony Williams, P.E.
General Manager
North Marin Water District

Paul Kelley
General Manager
Hidden Valley Lake Community Services District

Craig Gott
President
Suburban Water Systems

Justin Skarb
Vice President, Government and Community
Affairs
California Water Service

Lindsay Leahy
General Manager
Valley Center Municipal Water District

Paul Cook
General Manager
Irvine Ranch Water District

James Lee
General Manager
Crescenta Valley Water District

David J. Coxey
General Manager
Bella Vista Water District

Jennifer A. Spindler
General Manager
Crestline-Lake Arrowhead Water Agency

Adam Larsen
General Manager
San Juan Water District

Brett Hodgkiss
General Manager
Vista Irrigation District

Sherry Shaw
General Manager
Walnut Valley Water District

Jose Martinez
General Manager
Otay Water District

Tom Coleman
General Manager
Rowland Water District

John Thiel
General Manager
West Valley Water District

Tanya Moniz-Witten
President
San Jose Water Company

Keith Van Der Maaten
General Manager
Laguna Beach County Water District

Justin Hopkins
General Manager
Stockton East Water District

Matthew Litchfield
General Manager, P.E.
Three Valleys Municipal Water District

Dianna Mann
General Manager
Clearlake Oaks County Water District

Craig D. Miller, P.E.
General Manager
Western Municipal Water District

John Freeman
Director, District Two
San Benito County Water District

Joe Matthews
General Manager
La Habra Heights County Water District

Deanna Jackson
Executive Director
Tri-County Water Authority

John Bosler
General Manager/CEO
Cucamonga Valley Water District

Dennis D. LaMoreaux
General Manager
Palmdale Water District

Michael Minkler
General Manager
Calaveras County Water District

James Peifer
Executive Director
Regional Water Authority

Jed Smith
President, Board of Directors
Marin Water

Nicholas Schneider
General Manager
Georgetown Divide Public Utility District

Kevin Phillips
District Manager
Paradise Irrigation District

Jose Martinez
President, Board of Directors
San Gabriel Valley Water Association

Mary Rogren
General Manager
Coastside County Water District

Joshua Golka
Head of State Government Relations
Valley Water

James Derbin
General Manager
Castroville Community Services District

Tom Majich
General Manager
Kinneloa Irrigation District

Dan York
General Manager
Sacramento Suburban Water District

Dan Denham
General Manager
San Diego County Water Authority

Rebecca Guo
General Manager
El Dorado Water Agency

Kat Wuelfing
General Manager
Mid-Peninsula Water District

Kimberly A. Thorner
General Manager
Olivenhain Municipal Water District

Jason Martin
General Manager
Rancho California Water District

Nina Jazmadarian
General Manager
Foothill Municipal Water District

Anthony L. Firenze, PE
Director of Strategic Affairs
Placer County Water Agency



April 8, 2026

The Honorable Rhodesia Ransom
 Chair, Assembly Emergency Management Committee
 1020 N Street, Room 360B
 Sacramento, CA 95814

RE: AB 2013 (Bennett) – Oppose Unless Amended – Updated for April 6 Version

Dear Chair Ransom:

On behalf of the Association of California Water Agencies (ACWA) and the undersigned organizations, we are writing to express our maintained position of “Oppose Unless Amended” on AB 2013 following the recent amendments on April 6. The bill would require community water systems that service more than 100 customers in high-risk areas to include an annex to its disaster preparedness plans with information regarding system preparedness and resiliency during a wildfire, including specified elements.

We appreciate the conversations with the author and staff and the recent amendments that have considered the concerns raised. ACWA and the undersigned organizations still have significant remaining concerns with the bill as outlined below.

AB 2013 Misrepresents the Role of Community Water Systems

There are significant concerns with AB 2013, as it is structured on an inaccurate understanding of system capabilities and the faulty premise that water systems should be designed to function as wildfire defense or suppression systems. Community water systems are designed and constructed to provide

safe, reliable drinking water in accordance with state and federal safe drinking water requirements. While community water systems are often relied upon to aid firefighting activities, including the use of fire hydrants, consistent with applicable fire codes and industry standards, they are not intentionally designed or constructed to meet the extreme demands of wildfires.

This bill imposes that community water systems should be designed to maintain “average daily capacity” during a wildfire. This would be a new standard which is operationally infeasible. During a wildfire, water systems can become overwhelmed when too many fire hydrants are used within the same pressure zone. For a structural fire, there might be three to five fire engines responding to the fire. For a wildfire, there can be hundreds of fire engines hooked up to the same system. At the same time, systems also experience damages from wildfires and water loss through leaks from damaged structures. As a result, community water systems impacted by wildfires may experience disruptions in water supply or pressure. It is unreasonable to expect water systems to provide a sufficient flow rate to meet the unprecedented demand during a wildfire. Designing a water system to meet such demands would be physically impracticable, financially infeasible, and may compromise the quality and affordability of water.

In March of this year, the University of California, Los Angeles (UCLA) Luskin Center for Innovation published a discussion paper titled *Considerations and Pathways for Potential State Oversight of Community Water Systems’ Wildfire Fighting Efforts in California*, which describes potential pathways for statewide oversight and the pros and cons of each. The paper emphasizes that “wildfire fighting has not been (and should not be) thought of as part of the basic service mandate of community water systems.”

Operationally Impractical

AB 2013 would require community water systems to have an annex with information regarding system preparedness and resiliency during a wildfire, including the assessment of minimum water tank levels necessary to maintain average daily system capacity during a fire and an assessment of the minimum number and type of water pumps necessary to maintain average daily capacity.

This type of assessment does not account for the complex engineering and operational realities of water systems. Community water systems would be required to determine the water supply needed to maintain flow for many hydrants across the system simultaneously and continuously over extended, unknown periods of time, while considering multiple uncontrolled leaks from destroyed structures and other system challenges. This is an unrealistic expectation and does not account for the complexities of community water systems. Again, regardless of tank level or type of water pumps, community water systems are not designed to function as wildfire defense or suppression systems.

Increases Legal Liability

The bill raises concerns about potential legal liability for public water suppliers. By requiring agencies to identify water levels and infrastructure to maintain average daily capacity during a wildfire, AB 2013 could increase litigation risks. If a water system fails to meet the demand resulting from a wildfire and as

described in the annex, the water agency could face costly litigation. The financial burden of litigation is ultimately borne by customers, impacting water rates and affordability.

The April 6 amendments include a provision that would establish that no information provided in the annex shall enlarge or diminish any existing liability, nor demonstrate, on its own, a substantial cause of any damages resulting from a wildfire. This amendment would still allow for the information included within the annex to be used as one basis of liability and does not address the liability concern raised.

Creates Significant Financial Burden on Ratepayers

The unrealistic standards created by AB 2013 could result in costly infrastructure upgrades, backup power installations, and system hardening without funding, which would place significant cost burdens on community water systems, further impacting water affordability. In addition, projects primarily for fire protection are not eligible for funding under the Drinking Water State Revolving Fund, a primary source of funding for community water systems. Lastly, water supply is only one element that aids in firefighting and may not be the highest priority for investment from a cost-benefit perspective compared to other strategies and tools used by firefighters. AB 2013 would impose substantial and unfunded financial burdens on community water systems and their ratepayers.

State and Federal Existing Plans

AB 2013 requires the annex to be included within disaster preparedness plans and federally required emergency response plans. It is unclear how the annex development process would be integrated within these existing plans.

AB 2013 as amended on April 6, would still require a separate process for developing the annex. The bill would encourage community water systems to develop the annex in coordination with any local office of emergency services and fire department with jurisdiction in the area served by the community water system, requires the annex to be submitted to the county board of supervisors, and requires community water systems to review the annex every three years and update as necessary.

The threshold for community water systems to be required to have an annex is lower than that to have the existing state and federal plans. A community water system that services more than 100 customers that are located in a high or very high fire risk area would be required to have an annex. Existing state law requires all public water systems with 10,000 or more connections to review and revise disaster preparedness plans and existing federal law requires community water systems serving more than 3,300 people to develop and update emergency response plans.

Public Safety and Security Risk

The bill requires community water systems to submit the annex which is required to include infrastructure information to the county board of supervisors. Public disclosure of detailed critical infrastructure information could create significant security and public safety risks. This information should remain confidential and sufficiently secure.

SB 1153 (Caballero) Provides a More Practical and Effective Approach

In support of strengthening wildfire preparedness, ACWA is sponsoring SB 1153 (Caballero) this year, which would require urban retail water suppliers serving high-risk areas to include wildfire response procedures within their existing emergency response plans to bolster wildfire planning efforts. The bill would also clarify the role of public water systems in wildfire response, including the limitations of water systems. SB 1153 provides a more practical and effective approach than AB 2013, as it improves wildfire preparedness while recognizing operational realities.

AB 2013 would set a new and unrealistic standard on public water suppliers and would increase legal liability following a wildfire event. For these reasons, ACWA and the undersigned organizations oppose the April 6 version of AB 2013 unless amended to address the concerns raised and respectfully urge your “NO” vote when the bill is heard in the Assembly Emergency Management Committee. If you have any questions about our position, please contact Kylie Wright at KylieW@acwa.com.

Sincerely,

Kylie Wright
Policy Advocate
Association of California Water Agencies

John Thiel
General Manager
West Valley Water District

Kristopher Anderson
Policy Advocate
California Chamber of Commerce

Mauricio Guardado
General Manager
United Water Conservation District

Jennifer Capitolo
Executive Director
California Water Association

Natalie Roberts
Water Resources Coordinator
Camrosa Water District

Lisa Yamashita-Lopez
President, Board of Directors
California Association of Mutual Water
Companies

Greg Thomas
General Manager
Elsinore Valley Municipal Water District

Aaron Avery
Director of State Legislative Affairs
California Special Districts Association

James Peifer
Executive Director
Regional Water Authority

Joe Mouawad, P.E.
General Manager
Eastern Municipal Water District

Sheryl Shaw
General Manager
Walnut Valley Water District

Lindsay Leahy
General Manager
Valley Center Municipal Water District

Jeremy Wolf
Legislative Program Manager
Las Virgenes Municipal Water District

Sean Barclay
General Manager
Tahoe City Public Utility District

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Jason Martin
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Rancho California Water District

Nicholas Schneider
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General Manager
Hidden Valley Lake Community Services District

Rebecca Guo
General Manager
El Dorado Water Agency

Kimberly A. Thorner
General Manager
Olivenhain Municipal Water District

Jessica Self
General Manager
Union Public Utility District

Kat Wuelfing
General Manager
Mid-Peninsula Water District

Pravani Vandeyar
General Manager
El Dorado Irrigation District

April 9, 2026

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Advanced Clean Fleets 15-Day Comment Period Response

Chair Lauren Sanchez and Members of the California Air Resources Board:

We greatly appreciate the time and effort that has gone into the 15-day comment draft that has been published for public comment. While the goals of these regulations are laudable, the reality remains that we cannot safely serve our communities unless emergency support vehicles are exempted.

OMWD is a special district that provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

According to the most recent CALFIRE map, about 70 percent of our service area is high risk. Our responsibility during emergencies is to keep water flowing to customers and firefighters for the duration of the event. Yet when people evacuate, water continues running through melted fixtures in destroyed homes—as we saw in the Palisades fires—which drains the system. Our staff deploys across our 48-square-mile service area in the middle of fires to shut off meters so that water pressure is maintained for firefighting. In addition to turning off meters, they manually operate valves, adjust water flow, run facilities, switch water sources, and fuel standby generators to keep pump stations operating.

Every one of these tasks requires vehicles that can travel long distances, remain ready at a moment's notice, and operate continuously. There are currently no zero emission alternatives available that can provide the level of immediate readiness and operational duration the gasoline-powered vehicles offer, especially when the power is shut off as is routinely done during red flag events.



The current CARB proposal places an artificial cap on resiliency in that no more than 25 percent of our fleet could be exempt from conversion to ZEV. This dangerous cap ignores the realities we face. Emergencies don't wait for regulations, and they don't scale themselves to fit an arbitrary fleet percentage. Reducing our usable emergency vehicles by 75 percent would endanger the communities we serve. California has already experienced devastating wildfires and extreme weather—common sense tells us that constraints like this could magnify future disasters dramatically.

Local agencies cannot have their ability to respond capped, especially when major incidents require regionwide support. Fire trucks, ambulances, school buses and police vehicles are exempt, but the support vehicles that enable emergency response—such as trucks that tow fuel to water pumps—are not. This directly impacts the ability of firefighters to do their job.

To prevent unnecessary loss of life and property in the communities we serve, please reconsider the amendments respectfully requested in the October 7 letter submitted by the California Special Districts Association, League of California Cities, and California State Association of Counties, collectively representing our state's 5,000 local agencies and 40 million residents.

Of critical concern to our communities, the ACF mandates are creating unnecessary challenges for local agencies in maintaining the many critical services Californians rely upon for their most essential daily needs as well as during emergencies and disasters.

Vehicles that need to be categorically exempted from the regulations in the same manner as those found in Part (c) of §2013 of Title 13 of the California Code of Regulations **must also include support vehicles that respond to, assist in, and recover from disasters and emergencies, including water and sewer utility vehicles. These vehicles must be included without a 25% arbitrary cap. Emergencies don't scale themselves to percentages.**

I also want to thank the CARB staff for their engagement on these regulations. While we do not support the proposed regulations as they place an artificial 25% cap on our ability to respond in emergencies, we are appreciative of the process and the conversations to date. Tony Brasil and staff from CARB made themselves available for meetings with our agency and others to hear our concerns and share information over the past year. While we do not support the result proposed today, we are appreciative of the process that staff undertook for engagement.

We respectfully request that you amend the ACF exemptions to allow our vehicles that support emergency services to continue serving our communities when we are needed the most. If you or your staff should need any additional details, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly A. Thorner". The signature is fluid and cursive, with a large initial 'K'.

Kimberly A. Thorner
General Manager



April 16, 2026

The Honorable María Elena Durazo
 Chair, Senate Local Government Committee
 California State Senate
 State Capitol, Room 407
 Sacramento, California 95814

Support for SB 1085 (Durazo) – Water Supply Planning Act

Dear Senator Durazo,

We, the undersigned, are proud to support your SB 1085, the Water Supply Planning Act.

SB 1085 restores an important safeguard on water availability for new large developments that was inadvertently circumvented through recent legislation.

For more than three decades, state law has required water supply assessments (WSAs) for certain large development projects in recognition of the important link between land use planning and water supply planning. A WSA is an informational tool that focuses on identifying the long-term water supply needed to serve large development projects. California law requires

Support for SB 1085 (Durazo)

April 16, 2026

Page 2

a city or county, upon determining that a project is subject to CEQA, to request a WSA if a project meets certain requirements, including that the project is more than 500 residential units or a non-residential project that demands a similar or greater amount of water. A WSA also allows for early coordination between a water supplier, a land use entity, and a developer. This relationship and information exchange, at the beginning stages of a project, helps ensure efficient project implementation throughout the process.

Recent laws that have eliminated CEQA analysis have inadvertently meant that WSAs are no longer triggered in certain circumstances, even though the project still meets the WSA criteria under state law. SB 1085 restores this important tool for ensuring that new large developments have a long-term water supply, which is critical in light of the impacts that climate change and future droughts could have on areas throughout the state.

Thank you for your leadership on this important statewide issue.

Sincerely,

Kylie Wright
Policy Advocate
Association of California Water Agencies

Matt Clifford
California Director
California Trout Unlimited

Sean Bothwell
Executive Director
California Coastkeeper Alliance

Jennifer Capitolo
Executive Director
California Water Association

Shannon Olivieri Hovis
Chief Strategy Officer
California Environmental Voters

Council Member Caity Maple
Chair, Law & Legislation Committee
City of Sacramento

Alexandra Biering
Policy Director
California Farm Bureau

Suzanne Hume
Educational Director & Founder
CleanEarth4Kids.org

Andrea Abergel
Director of Water
California Municipal Utilities Association

Jennifer Clary
California Director
Clean Water Action

Anthony Tannehill
Legislative Representative
California Special Districts Association

Catherine Van Dyke
Director of Water Policy
Community Alliance with Family Farmers

Charles Delgado
Legislative Advocate
California State Association of Counties

Kelsey Hinton
Policy Director
Community Water Center

Support for SB 1085 (Durazo)
April 16, 2026
Page 3

Ernesto A. Avila
Board President
Contra Costa Water District

Johnnie Carlson
Associate Director
Planning and Conservation League

Ashley Overhouse
Water Policy Advisor
Defenders of Wildlife

James Peifer
Executive Director
Regional Water Authority

Kathy Viatella
Manager of Legislative Affairs
East Bay Municipal Utility District

Ben Eichenberg
Senior Staff Attorney
San Francisco Baykeeper

Jann Dorman
Executive Director
Friends of the River

Ann Hayden & Sarah Woolfe
Co-Chairs
SJVWCAP

Paul Cook, P.E.
General Manager
Irvine Ranch Water District

Molly Culton
Chapter Organizing Director
Sierra Club CA

Dave Pedersen
General Manager
Las Virgenes Municipal Water District

Joshua Golka
Head of State Government Relations
Valley Water

Nataly Escobedo Garcia, Ph.D.
Policy Manager, Water/Climate Programs
Leadership Counsel for Justice and
Accountability

Craig D. Miller, P.E.
General Manager
Western Municipal Water District

Dennis O'Connor
Legislative Coordinator
Mono Lake Committee

Elizabeth Dougherty, Ph.D.
Executive Director
Wholly H2O

Kimberly A. Thorner
General Manager
Olivenhain Municipal Water District

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.

April 20, 2026

Senator Josh Becker
Chair, Senate Natural Resources and Water Committee
1021 O Street, Room 3220
Sacramento, CA 95814

RE: SB 1085: Water supply planning: housing developments – SUPPORT

Dear Chair Becker:

On behalf of Olivenhain Municipal Water District, I am writing in support of SB 1085, which would reinstate the requirement that cities and counties approving certain large development projects comply with specified water supply planning requirements. OMWD provides 87,000 northern San Diego County customers with water, wastewater, recycled water, hydroelectric, and recreational services.

SB 1085 reinstates a crucial safeguard for water supply for new large developments, which was unintentionally bypassed by recent laws. For over twenty years, state law has mandated Water Supply Assessments for certain large projects to strengthen the connection between land-use and water planning. Recently, the legislature has implemented various CEQA exemptions and ministerial approvals to expedite the permitting process for projects meeting specific criteria, including those for housing, commercial, and industrial developments. Exempting CEQA analysis has inadvertently caused Water Supply Assessments to be triggered less often, even though a project meets the Water Supply Assessment criteria under California Law.

The WSA process allows water suppliers to provide developers with important information on reliability during future droughts, necessary infrastructure upgrades and costs, water conservation measures, and the potential availability of recycled water to serve projects. Restoring this requirement allows early coordination between water suppliers and developers, ensuring a reliable long-term water supply and necessary infrastructure.



For these reasons, Olivenhain Municipal Water District supports SB 1085, and respectfully requests your aye vote when the bill is heard in the Senate Natural Resources and Water Committee. Should you have any questions, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly A. Thorner". The signature is fluid and cursive, with a large initial "K" and "T".

Kimberly A. Thorner
General Manager

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.

April 16, 2026

Dear OMWD Customer,

Please be advised that OMWD has paused fluoridation at its David C. McCollom Water Treatment Plant. OMWD continues to meet or exceed all health-related state and federal water quality standards for your drinking water.

OMWD is required to notify customers and health care professionals if fluoridation is paused for more than 90 days.

This pause is necessary to allow OMWD to pursue safety and automation improvements at the treatment plant that impact the fluoridation system.

The system was originally built in 2012, and OMWD began fluoridating its water in 2013 to comply with California Health & Safety Code §§116409-116415. When fluoridating, OMWD targets a fluoridation level of 0.7 mg/L, as prescribed by the US Department of Health and Human Services. While fluoridation is paused, the water produced at the David C. McCollom Water Treatment Plant contains naturally occurring fluoride at levels ranging from 0.2 to 0.4 mg/L.

The duration of this pause has yet to be determined. OMWD will notify you regarding any changes to fluoridation.

For more information about fluoridation at OMWD, please visit www.olivenhain.com/fluoride, or send questions to watersaver@olivenhain.com.

Regards,

A handwritten signature in black ink that reads "Kimberly A. Thorner".

Kimberly A. Thorner
General Manager



From: [Eric Porter](#)
To: [WaterSaver](#)
Subject: Contact Form: I Believe You are Lying
Date: Sunday, May 3, 2026 3:55:43 PM

CAUTION: EXTERNAL EMAIL. Do not click any links or open attachments unless you recognize the sender, verified their email address, and know the content is safe.

Name: Eric Porter

Email: 

Message:

Hello,

You made it clear months ago that you believe the fluoride in the water conspiracy as displayed in Dr. Strangelove and MAHA. Suddenly, you decided to turn off the fluoride for an undetermined duration "to pursue safety and automation improvements..." This is nonsense, and we are not dumb enough to believe it.

Please do better with our money and your responsibilities.

From: [Amy Hill](#)
To: [C P; Customer Service](#)
Subject: Fluoride in drinking water - date to continue
Date: Monday, May 4, 2026 4:40:19 PM
Attachments: [image001.png](#)

Dear Cassandra,

We thank you for contacting Olivenhain Municipal Water District. Per your inquiry, the duration of pausing fluoride is yet to be determined. However, OMWD will notify customers regarding any changes to fluoridation. We will not be issuing a bill credit, and our district will continue to meet or exceed all state and federal water quality standards for drinking water. I've included a link below for further information. Thank you and have a good day.

<https://www.olivenhain.com/your-water-supplies/potable-water/fluoride/>

Best regards,

Amy Hill /Customer Service Representative II
Olivenhain Municipal Water District /760-753-6466



From: C P [REDACTED]
Sent: Monday, May 4, 2026 2:57 PM
To: Customer Service <customerservice@olivenhain.com>
Subject: Fluoride in drinking water - date to continue

Some people who received this message don't often get email from [REDACTED]. [Learn why this is important](#)

CAUTION: EXTERNAL EMAIL. Do not click any links or open attachments unless you recognize the sender, verified their email address, and know the content is safe.

Hi,

I'd like the date when the pausing of fluoride will stop in my drinking water.

Also, can I expect a credit on the months where the fluoride is not added? You can add it retroactively, that will be fine.

Thank you,
Cassandra Peyer

From: [Brian Sodeman](#)
To: [Jennifer Rowland](#)
Cc: [WaterSaver](#)
Subject: RE: Inquiry--Paused fluoridation at David C. McCollom Plant
Date: Wednesday, May 6, 2026 7:38:30 AM

Hi Jennifer,

Thanks for reaching out. To confirm, the fluoridation pause is unrelated to statements that Secretary Kennedy has made about fluoride.

The decision to pause fluoridation was based on an assessment that identified several options to improve operator safety during the process of handling the bulk sodium fluoride. The board voted to undergo further engineering analysis to get a more accurate cost estimate for the different capital improvement options before they can vote on the next steps on the fluoridation process.

Best regards,

Brian Sodeman
760-230-1858
bsodeman@olivenhain.com
Customer Service and Public Affairs Supervisor
Olivenhain Municipal Water District

From: Jennifer Rowland [REDACTED]
Sent: Tuesday, May 5, 2026 8:30 AM
To: WaterSaver <watersaver@olivenhain.com>
Subject: Inquiry--Paused fluoridation at David C. McCollom Plant

Some people who received this message don't often get email from [REDACTED] [Learn why this is important](#)

CAUTION: EXTERNAL EMAIL. Do not click any links or open attachments unless you recognize the sender, verified their email address, and know the content is safe.

Hello,

I recently received the notification regarding the pause of fluoridation at the David C. McCollom plant. The letter indicates that the pause is due to required facility improvements, but notes that the duration is currently undetermined.

I wanted to inquire whether this pause is in any way related to recent public statements by Robert F. Kennedy Jr. regarding fluoridation in drinking water. As a resident and strong supporter of evidence-based public health practices, I value decisions grounded in well-established scientific consensus.

I would appreciate any clarification you can provide to confirm that the pause is solely tied to operational or infrastructure considerations, and that the Olivenhain Water District's approach continues to reflect fact-based analysis and established public health guidance.

Thank you for your time and transparency.

Sincerely,
Jennifer Rowland
Encinitas Homeowner

May 5, 2026

Board of Directors and
General Manager
Olivenhain Municipal Water District

Dear Board Members and General Manager Thorner,

I am a resident in the Olivenhain Municipal Water District and I am writing in response to the recent notice regarding the pause in fluoridation at the David C. McCollum Water Treatment Plant.

I appreciate the District's communication and its continued compliance with state and federal water quality standards. However, I would like to request additional clarification regarding the scope and intent of this pause.

The notice indicates that fluoridation has been paused to allow for "safety and automation improvements" to the treatment system. Could you please provide more detail on the specific upgrades being undertaken, the anticipated timeline for completion, and whether there is a firm plan and commitment to resume fluoridation at the recommended level of 0.7 mg/L once improvements are finalized?

Additionally, I have observed that the District's website includes publicly posted correspondence expressing both support for and opposition to water fluoridation. While I understand the importance of transparency and public engagement, this raised some concern for me about whether the current pause is purely operational or if broader policy considerations are being evaluated.

Given the well established public health consensus supporting community water fluoridation as a safe and effective measure to prevent tooth decay, I would appreciate reassurance that the District's long-term policy remains aligned with guidance from public health authorities and is not being influenced by non-scientific or ideological pressures.

Finally, will the District be providing periodic updates to customers regarding the status of these improvements and the expected resumption of fluoridation?

Thank you for your time and service to the community. I appreciate your attention to this matter and look forward to your response.

Sincerely,

Caroline Joseph



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.

May 13, 2026

Caroline Joseph
[REDACTED]

Dear Ms. Joseph,

Thank you for your inquiry. It will be shared with the board of directors.

To confirm, the board's decision to pause fluoridation was not based on non-scientific or ideological pressures. Rather, the board recognized the need to improve operator safety during the process of handling bulk sodium fluoride at our David C. McCollom Water Treatment Plant. OMWD is currently the only water provider in California utilizing 2,000 lb. bags of sodium fluoride, which also have recently been only available via China and sometimes arrive in torn bags, posing safety concerns.

In March, the board voted to proceed with an engineering analysis to get a more accurate cost estimate for different capital improvement options before they can vote on the next steps on the fluoridation process. Options that may be considered in this analysis include modifying the system by which various sizes of sodium fluoride are introduced into the water treatment process, modifying the system to use liquid hydrofluorosilicic acid instead of sodium fluoride, or constructing an all-new fluoridation system in a new dedicated building.

Once completed, the engineering analysis will be presented at a public board meeting. This is expected before the end of the calendar year, though the exact date has yet to be set. The dates of future board meetings are listed in the "important messages" section on the water bill and posted along with the agenda at www.olivenhain.com/meetings.

OMWD will notify customers regarding any changes to fluoridation. Please let me know if you have any further questions.

Regards,

A handwritten signature in black ink that reads "Kimberly A. Thorner". The signature is written in a cursive, flowing style.

Kimberly A. Thorner
General Manager



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 and wastewater agencies receive statewide award for community engagement – San Diego Union-Tribune

www.sandiegouniontribune.com/2026/04/09/north-county-water-and-wastewater-agencies-receive-statewide-award-for-community-engagement/

News Release

April 9, 2026



Olivenhain Municipal Water District, San Elijo Joint Powers Authority, and Leucadia Wastewater District recently received California Water Environment Association’s statewide award for Community Engagement and Outreach Program of the Year. The award recognizes the success of the agencies’ 2025 Water Career Day, according to a news release.

The Water Career Day event brought together water and wastewater professionals, high school and community college students, and military veterans. Participants explored various career paths through interactive stations and demonstrations.

“We’re proud to receive this recognition for Water Career Day and to help shine a light on the rewarding careers available in the wastewater and water industry. Inspiring students today is key to building the skilled workforce needed to maintain our critical infrastructure that our communities will rely on well into the future,” noted Leucadia Wastewater District board president Matthew Brown, in the news release.

“This recognition for Water Career Day 2025 reflects our commitment to the community and our staff, the unsung heroes that work at the San Elijo Water Campus making clean water a way of life,” said Luke Shaffer, board president of the San Elijo Joint Powers Authority, in the news release. “By welcoming students and veterans, we’re encouraging the next generation to explore careers that protect public health and the environment.”

Friends of Solana Beach Library announces launch of ‘Civic Series’ – San Diego Union-Tribune

www.sandiegouniontribune.com/2026/04/13/friends-of-solana-beach-library-announces-launch-of-civic-series/

News Release

April 13, 2026

Friends of Solana Beach Library recently announced the launch of “Civic Series” starting on Tuesday, April 21, with the first installment “Jump into Local Government”.

The Civics Series is a three-part series beginning on Tuesday, April 21, from 5:30 p.m. – 6:45 p.m. at the Solana Beach Library to promote and build civic knowledge and engagement through resource sharing and demystifying local government, according to a news release.

The meetings are sponsored by Friends of Solana Beach Library (FOSBL). Celia Brewer, retired public lawyer, and Melissa Fischel, community member and FOSBL vice president, will lead guest panelists through discussions about local agencies.

Session One (April 21) covers how to participate in local government and why it is important and impactful on everyone’s daily lives.

Session Two (May 19) provides an overview of the numerous types of local government and the many public agencies with jurisdiction over people’s lives and resources.

Session Three (June 16) will follow the money and introduce the importance of budgets and finance.

The Solana Beach Library is located at 157 Stevens Ave, Solana Beach.

More about the next two upcoming sessions:

Session One: April 21, 5:30 p.m. – 6:45 p.m.

Title: Power of Local Government/Jump into Local Government

Overview: Today’s government is both simple and complex. Unpack the mysteries of local government and open the door to a whole new world of participation. Moderators will cover why civic engagement is vital to local government and the basics of the local government process.

In this session, attendees will learn: Why people need to get involved in local government; Why local government matters; How to get involved.

Moderators: Celia Brewer, retired Public Lawyer and Melissa Fischel, community member

Session Two: May 19, 5:30 p.m. – 6:45 p.m.

Title: Think Global, Act Local

Overview: Most people think cities and counties when we hear the term local government. In fact, dozens of agencies regulate modern civic life. This session reviews the numerous public agencies with jurisdiction over people’s lives and highlights opportunities to get involved. Guest speaker Kim Thorner, general manager of Olivenhain Municipal Water District will discuss special agencies and exciting issues facing the water sector.


Moderators: Celia Brewer, retired public lawyer, and Kim Thorner, JD, general manager of Olivenhain Municipal Water District.

Session Three: June 16, 5:30 p.m. – 6:45 p.m.

Title: “Show Me the Money”

Overview: The word “budget” makes some people run for the hills or fall asleep. Come learn why budgets are the ultimate policy-making tools as well as some basic concepts of public finance. The event will touch on deregulation, privatization, and local versus state versus federal funding.

MUST READ: Details Emerge on CARB Truck Ban – Last Chance to Help

 www.csda.net/blogs/morgan-leskody/2026/04/14/must-read-details-emerge-on-carb-truck-ban-last-ch?utm_source=informz&utm_medium=email&utm_campaign=electronic%20newsletter&_zs=mRoP81&_zl=Pp838

<https://www.csda.net/people/morgan-leskody>

April 14, 2026

- April 17 deadline rapidly approaching to comment on CARB ban on local agencies' medium-duty and heavy-duty trucks.
- Special district leaders brief media on how CARB truck ban would severely hinder emergency readiness, using real-life examples from recent events.
- CalTrans releases report detailing the extraordinary costs and operational deficiencies of CARB's truck ban.

On Thursday April 9, 2026, CSDA hosted a press briefing with four special district general managers who provided clear examples of the troubling consequences the California Air Resources Board's (CARB) Advanced Clean Fleets (ACF) regulations will impose on the communities they serve. Those ACF regulations are open to comment from local agencies, stakeholders, and the public until Friday, April 17.

[Access Tools to Take Action on CARB Truck Ban](#)

During the 40-minute CSDA press briefing, panelists shared their experiences responding to some of California's recent catastrophic wildfires and how CARB's regulations would have dramatically hampered their ability to respond to the already-trying emergencies, making the destruction and loss of life even more tragic.

- [CSDA Overviews CARB Zero-Emission Vehicle Mandate on Local Fleets \(3.5 minutes\)](#)
- [Veteran Water Leader Outlines Real-Life Dangers of CARB ZEV Regulation \(6.5 minutes\)](#)
- [GM Who Led Water Agency Through Historic Paradise Fire Urges CARB Not to Ban Trucks \(4 minutes\)](#)
- [Water Leader: CARB's Proposed Exemptions to ZEV Regulation Unworkable \(5.5 minutes\)](#)
- [Leading Wildfire Prevention Expert: CARB Mandate Ignores Fire Landscape \(5 minutes\)](#)
- [75 Percent of Voters Support Exemption Local Agency Vehicles from CARB Mandate \(2 minutes\)](#)
- [Watch Full April 9 CSDA Press Briefing on CARB ACF Regulation \(40 minutes\)](#)

“What this translates to for our agency is over our 48 square mile service area, only seven vehicles would be allowed to be utilized for emergency response. That’s seven emergency response vehicles, 27,000 connections, 9,600 valves, 3,500 fire hydrants, 534 miles of pipeline, 12 reservoirs, and 2 treatment plants over 48 square miles... in a power outage. That is not tenable,” said Kimberly Thorner, Esq. General Manager of the Olivenhain Municipal Water District.

CSDA continues advocating for CARB to exclude vehicles that support emergency response services from its ACF regulations to ensure front-line workers can respond to situations created by the very climate changes the regulations are designed to help address. Recent changes by CARB acknowledged concerns raised by CSDA but, unfortunately, have nowhere near resolved them. [CSDA led a coalition of local government organizations in submitting a 15-Day Comment Period Letter to CARB today.](#)

[READ: CSDA-Led Coalition 15-Day Comment Letter](#)

CalTrans Report Details \$500m Cost and Limitations from ACF Regulation in 2024-25

Also on Thursday April 9, [CalTrans released a report](#) shedding light for the first time on the hard costs of the ACF regulation. CalTrans owns over 12,000 vehicles. Its report details how the agency has spent state funds to begin converting its fleet to ZEV in an effort to comply with the CARB ACF regulations, highlighting the increased costs, delayed delivery times, and operational limitations of compliant vehicles. According to the report, “Electric vehicles are on average 132.82 percent more expensive than their equivalent internal combustion engine vehicle counterparts.” That’s more than twice the cost.

Notably, since 2022, Caltrans has only acquired 14 compliant vehicles that are Class 3 and above, demonstrating the lack of availability and functionality of heavy-duty vehicles.

Table 1 – BEVs Purchased FY2022-23 – FY2024-25

| Electric Vehicle | Total |
|-----------------------------------|--------------|
| Tesla Model 3 (Light-Duty) | 399 |
| Volkswagen ID4 (Light-Duty) | 235 |
| Ford Lightning (Class 2b) | 1 |
| Chevrolet Silverado EV (Class 2b) | 600 |
| Rivian R1S (Class 2b) | 138 |
| Rivian R1T (Class 2b) | 315 |
| Ram Promaster Van (Class 2b) | 11 |
| Rizon Cargo Body (Class 5) | 1 |
| Volvo Cargo Truck (Class 8) | 11 |
| Volvo Transport Tractor (Class 8) | 2 |
| Total | 1,713 |

Table 3 – BEVs Purchased FY 2024–25

| Electric Vehicle | Total |
|-----------------------------------|------------|
| Rivian R1S (Class 2b) | 138 |
| Rivian R1T (Class 2b) | 315 |
| Ram Promaster Van (Class 2b) | 11 |
| Rizon Cargo Body (Class 5) | 1 |
| Volvo Cargo Truck (Class 8) | 11 |
| Volvo Transport Tractor (Class 8) | 1 |
| Total | 477 |

The vast majority of vehicles purchased by CalTrans (1,278 of the 1,713 vehicles purchased) ranged from light-duty (passenger vehicles) to Class 2b vehicles. Its report shows that 453 of the 477 vehicles it purchased in the 2024-25 FY were Rivians, which many residents consider luxury vehicles. Of the 577 Class 2b ZEVs CalTrans has in service, they cost an average of \$102,340.17 each and delivery took an average of 711 days—nearly two years.

CalTrans purchased a limited number of vehicles above Class 2b, paying \$217,500 for a Class 5 ZEV and an average of \$726,490.90 for its four Class 8 electric vehicles, which took an average of 689 days to receive delivery of each ordered truck

Average Purchase Price & Days to Delivery

For the 1,284 in-service vehicles, the average purchase price and average days to receive ZEVs are displayed in **Table 4** below.

Table 4 – Average Days to Delivery and Average Purchase Price of In-Service Vehicles

| Weight Class | Fuel Type | Equipment Count | Ave. Days to Delivery | Ave. Purchase Price |
|-------------------|--------------------|-----------------|-----------------------|---------------------|
| Class 2B | ELECTRIC | 577 | 711 | \$102,340.17 |
| Class 5 | ELECTRIC | 1 | 163 | \$217,500.00 |
| Class 8 | ELECTRIC | 4 | 689 | \$726,490.90 |
| | HYDROGEN FUEL CELL | 1 | 736 | \$1,007,822.16 |
| Light Duty | ELECTRIC | 668 | 237 | \$54,704.99 |
| | HYDROGEN FUEL CELL | 33 | 70 | \$52,628.09 |
| | | 1284 | 448 | \$79,019.64 |

Table 5 – Cost Comparison

| Description | ZEV Cost | Int. Comb. Eng. Cost | Cost Increase | Percent Increase |
|-----------------------------------|--------------|----------------------|---------------|------------------|
| Cargo Body, 12'-16' | \$217,500.00 | \$105,000.00 | \$112,500.00 | 107.14% |
| Cone body truck chassis | \$235,000.00 | \$98,811.72 | \$136,188.28 | 137.83% |
| Delivery Van, Full Size | \$108,750.00 | \$44,133.00 | \$64,617.00 | 146.41% |
| Pickup, Light Duty, Crew Cab, 4X4 | \$108,750.00 | \$40,890.00 | \$67,860.00 | 165.96% |
| Sedan, Subcompact | \$60,430.32 | \$23,141.00 | \$37,289.32 | 161.14% |
| SUV, Mid-size, AWD | \$110,381.00 | \$55,000.00 | \$55,381.00 | 100.69% |
| SUV, Small BEV | \$58,982.19 | \$26,981.00 | \$32,001.19 | 118.61% |
| SUV, Small, 4x4 | \$66,687.81 | \$29,670.00 | \$37,017.81 | 124.77% |

The report also highlighted that, on average, installing a charging station to fuel the mandated vehicles cost \$116,146 and took 1.9 years to finish, while charger replacement projects cost an average of \$39,930 with an average duration of 1.8 years to complete. CalTrans estimates future projects will each cost \$210,231 and take up to 3 years. This data spotlights how expensive it is to build infrastructure to support ZEVs and underscores that state and local governments would need to start permitting and planning years in advance to install the infrastructure necessary to charge and maintain the mandated vehicles that currently do not exist.

Further complicating the infrastructure conundrum is that the limited exemptions the CARB ACF regulation offers must be requested and approved on an annual basis, making it impossible to effectively plan multiple years ahead for necessary infrastructure knowing that each exemption only provides one year of relief.

Notably, according to the CalTrans report, Class 3 - Class 6 ZEVs can, on average, only travel half as far as their internal combustion engine counterparts—meaning state and local agencies will need two ZEVs for every gasoline or diesel-powered vehicle in their current fleet.

The CalTrans report states, “A significant range disparity exists between ZEV and ICE Class 3 through Class 6 vehicles available today. On average, ZEV options in these classes have a driving range of between 100 and 190 miles. In comparison to their ICE vehicle counterparts this equates to roughly 50 percent less driving range. For most duty cycles, this translates to a need for a 2:1 ratio of ZEVs to ICE vehicles.”

Additionally, the Class 5 CalTrans ZEV requires three batteries, and Caltrans reports it had to work with manufacturers to redesign vehicles so they could perform their tasks with the batteries.

Beyond the cost, lack of infrastructure to charge ZEVs, and lack of ZEVs to purchase, the CalTrans report also notes the drastically reduced capabilities of ZEVs and the consequence in terms of operational productivity. According to the report, even “under favorable conditions, their [ZEV] usable operational time does not align with standard shift hours.”

The report continues: “To meet service expectations without delays or reduced route completion, a two to three vehicle rotation is required: one (1) sweeper in active service, one (1) charging, and/or one (1) standing by to fill in as needed; this depends on operations for a 12-hour shift or a 24-hour shift.”

For Class 8 vehicles required for transporting construction equipment, the operational range is as little as 150-200 miles, compared to 750 miles for internal combustion engines, and requires 60 to 120 minutes of fast-charging (an option that is rare on transportation corridors) to recharge. To this point, Caltrans stated, “current operations cannot sustain extended downtimes or inefficient routing,” And, “to match the workload of one diesel vehicle it would take three BEVs [battery electric vehicles] rotated to allow transport, charging, and standby availability.”

Exemptions are Wholly Inadequate and Exceedingly Cumbersome

In acknowledgment of many of the concerns outlined by CSDA and other local agency organizations, CARB has proposed numerous exemptions to its ZEV regulation. Unfortunately, they are both administratively burdensome and grossly insufficient in meeting communities’ day-to-day service demands let alone the extreme conditions of a natural disaster.

Specifically, CARB’s proposed ACF exemptions require local agencies to annually apply and request approval from the CARB executive officer for each and every exemption on a case-by-case, vehicle-by-vehicle basis. Each exemption requires myriad paperwork, such as obtaining documentation from vehicle manufacturers or electric utilities stating they cannot meet the needs of the agency. And, successful agencies would need to repeat this process every year.

In recognition that ZEV medium-duty and heavy-duty vehicles are less resilient than internal combustion engine vehicles, CARB created a “resiliency” exemption. However, it tied the exemption to numerous pre-requisites and limitations. Most concerning, even if agencies were able to navigate the byzantine CARB exemption process to access the resiliency exemption or other exemptions, the regulation caps all exemptions at no more than 25 percent of an agencies fleet. As the general managers participating in CSDA’s April 9 press briefing shared, during an emergency, local agencies need 125 percent of their fleet, not 25 percent. By capping local agencies’ resiliency, CARB is tying the hands of front-line workers and placing the communities they serve at risk.

Even if local agencies could manage to operate with a 75 percent reduction in their fleets’ resiliency, most of CARB’s exemptions are only temporarily available until 2030 and can be rescinded if the CARB executive officer makes a determination based on technological conditions.

ACF Cost is Unbearable for Both Local Agency Budgets and Emergency Readiness

Special district experts speaking on CSDA's April 9 press briefing shared their extensive experience responding to emergencies. Each of them made clear that lives and property would be put at risk without their entire fleets prepared to deploy with adequate capabilities and run-times. Moreover, speakers emphasized that there is no time in an emergency to wait for vehicles to charge (assuming the power is even on). Moreover, local agencies cannot afford buying, maintaining, and storing an additional one or two vehicles for every current internal combustion engine vehicle in their fleet—especially when the ZEV counterpart can cost more than twice the amount of the vehicle it is replacing.

“When the regulations first came about, we had to ask for a waiver for a vehicle that we needed—a utility truck to bring a generator to one of our more remote well sites. The response from CARB was to ‘get a van, a passenger van.’ A van is not an equivalent replacement. It does not have the payload capacity, the configuration, or the safety features required for this type of work,” said Melanie Mow Schumacher of Soquel Water District.

“We support the climate change goals, and we still want to be a unified force in protecting public health. But we cannot do that effectively if we are forced to these impractical and unaffordable solutions,” said Mow Schumacher.

15-Day Period to Take Action Ends April 17

The CARB ACF regulation on medium-duty and heavy-duty vehicles is only open for a 15-day public comment period that ends Friday, April 17. Special districts are encouraged to submit public comment, as well as to share their story regarding the implications of the regulation with their stakeholders and community so that the public is afforded an opportunity to understand and weigh-in on this critical decision affecting their health and safety, as well as their finances.

In addition to submitting public comment, like and share social media posts by [@CSDAdistricts](#) or download our [sample social media graphics](#) and text for direct posts by you or your district. Traditional media is also interested in your story. Reach out to your local reporter to share what your agency is up against. Last week, the [San Diego Union Tribune published an editorial](#) by Olivenhain Municipal Water District General Manager Kimberly Thorner. CSDA members have also been quoted in recent articles by [Gold Mountain California News](#) and [Red Bluff Daily News](#).

CSDA has established a fully-loaded Take Action webpage at csda.net/zev-flexibility to equip special districts, their partners, and the public with the resources they need to take action:

- Submit Public Comment to CARB
- Sample Comment Letter

- Download Proposed Amendments
- Sample Social Media Graphics and Text
- Public Polling Data
- CSDA Press Release
- Visit CARB ACF Regulation Webpage

If you need help accessing CSDA's resources, connecting with your local media, or otherwise navigating questions on how to take action during this CARB 15-day comment period, please do not hesitate to [contact your CSDA Public Affairs Field Coordinator](#).

OMWD earns ‘Platinum’ Award for leadership and transparency

www.sandiegouniontribune.com/2026/04/25/omwd-earns-platinum-award-for-leadership-and-transparency/

News Release

April 25, 2026

Olivenhain Municipal Water District’s Board of Directors was honored by Special District Leadership Foundation for reaccreditation as a “District of Distinction–Platinum Level,” SDLF’s highest accreditation. This designation recognizes OMWD’s commitment to responsible financial management, ethical leadership, and transparency in all areas of its operations, according to a news release.

Special districts are local governments that deliver specialized services such as water, fire protection, and sanitation. There are 2,000 independent special districts in California, and only 14 have achieved District of Distinction at the platinum level. OMWD was the first water district in San Diego County to achieve the District of Distinction accreditation in 2008.

“We take great pride in the platinum designation for operational excellence and our transparency efforts,” said OMWD Board President Matthew Hahn, in the news release. “Transparency is how we build trust with the communities we serve. To have confidence in OMWD, our customers need to see how decisions are made and how their money is spent.”

OMWD also received SDLF’s District Transparency Certificate of Excellence in recognition of its efforts to promote transparency and encourage public participation. OMWD has achieved reaccreditation of this transparency honor since 2013, the news release stated.

To award both honors, SDLF conducted an independent audit of the last three years of OMWD’s operations. Among the audit’s findings were that OMWD provides ethics training for all board members and staff; properly conducts open, public meetings; files timely financial and compensation reports with the State Controller; and maintains public access to key documents, including meeting agendas, minutes, budgets, and financial audits.

Additionally, SDLF requires that OMWD General Manager Kimberly Thorner hold SDLF’s Certified Special District Manager designation. She has held the certification since 2008. It requires passing an exam on policy development, ethics in public service, strategic planning, and financial management. Further, each of OMWD’s five board members was required to earn a Certificate in Special District Governance by completing continuing education focused on the ethical and efficient management of public resources.

SDLF is an independent, nonprofit organization. It promotes good governance and best practices among California’s special districts through training, certification, and other recognition programs.

California Wastewater Facilities and Agencies Honored at CWEA's 97th Annual Awards Ceremony

PRN www.prnewswire.com/news-releases/california-wastewater-facilities-and-agencies-honored-at-cweas-97th-annual-awards-ceremony-302754419.html

Apr 27, 2026, 11:20 ET

17 organizations recognized for operational excellence, innovation and environmental leadership.

OAKLAND, Calif., April 27, 2026 /PRNewswire/ -- The California Water Environment Association (CWEA) honored 20 outstanding wastewater facilities, agencies and teams from across the state during its 97th Annual Awards Ceremony held April 9 in Sacramento, Calif. The awards recognize organizations demonstrating exceptional performance, innovation and commitment to protecting public health and the environment.

Presented annually, the CWEA Awards Program celebrates agencies and facilities that set the benchmark for excellence in California's wastewater profession. Honorees were recognized in categories including Plant of the Year, Collection System of the Year, safety, public outreach, and engineering achievement.

"Honoring and celebrating the professionals and organizations that strengthen our industry is central to the CWEA community," said Kathryn Gies, 2025-2026 President of CWEA and Engineering Manager at West Yost Associates. "Their dedication, leadership, and innovation show that greatness grows where passion meets purpose, and they inspire all of us to lead from wherever we are."

For more information about the California Water Environment Awards and to see the full list of award recipients, visit awards.cwea.org.

2025-2026 CWEA AWARDS, ORGANIZATIONAL RECIPIENTS

Collection System of the Year, Large (Over 500 Miles)City of San Diego – Public Utilities DepartmentSan Diego, Calif.

Collection System of the Year, Medium (250-500 Miles)Oro Loma Sanitary DistrictSan Lorenzo, Calif.

Collection System of the Year, Small (0-249 Miles)Carpinteria Sanitary DistrictCarpinteria, Calif.

Plant of the Year, Large (Over 20 MGD)Monterey One WaterMonterey, Calif.

Plant of the Year, Medium (5-20 MGD)Central Marin Sanitation AgencySan Rafael, Calif.

Plant of the Year, Small (Under 5 MGD)City of Pacifica – Calera Creek Water Recycling PlantPacifica, Calif.

Plant of the Year, Tertiary Treatment Victor Valley Wastewater Reclamation Authority – Hesperia Subregional Reclamation PlantVictorville, Calif.

Plant Safety, Small (1-25 Employees)South County Regional Wastewater Authority (Jacobs)Gilroy, Calif.

Dr. David Jenkins Research Achievement

Los Angeles County Sanitation Districts

*Pilot-Scale Evaluation of Anoxic Aerobic MBR Partial Denitrification/Anammox*Whittier, Calif.

Engineering Achievement

Sunnyvale Water Pollution Control Facility

*Headworks and Primary Treatment Project*Sunnyvale, Calif.

Community Engagement & Outreach Program of the Year, Large (Over 20 MGD):Wastewater Treatment Agencies of Marin County (Central Marin Sanitation Agency, Novato Sanitary District, Las Galinas Valley Sanitary District, Sewerage Agency of Southern Marin, Sanitary District Number 5, and Sausalito Marin City Sanitary District)San Rafael, Calif.

Community Engagement & Outreach Program of the Year, Medium (5-20 MGD):Selma-Kingsburg-Fowler County Sanitation DistrictKingsburg, Calif.

Community Engagement & Outreach Program of the Year, Small (Less than 5 MGD)Leucadia Wastewater District, San Elijo Joint Powers Authority, Olivenhain Municipal Water DistrictCarlsbad, Calif.

The California Water Environment Association is a non-profit, public benefit association of over 11,000 water professionals who work for public agencies and collection systems, engineering firms, and equipment and service suppliers. CWEA members are responsible for cleaning California's water and returning it safely to the environment. CWEA educates and certifies wastewater professionals, disseminates technical information, and promotes sound policies to benefit society through protection and enhancement of our water environment.

Acronym MGD: million gallons per day

High-res award ceremony photos available.

Contact: Megan Barillo, Senior Marketing Manager, CWEA510.382.7800 x141
[\[email protected\]](#)

*****General Manager Thorner worked with CSDA to publish an op-ed in support of amendments to the regulation. Her Op-Ed was featured in the San Diego Union Tribune, Orange County Registrar, San Gabriel Valley Tribune, Los Angeles Daily News, Torrance Daily Breeze, Pasadena Star News, Press Enterprise Inland Empire, and Redlands Daily Facts.

CARB zero-emission mandate risks emergency readiness – Daily News

 www.dailynews.com/2026/04/11/carb-zero-emission-mandate-risks-emergency-readiness/

Kimberly Thorner

April 11, 2026



Firefighters battle winds and flames as multiple beachfront homes burn along Pacific Coast Highway in Malibu in the Palisades Fire on Tuesday, January 7, 2025 (Photo by David Crane, Los Angeles Daily News/SCNG)

As the California Air Resources Board (CARB) considers amendments to its Advanced Clean Fleets Zero Emission Vehicle regulation over the next week and a half, it must exempt a broader range of emergency vehicles. Without expanded exemptions, communities throughout California may be unable to respond adequately to emergencies — especially when the power is out.

This puts lives and property at tremendous risk.

I've worked at the Olivenhain Municipal Water District for over 29 years, overseeing emergency responses to hundreds of leaks, outages, earthquakes and fires. According to the most recent [CAL FIRE map](#), roughly 70% of our service area is high risk. During emergencies, our responsibility is to keep water flowing to customers and firefighters for the

duration of the event. Yet when residents evacuate, water continues running through melted fixtures in destroyed homes — as we saw in the [Palisades fires](#) — draining the system. Our staff deploys during fires to shut off meters so water pressure is maintained for firefighting.

Our water operators deploy across our 48-square-mile service area. In addition to turning off meters, they manually operate valves, adjust flow, switch water sources and fuel standby generators to keep pump stations operating. Each of these tasks requires reliable vehicles that can travel long distances, remain ready at a moment's notice and operate continuously.

The current [CARB proposal](#) places an artificial cap on resiliency: No more than 25% of our fleet could be exempt from conversion to zero-emission vehicles. This dangerous cap ignores the realities we face. Emergencies don't wait for regulations, and they don't scale themselves to fit an arbitrary percentage. Reducing our usable emergency vehicles by 75% would endanger the community we serve. California has already experienced devastating wildfires and extreme weather — common sense tells us that constraints like this could magnify future disasters dramatically.

Local agencies cannot have their ability to respond capped, especially when major incidents require regionwide support. Fire trucks, ambulances and police vehicles are exempt, but the support vehicles that enable emergency response — such as trucks that tow fuel to water pumps — are not.

It's hard to fight fires without water.

There are currently no zero-emission alternatives available that can provide the level of immediate readiness and operational duration the gasoline-powered vehicles offer, *especially* when the power is shut off.

[SDG&E shuts down power](#) in our service area during red flag events. In January 2025 alone we received seven public safety power shutoffs. In high-stakes emergencies, we can't afford to be limited by range, charging access or grid reliability. We need vehicles immediately available that can operate around the clock for days on end to keep the water flowing. I shudder to think what would be lost in terms of life and property if we were hindered in our emergency response.

Our agency takes its environmental footprint seriously. We purchase 100% of our power from 3Phase Renewables as renewable energy and we support California's climate and carbon reduction goals. But we cannot leave our communities defenseless against the very climate catastrophes we're striving to mitigate. We're not asking for the zero-emission rules to be revoked. We simply need the flexibility that comes from including support vehicles needed for emergencies in CARB's zero-emission rule exclusions.

The threat to lives and property is real. I've experienced it firsthand. In 2007, our district experienced fires that lasted a week. Power was out immediately, and more than 20% of our

service area burned. We all witnessed it in Los Angeles last January, and we will see it again. Whether it happens in my town or yours, it will be our disaster service workers who will cross the barricades to protect our homes and families.

That's why first responders support this call for flexibility. That's why in a [September 2025 poll by Probolsky Research](#) more than 75% of California voters also support this, with strong bipartisan support.

The California Air Resources Board has opened a 15-day comment period on its Advanced Clean Fleets regulations requiring zero-emission vehicles that ends April 17. All Californians should call on CARB by [visiting its rulemaking page](#) to prioritize the safety of our residents and public servants *before* it costs lives in our community. We need vehicles that can adequately support emergency response. It's the right thing to do, and it's what the citizens want.

Kimberly Thorner is general manager of Olivenhain Municipal Water District.

Between Los Angeles And San Diego Is California's Lovely Nature Preserve For Mountain Views And Trails

www.islands.com/2165791/elfin-forest-recreational-reserve-california-between-los-angeles-san-diego-mountain-views-trails/

Kelley Dukat

May 8, 2026



Imasillypirate/Shutterstock

Southern California is full of scenic terrain and tourism hotspots to explore, and the inland stretch between Los Angeles and San Diego is no exception. Among the 120-mile stretch are some of the state's preserved lands, intended to protect delicate ecosystems, and other species from development. Among the 53,000 acres of park land within San Diego County are nature preserves and other protected lands. This includes North County's Elfin Forest Recreational Reserve, a delightful nature preserve known for trails and majestic mountain peaks.

[Elfin Forest Recreational Reserve](#) (EFRR) is located 33 miles from San Diego and 105 miles from Los Angeles. Commonly known as "Elfin Forest," the property opened in 1992 created jointly by the Olivenhain Municipal Water District (OMWD), San Diego County Water Authority, and the Bureau of Land Management. Its primary purpose is to provide water, nature conservation, and recreation to the region. The 784-acre reserve is adjacent to the banks of Lake Hodges and both the Escondido Creek Preserve and the Los Cielos Preserve, featuring varied habitat conservation, including mountain chaparral, coastal sage, riparian forest, and grasslands. It also shares a boundary with the vast Olivenhain Reservoir and

Dam, and serves as a watershed for Escondido Creek, which runs through the main parking area with the nonprofit Escondido Creek Conservancy assisting with some operations of EFRR.

The year-round destination is generally open daily from 8 a.m. to approximately 30 minutes before sunset, and is highly ranked among [Google reviewers \(4.7\)](#) and [TripAdvisor members \(4.4\)](#) for its overall experience and natural setting. The combined factors of diverse terrain, panoramic vistas, popular hiking treks, bird and other wildlife sightings, and interactive learning spaces are what make Elfin Forest a lovely place for visitors to commune with nature and recreate outdoors.

How to visit Elfin Forest Recreational Reserve

An ideal first stop will be the Elfin Forest Interpretative Center Honoring Susan J. Varty which is open from 9 a.m. to 3 p.m. every day, and staffed by volunteer docents. The building was designed by architect James Hubbell, with art installations from a variety of local artists, which are part of the permanent displays. Here you can find about daily programs and other information, and obtain maps, which are also [viewable online](#). You can join one of the complimentary guided nature walks on the second and third Sunday mornings of the month, which detail the history, plant life, and animals of the area. Other center activities include a free eco-centered concert series held every Sunday at noon, quarterly insect presentations, and a junior ranger program for kids.

With more than 150 species of birds within the reserve, Elfin Forest and neighboring Lake Hodges are considered [one of the best U.S. bird watching destinations, according to Reddit users](#). EFRR offers a [downloadable birding guide](#) which lists each avian type, the chance of seeing them, and a specific ideal location to spot them.

The reserve is easily reachable from Escondido, [an old-school California city and charming wine paradise](#), approximately 6 miles away. It's also only 12 miles away from [California's picture-perfect town with sprawling estates and luxury hotels](#), Rancho Santa Fe.

Hike and enjoy panoramic vistas at Elfin Forest Recreational

Reserve



Wirestock Creators/Shutterstock

Hiking one of the 11 miles of multi-use pathways is one of the primary ways to explore. There's a comprehensive [trail map](#), which details the routes, lengths, and where they intersect. These lead to six distinct overlooks, with five featuring picnic areas. A docent-led guided hike on one of eight routes is held monthly, which are considered moderately taxing, not fit for young children, and last for three to five hours. You'll want to check online for the specific schedule and distances.

Elfin Forest offers scenic views of the surrounding mountains, including Carlsbad's Denk Mountain at 1,040 feet, Woodson Mountain at 2,899 feet, and Mount Israel which sits at 1,335 feet. The summit of Mount Israel is accessed directly through the preserve along the [The Way Up Trail](#), a 2.2 mile loop route which leads to the Harmony Grove Overlook for picturesque views of the valley and forest. It's good for leashed dogs and is family-friendly, and once you reach the top, you can take in the landscapes from a seating area. For an interactive experience, take the Botanical Trail, a 1.1 mile loop from the parking lot, which features 27 educational signs highlighting some of the over 150 plant species along the route, with a [downloadable brochure](#). It links up with the Way Up Trail, or returns downhill to the starting location.

Equestrians on horseback frequent the five-mile-long [Equine Incline Loop Trail](#), which climbs along a rocky route to the picturesque Elfin Forest Overlook and the neighboring Los Cielos Preserve. Another popular route for trekkers is the [Lake Hodges Overlook Trail](#) with stunning

views of mountain peaks, the Del Dios Highlands, and the lake itself, while passing through three overlook viewpoints.