

**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, NOVEMBER 19, 2025

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: 876 0884 6113
Passcode: 215264

For Zoom Call-in Only:

Call: (669) 900-9128
Meeting ID: 876 0884 6113
Passcode: 215264

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

*Gwendoline Olivares – Customer Service representative I – New Hire

2025 Pure Excellence Award winners:

B Weber Consulting and Cass Arieta – Business(s) of the Year

Olivenhain Fire Safe Council – Non-Profit of the Year

Rancho Santa Fe Fire Protection District – Educator/Community Outreach of the Year

Mike Dzurko – Volunteer of the Year

8. CONSIDER APPROVAL OF THE MINUTES OF THE OCTOBER 15, 2025, 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
C-b	CONSIDER ACCEPTANCE OF THE 2568 LONE JACK ROAD WATER SERVICE INSTALLATION (ANGER) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED
C-c	CONSIDER FINAL UPDATE OF THE OTP-1 EMERGENCY LEAK REPAIR PROJECT, ACCEPT THE PROJECT INTO OMWD'S SYSTEM, AND ORDER THE NOTICE OF COMPLETION FILED
C-d	CONSIDER APPROVAL OF THE FIRST AMENDMENT TO A LEASE AGREEMENT BETWEEN OLIVENHAIN MUNICIPAL WATER DISTRICT AND VERTICAL BRIDGE AT THE GATY II RESERVOIR SITE TO EXTEND THE LEASE TERM AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD
C-e	CONSIDER APPROVAL OF A THIRD AMENDMENT TO THE LEASE AGREEMENT BETWEEN CELLCO PARTNERSHIP (DBA VERIZON WIRELESS) AND OLIVENHAIN MUNICIPAL WATER DISTRICT TO GRANT EASEMENT RIGHTS FOR THE INSTALLATION OF COMMUNICATION FACILITIES AT THE MARYLOYD RESERVOIR SITE TO INSTALL FIBER OPTIC AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD
C-f	CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH BRIGHTVIEW LANDSCAPE SERVICES, INC. FOR DISTRICT-WIDE LANDSCAPE MAINTENANCE SERVICES IN THE AMOUNT OF \$17,532 PER MONTH FOR 30-MONTHS, WITH THE OPTION TO EXTEND FOR UP TO TWO ADDITIONAL YEARS, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD
C-g	CONSIDER APPOINTMENT OF REPRESENTATIVE TO THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY BOARD OF DIRECTORS

10. CONSIDER INFORMATIONAL REPORT REGARDING OMWD AND SDCWA'S HISTORICAL POSITIONS ON THE DELTA CONVEYANCE PROJECT
11. PROVIDE AN UPDATE OF THE GENERAL MANAGER'S EMERGENCY DECLARATION OF THE AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE LEAK REPAIR PROJECT AND APPROPRIATE AN ADDITIONAL \$1,200,000 TO THE PROJECT BUDGET FROM THE CAPITAL RESERVE FUND
12. CONSIDER AN UPDATE ON THE SAN DIEGUITO VALLEY BRACKISH GROUNDWATER DESALINATION PROJECT (INFORMATIONAL REPORT)
13. CONSIDER APPROVAL OF CONSTRUCTION CHANGE ORDERS 4 AND 5 WITH J.R. FILANC CONSTRUCTION COMPANY, INC. TO THE GARDENDALE AND VILLAGE PARK WEST PRESSURE REDUCING STATION REPLACEMENT PROJECT IN THE COMBINED AMOUNT OF \$224,742 FOR ADDITIONAL WORK ON MOUNTAIN VISTA AT OVERLAND AND ADDITIONAL WORK AT THE VILLAGE PARK WEST PRS, TRANSFER \$233,000 FROM OTHER CIP PROJECTS TO THE VALVE REPLACEMENT PROJECT, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD
14. CONSIDER APPROVAL OF AMENDMENT NO. 3 TO THE PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS WITH ASPEN GROWTH PROPERTIES, INC. AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD
15. 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
16. CORRESPONDENCE
17. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS
18. FUTURE AGENDA ITEMS
19. CONSIDER PUBLIC COMMENTS
20. CLOSED SESSION
 - A) CONSIDER LITIGATION – STANLEY D. JONES ET AL. VS. OLIVENHAIN MUNICIPAL WATER DISTRICT [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]
 - B) CONSIDER GENERAL MANAGER PERFORMANCE EVALUATION [PURSUANT TO GOVERNMENT CODE SECTION 54957] • Additional Facts: Receive packet; full review and compensation discussion to be held on November 19, 2025.

21. OPEN SESSION
22. CONSIDER GENERAL MANAGER’S (A) 2025 INCENTIVE AND (B) 2026 COMPENSATION
23. ADJOURNMENT



Memo

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

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

Memo

Date: November 19, 2025
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**

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

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

The District's June, July, August, and September Financial Statements (typically item C-b) and the Monthly Investment Report will be available for review and approval by the Board after the fiscal year 2025 financial audit is completed in November 2025.

Olivenhain Municipal Water District
Proposed Motions for November 19, 2025 Board of Directors Meeting
October 2025 Activities
Consent Calendar Item # C-a

Proposed Motions:

I. That the following warrants and transfers be approved:

Regular Account	Warrants - by check	037540 ✓	to	037682 ✓	\$	1,194,756.92
	Warrants - by EFT	EFT000000002898 ✓	to	EFT000000003020 ✓		1,589,644.74
						2,784,401.66
	ACH Payments - Payroll					243,057.81
	Wire - SDCWA - Monthly Purchased Water Payment					4,113,458.60
	ACH Payments - Payroll					249,021.29
	Wire - SDCWA - Quarterly Capacity Fees					19,626.00
					\$	7,409,565.36

Major Category of Disbursements

Total warrants from the District's checking account:

\$ 2,784,401.66

Following is a breakdown of this total by major categories:

Category

Outside services	\$	1,054,922.88
Inventory and supplies		443,369.72
Utilities		360,134.72
Insurance		625,882.43
Repairs and maintenance		255,681.67
Water Refunds		7,710.54
Other		30,896.70
Permit Fees		5,803.00

Total	\$	2,784,401.66
-------	----	--------------------

Sincerely,



Leo Méndez/Finance Manager

Olivenhain Municipal Water District
Proposed Motions for November 19, 2025 Board of Directors Meeting
October 2025 Activities

California Bank and Trust

Regular Account

Warrants - by check	037540	to	037682	\$	1,194,756.92
Warrants - by EFT	EFT000000002898	to	EFT000000003020		1,589,644.74
					2,784,401.66
10/9/2025 ACH Payments - Payroll					243,057.81
10/14/2025 Wire - SDCWA - Monthly Purchased Water Payment					4,113,458.60
10/23/2025 ACH Payments - Payroll					249,021.29
10/29/2025 Wire - SDCWA - Quarterly Capacity Fees					19,626.00
Total				\$	7,409,565.36

ACH Payments - Payroll

For Board Consideration and Approval

Olivenhain Municipal Water District
October 2025 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
037540	9/24/2025	Reiter, Annie	11,665.00	CLAIM Settlement
037541	10/1/2025	AT & T	728.45	Utilities - Phone
037542	10/1/2025	Bryant Booth	125.00	EDUCATION INCENTIVE
037543	10/1/2025	Dexter Wilson Engineering Inc	2,275.00	Consultant Services for SSMP Update
037544	10/1/2025	Nick Boess	60.00	D2 OP CERT/RENEW REIMBURSEMENT
037545	10/1/2025	Nick Darman	1,260.90	REF:1090496_303665
037546	10/1/2025	PTS Communications	75.00	Park's Payphone
037547	10/1/2025	Peterson, Sean	340.00	BACKFLOW CERT RENEWAL REIMB
037548	10/1/2025	Republic Services	382.74	WASTE DISPOSAL SERVICES
037549	10/1/2025	San Diego Gas & Electric	87.01	Utilities - Electrical
037550	10/1/2025	ULINE	764.45	WTP SUPPLIES
037551	10/1/2025	United Parcel Service	48.02	SHIPPING SERVICES ENGINEERING
037552	10/1/2025	VWR International LLC	178.94	WTP SUPPLIES
037553	10/1/2025	Xylem Water Solutions USA, Inc.	76,101.36	WWTP INVENTORY
037554	10/8/2025	American Conservation & Billing Solutions, Inc.	3,251.00	10/25 AQUAHAWK SERVICES
037555	10/8/2025	American Messaging	68.46	Pagers for duty
037556	10/8/2025	California State Disbursement Unit	123.23	Garnishment
037557	10/8/2025	Coast Waste Mgmt Inc	598.67	WASTE DISPOSAL SERVICES
037558	10/8/2025	Core & Main LP	59.80	Supplies - 1" X 2" Brass Nipple
037559	10/8/2025	DCL Enterprise Inc Db	55.16	MINI X KEYS
037560	10/8/2025	Edco Waste & Recycling	743.16	Utilities - Waste Hauling
037561	10/8/2025	Estate of John Backman	552.01	REF:1039149_110065
037562	10/8/2025	Esther Estrada	20.00	UNIFORM DEPOSIT RTN - EFR
037563	10/8/2025	Ferguson Enterprises Inc. #1083	149.92	WTP SUPPLIES
037564	10/8/2025	Firehawk Fire & Safety	725.00	WW QTRLY FIRE SPRINKLER SVCS
037565	10/8/2025	Grangetto's Ag. Supply	83.42	WTP SUPPLIES
037566	10/8/2025	Infosend	4,718.21	8/25 MAINTENANCE
037567	10/8/2025	Joe's Paving Inc	222,617.59	CADENCIA & ROMERIA
037568	10/8/2025	Lauren Swauger	25.90	MILEAGE REIMB (7/31-9/11/25)
037569	10/8/2025	Leonardo Fitness	560.00	YOGA CLASS REIMB THRU GRANT
037570	10/8/2025	Marlene Navales	125.23	REF:1086028_177590
037571	10/8/2025	Napa Auto Parts	103.47	9/25 SUPPLIES
037572	10/8/2025	Pacific Pipeline Supply	56,465.20	SUPPLIES & INVENTORY
037573	10/8/2025	Patricia Gale	98.60	REF:1040630_119160
037574	10/8/2025	Quality Chevrolet	4,795.94	TRUCK SERVICES - FB74
037575	10/8/2025	Republic Services	3,373.78	WASTE DISPOSAL SERVICES
037576	10/8/2025	Republic Services #661	998.28	WASTE DISPOSAL SERVICES
037577	10/8/2025	Ryan Herco	53.45	WTP SUPPLIES
037578	10/8/2025	San Diego County Recorder	50.00	WATER RATES & CHARGES NOE
037579	10/8/2025	San Diego Gas & Electric	4,393.76	Utilities - Electrical
037580	10/8/2025	Shea Homes	455.55	REF:1052276_304425
037581	10/8/2025	Spice Of Life Inc	1,600.00	2025 HEALTH FAIR
037582	10/8/2025	Teichert Energy & Utilities Group, Inc.	169,145.33	RETENTION - HOA PIPELINE EXTENSION
037583	10/8/2025	ULINE	790.55	WTP SUPPLIES
037584	10/8/2025	UniFirst Aid Corp	291.82	FIRST AID SUPPLIES
037585	10/8/2025	US Bank	2,190.51	Printer and copiers
037586	10/15/2025	Airgas	649.33	TANK RENTALS
037587	10/15/2025	Badger Meter Inc	35,067.78	Inventory: 150 count 3/4" Badger meter
037588	10/15/2025	Burlington Coat Factory	8.62	REF:1092050_200430
037589	10/15/2025	Cody Hughes	349.99	TUITION REIMBURSEMENT
037590	10/15/2025	Core & Main LP	3,117.21	6" Pipe/Fitting Restraint Romac Only
037591	10/15/2025	County Of San Diego	1,050.00	Permit Fees: VISTA SANTA FE/CALE ACERVO
037592	10/15/2025	D&H Water Systems	252.40	WTP SUPPLIES
037593	10/15/2025	Encinitas Ford	1,917.48	SUPPLIES
037594	10/15/2025	First Choice Technology	166.00	Utilities - Phone
037595	10/15/2025	HDR Engineering, Inc.	11,455.78	Design Services for Dusty Trails Pipeline Replacment Project (24AGR060)
037596	10/15/2025	Helen Brookstein	103.34	REF:1003900_101925
037597	10/15/2025	Kathleen Healey	109.16	REF:1096103_176235
037598	10/15/2025	Kyocera	28.00	TONER
037599	10/15/2025	Mary Duke	123.38	REF:1090354_191985
037600	10/15/2025	Newco Inc.	17,981.27	WTP CHEMICALS
037601	10/15/2025	Nicholas Anger	1,144.67	REF:1089568_303575
037602	10/15/2025	Pacific Pipeline Supply	4,225.65	WTP SUPPLIES
037603	10/15/2025	R & R Industries Inc	800.36	SAFETY VESTS
037604	10/15/2025	Rancho Santa Fe Community Svs	17,603.31	9/25 17.27 AF RECYCLED WATER
037605	10/15/2025	Republic Services #661	19,772.14	WASTE DISPOSAL SERVICES
037606	10/15/2025	San Diego Gas & Electric	71,826.03	Utilities - Electrical
037607	10/15/2025	SCW Contracting Corporation	1,568.86	REF:1096632_304470
037608	10/15/2025	Shuo Wang	60.19	REF:1096021_128415
037609	10/15/2025	Walters Wholesale Electric Co	639.82	WWTP SUPPLIES
037610	10/15/2025	White Cap Construction Supply	700.18	SUPPLIES
037611	10/15/2025	Xylem Water Solutions USA, Inc.	745.29	SUPPLIES
037612	10/22/2025	Aguirre & Associates	180.00	Survey Services for Wiegand Lot Line Adjustment & Easement Dedication (25AGR001)
037613	10/22/2025	Airgas	454.66	SUPPLIES
037614	10/22/2025	American Backflow Specialities	2,298.60	SUPPLIES
037615	10/22/2025	AT & T	1,269.46	Utilities - Phone
037616	10/22/2025	Beth Hutchison	76.04	REF:1096872_185120
037617	10/22/2025	Bryant Booth	100.00	D3 EXAM FEE REIMBURSEMENT
037618	10/22/2025	CA Municipal Statistics Inc	600.00	6/30/25 DEBT STATEMENT

Olivenhain Municipal Water District
October 2025 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
037619	10/22/2025	California State Disbursement Unit	123.23	Garnishment
037620	10/22/2025	City Treasurer	98,983.01	9/25 89.58 AF RECYCLED WATER
037621	10/22/2025	Corodata	260.20	9/25 OFFSITE RECORDS STORAGE
037622	10/22/2025	Corodata Shredding, Inc	81.05	PAPER DESTRUCTION SERVICES
037623	10/22/2025	Estate of Patrice Denholm Fanghella	277.29	REF:1096928_241330
037624	10/22/2025	Federal Express Corp	530.52	SHIPPING (WTP SAMPLES)
037625	10/22/2025	Ferguson Enterprises Inc. #1083	2,034.32	12" Pipe/Fitting Restraint- Romac ONLY
037626	10/22/2025	Home Depot/Gecf	6,750.15	9/25 SUPPLIES
037627	10/22/2025	Jeannie Chufo	119.20	REF:1060637_186745
037628	10/22/2025	Jeffrey Dickinson	82.48	REF:1094897_213015
037629	10/22/2025	Kyocera	14.00	TONER
037630	10/22/2025	Luisa Barrera	136.95	REF:1095716_145520
037631	10/22/2025	Melody Sheehan	96.04	REF:1037488_244270
037632	10/22/2025	N Harris Computer Corporation	58,625.11	1/26-12/26 CIS INFINITY SUPPORT
037633	10/22/2025	Pacific Pipeline Supply	17,905.71	SUPPLIES
037634	10/22/2025	Pamala Reiter	61.50	REF:1027857_225035
037635	10/22/2025	Republic Services	2,448.37	WASTE DISPOSAL SERVICES
037636	10/22/2025	Rishu Gupta	2,842.86	SETTLEMENT AGREEMENT
037637	10/22/2025	Rosa Tavakoli	135.00	REF:1052905_232755
037638	10/22/2025	S D G & E	264.85	Utilities - Electrical
037639	10/22/2025	San Diego County Recorder	50.00	NOE FILING FEE - OTP1 LEAK RPR
037640	10/22/2025	San Diego Gas & Electric	119,858.33	Utilities - Electrical
037641	10/22/2025	Santa Fe Irrigation Dist	4,832.86	Potable Water Interconnect
037642	10/22/2025	Scott Maloni	75.91	AIRPORT UBER - CO RIVER TOUR
037643	10/22/2025	Vanessa Rivera	120.54	NOE FILING FEE REIMBURSEMENT
037644	10/22/2025	Verizon Connect Fleet USA, LLC	1,168.37	Vehicle Tracking
037645	10/29/2025	Airgas	28.78	SUPPLIES
037646	10/29/2025	Alfa Laval Inc.	5,650.71	WWTP - HYD PUMP/MTR ASSY
037647	10/29/2025	American Conservation & Billing Solutions, Inc.	3,251.00	11/25 AQUAHAWK SERVICES
037648	10/29/2025	Andrew Block	113.41	REF:1003071_197875
037649	10/29/2025	Asbury Environmental Services	3,049.00	AC PIPE DISPOSAL - CADENCIA
037650	10/29/2025	AT & T	1,532.65	Utilities - Phone
037651	10/29/2025	Bee Rescue LLC	400.00	Bee Removal - SITIO LIMA
037652	10/29/2025	CA-NV AWWA	1,000.00	SILVER SPONSOR
037653	10/29/2025	Carmen Ocampo	63.00	REF:1092393_237230
037654	10/29/2025	Chris Barrett	382.43	REF:1045145_119480
037655	10/29/2025	City Treasurer	32,126.72	Recycled Water Purchases
037656	10/29/2025	Clean Water SoCal	1,861.00	MEMBERSHIP RENEWAL
037657	10/29/2025	Conterra Inc.	3,600.00	POND INSPECTION SERVICES
037658	10/29/2025	County Of San Diego	2,431.00	7813 CAMINO SIN PUENTE
037659	10/29/2025	County Of San Diego	2,322.00	7813 CAMINO SIN PUENTE
037660	10/29/2025	DCL Enterprise Inc Dba	61.65	KEYS - HQ
037661	10/29/2025	Donald Morgan	96.04	REF:1095277_183420
037662	10/29/2025	Encinitas Ford	1,291.21	TRUCK SUPPLIES - PU102
037663	10/29/2025	Ferguson Enterprises Inc. #1083	11,481.85	SUPPLIES
037664	10/29/2025	Ilwoong Cho	87.02	REF:1094630_160500
037665	10/29/2025	Infosend	14,243.64	WATER BILL STATEMENTS
037666	10/29/2025	Interstate Battery Of San Diego Inc	169.99	SHOP SUPPLIES
037667	10/29/2025	Jeff Herrmann	200.00	EDUCATION INCENTIVE
037668	10/29/2025	Jessica M Morris	47.09	REF:1086666_156625
037669	10/29/2025	John Marshall	125.98	REF:1090836_104100
037670	10/29/2025	Liebert Cassidy Whitmore	3,230.00	CALPERS APPEAL
037671	10/29/2025	Nick Boess	300.00	EDUCATION INCENTIVE
037672	10/29/2025	Pacific Pipeline Supply	13,824.77	SUPPLIES
037673	10/29/2025	PTS Communications	75.00	Park's Payphone
037674	10/29/2025	RCP Block & Brick Inc	193.51	SAND BAGS
037675	10/29/2025	Robert Johnson	66.69	REF:1092436_179605
037676	10/29/2025	San Diego County Recorder	47.00	EP #430 18525 ALSIO CYN RD
037677	10/29/2025	San Diego Gas & Electric	431.31	Utilities - Electrical
037678	10/29/2025	TASC	717.90	2025 Q3 TRUSTEE FEES
037679	10/29/2025	Thomas Coover	69.11	REF:1006739_158825
037680	10/29/2025	Travis Letourneau	64.76	REF:1094207_118245
037681	10/29/2025	UniFirst Aid Corp	232.47	FIRST AID SUPPLIES
037682	10/29/2025	US Bank	2,190.51	Printer and copiers
EFT000000002898	10/1/2025	Southern Counties Lubricants, LLC.	5,930.38	FUEL SUPPLIES
EFT000000002899	10/1/2025	North County Powder Coating	349.06	COATING SERVICES
EFT000000002900	10/1/2025	Ninyo & Moore	1,865.50	GARDENDALE & VP PRS RPCLMNT
EFT000000002901	10/1/2025	Cecilia's Safety Service	375.00	MOUNTAIN VISTA DRIVE
EFT000000002902	10/1/2025	Volt Management Corp DBA	656.04	WWTP INTERNS W/E 9/5
EFT000000002903	10/1/2025	Whitson CM	300.00	SITE INSPECTION SERVICES
EFT000000002904	10/1/2025	Bob Turner's Crane Service Inc	1,120.00	WWTP SERVICES
EFT000000002905	10/8/2025	Boot World Inc	146.28	Safety Boots
EFT000000002906	10/8/2025	Standard Insurance Co.	6,602.42	10/25 LIFE & LTD INSURANCE PRE
EFT000000002907	10/8/2025	Escondido Metal Supply	907.35	SUPPLIES

Olivenhain Municipal Water District
October 2025 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
EFT000000002908	10/8/2025	Traffic Supply Inc	503.21	COVER UP PAINT
EFT000000002909	10/8/2025	Evoqua Water Technologies	6,430.35	WWTP SERVICES
EFT000000002910	10/8/2025	McMaster-Carr Supply Co.	138.52	SUPPLIES
EFT000000002911	10/8/2025	Ninyo & Moore	5,686.50	Geotech Observations & Material Testing Village Park PRS
EFT000000002912	10/8/2025	Fallbrook Printing Corp	6,499.35	Printing Services FY 2026
EFT000000002913	10/8/2025	Sloan Electric	2,466.80	WTP SERVICES
EFT000000002914	10/8/2025	Calif. Surveying & Drafting Supply	241.75	SUPPLIES
EFT000000002915	10/8/2025	Woodard & Curran	3,342.50	NSDWRC GRANT ADMIN SUPPORT
EFT000000002916	10/8/2025	Volt Management Corp DBA	2,050.13	SDCWA INTERNS W/E 9/5 & 9/12
EFT000000002917	10/8/2025	Mission Electric Supply, Inc.	1,607.66	WWTP SUPPLIES
EFT000000002918	10/8/2025	Transnet Investigative Group Inc.	45.00	PRE-EMPLOYMENT BACKGROUND
EFT000000002919	10/8/2025	PWLC I, INC	2,475.00	TREE REMOVAL SERVICES
EFT000000002920	10/8/2025	Martin Marietta Materials Inc	909.90	YARD MATERIALS
EFT000000002921	10/8/2025	Blue-White Industries	392.82	WTP SUPPLIES
EFT000000002922	10/8/2025	Rincon Consultants Inc.	9,160.00	NSDWRC Coalition Consulting (Revised Feasibility Study for additional project components)
EFT000000002923	10/8/2025	SoCal Saltworks LLC	6,882.00	WTP CHEMICALS
EFT000000002924	10/8/2025	RESTECX, LLC	615.00	WWTP - SENSOR REPAIR SVCS
EFT000000002925	10/8/2025	USA Blue Book	308.16	WWTP SUPPLIES
EFT000000002926	10/8/2025	West Coast Sand & Gravel	3,118.19	YARD MATERIALS
EFT000000002927	10/8/2025	Express Services Inc	2,134.94	TEMP LABOR PPE 092125
EFT000000002928	10/8/2025	Global Power Group Inc	965.83	WWTP PREVENT MAINT SERVICES
EFT000000002929	10/8/2025	CDW Government Inc	14.89	SUPPLIES
EFT000000002930	10/8/2025	Polydyne Inc	8,875.11	WWTP CHEMICALS
EFT000000002931	10/8/2025	Nossaman LLP	8,000.00	LOBBYING SERVICES
EFT000000002932	10/8/2025	Univar Solutions Usa Inc	3,579.95	WWTP CHEMICALS
EFT000000002933	10/8/2025	Infrastructure Engineering Corporation	2,498.70	6855 SPYGLASS LANE - FIRE FLOW
EFT000000002934	10/8/2025	Valley Construction Management	20,975.50	Village Park PRS Station Construction Management Services (22AGR029, TO#7)
EFT000000002935	10/8/2025	ESS	672.00	WWTP ALARM MONITORING
EFT000000002936	10/8/2025	Water for People	58.00	WTRPL 10/9/2025
EFT000000002937	10/15/2025	ACWA - JPIA	156,249.85	11/25 GROUP INSURANCE
EFT000000002938	10/15/2025	TS Industrial Supply	1,866.06	SUPPLIES
EFT000000002939	10/15/2025	Escondido Metal Supply	63.89	PARKS SUPPLIES
EFT000000002940	10/15/2025	Peterson Structural Engineers, Inc.	2,585.00	PSA for Design Services for Tank Safety Improvements (D120130)
EFT000000002941	10/15/2025	DLM Engineering Inc	15,149.35	ENGINEER CONSULTING SERVICES
EFT000000002942	10/15/2025	Myers & Sons	117.45	PARKS SUPPLIES
EFT000000002943	10/15/2025	Mesa Products	5,495.40	SUPPLIES
EFT000000002944	10/15/2025	Ildiko S. Lutar dba Responsible Solutions	7,500.00	fees for Responsible Solutions, LLC
EFT000000002945	10/15/2025	Fallbrook Printing Corp	307.09	Printing Services FY 2026
EFT000000002946	10/15/2025	Cecilia's Safety Service	1,875.00	DEL DIOS/ CMNTO DE LOS ESCOSES
EFT000000002947	10/15/2025	Volt Management Corp DBA	1,356.81	SDCWA INTERNS W/E 091925
EFT000000002948	10/15/2025	Liquid Environ. Solutions of CA	39,415.00	WWTP ROLL OFF BIN DISPOSAL
EFT000000002949	10/15/2025	Transnet Investigative Group Inc.	75.00	PRE-EMPLOYMENT BACKGROUND
EFT000000002950	10/15/2025	Parkhouse Tire Inc	1,903.15	TRUCK SUPPLIES - D653
EFT000000002951	10/15/2025	Martin Marietta Materials Inc	420.00	DUMP BOBTAIL
EFT000000002952	10/15/2025	Blue-White Industries	1,353.13	WTP SUPPLIES
EFT000000002953	10/15/2025	Rusty Wallis Inc.	7,425.00	WTP CHEMICALS
EFT000000002954	10/15/2025	TerraVerde Energy, LLC	2,637.50	PSA for Vehicle Fleet Electrification Feasibility Study & Conceptual Plan Phase 1 (24AGR019)
EFT000000002955	10/15/2025	SoCal Saltworks LLC	6,876.69	WTP CHEMICALS
EFT000000002956	10/15/2025	N2W Engineering, Inc.	28,892.50	Final Design Services for Palms PRS Project - N2W - 25AGR025
EFT000000002957	10/15/2025	California Office Cleaning, Inc.	7,005.00	Janitorial Services for Multiple Sites
EFT000000002958	10/15/2025	Morgan Stanley Advisors LLC DBA Fiduciary Con	5,000.00	457/401A PLAN REVIEW
EFT000000002959	10/15/2025	Aqua Metric	13,708.00	Inventory
EFT000000002960	10/15/2025	Gallade Chemical	123.91	WTP CHEMICALS
EFT000000002961	10/15/2025	Express Services Inc	3,104.64	TEMP LABOR PPE 100525
EFT000000002962	10/15/2025	Utility Service Co. Inc	242,338.96	QTRLY TANK MAINTENANCE
EFT000000002963	10/15/2025	Rockwell Construction Services LLC	7,505.00	Construction Mgmt Services PLC Replacement Project (Potable/Recycled)
EFT000000002964	10/15/2025	Infrastructure Engineering Corporation	3,310.00	VARIOUS FIRE FLOWS
EFT000000002965	10/15/2025	Harrington Industrial Plastics Inc	512.58	WTP SUPPLIES
EFT000000002966	10/22/2025	Underground Service Alert	336.00	DIG ALERT TICKETS
EFT000000002967	10/22/2025	Wateruse Association	4,770.59	2026 MEMBERSHIP DUES
EFT000000002968	10/22/2025	Dudek	11,412.50	Engineering Services During Construction-Headworks Project - Dudek
EFT000000002969	10/22/2025	Encina Wastewater Authority	12,497.15	WATER SAMPLES
EFT000000002970	10/22/2025	Southern Counties Lubricants, LLC.	5,164.45	FUEL SUPPLIES
EFT000000002971	10/22/2025	Hasa	10,432.18	WTP CHEMICALS
EFT000000002972	10/22/2025	Evoqua Water Technologies	584.60	WWTP PREVENT MAINT SERVICES
EFT000000002973	10/22/2025	Sloan Electric	978.00	WWTP SERVICES
EFT000000002974	10/22/2025	Volt Management Corp DBA	1,505.91	SDCWA INTERNS W/E 092625
EFT000000002975	10/22/2025	NexusTek Phoenix	6,997.81	CLOUD STORAGE SERVICES
EFT000000002976	10/22/2025	Traffic Safety Solutions	2,350.00	AZAHAR ST/ROMERIA MESSAGE SIGN
EFT000000002977	10/22/2025	G. Briest Consulting, Inc.	3,629.42	ENGINEER CONSULTING SERVICES
EFT000000002978	10/22/2025	Alpha Mechanical, Inc	691.65	WTP SERVICES
EFT000000002979	10/22/2025	PWLC I, INC	20,493.60	Landscape Maintenance at Multiple Potable Reservoir Sites
EFT000000002980	10/22/2025	Martin Marietta Materials Inc	840.00	DUMP BOBTAIL
EFT000000002981	10/22/2025	Ignacio Tool Supply Inc.	40.95	SHOP TOOLS

Olivenhain Municipal Water District
October 2025 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference
EFT000000002982	10/22/2025	Rusty Wallis Inc.	5,775.00	WTP CHEMICALS
EFT000000002983	10/22/2025	TerraVerde Energy, LLC	3,196.59	PSA for Vehicle Fleet Electrification Feasibility Study & Conceptual Plan Phase 1 (24AGR019)
EFT000000002984	10/22/2025	West Coast Sand & Gravel	456.61	YARD MATERIALS
EFT000000002985	10/22/2025	Whitson CM	300.00	OMWD HQ SITE INSPECTION SVCS
EFT000000002986	10/22/2025	Nossaman LLP	24,888.17	8/25 LEGAL SERVICES
EFT000000002987	10/22/2025	Univar Solutions Usa Inc	9,242.07	WTP CHEMICALS
EFT000000002988	10/22/2025	Konecranes Inc	642.96	Crane/Hoist PM Service & Inspections at DCMWTP
EFT000000002989	10/22/2025	Harrington Industrial Plastics Inc	704.42	WTP SUPPLIES
EFT000000002990	10/22/2025	Water for People	58.00	WTRPL 10/23/2025
EFT000000002991	10/29/2025	ACWA - JPIA	462,049.94	10/25-9/26 AUTO/GEN LIAB INSURANCE
EFT000000002992	10/29/2025	Boot World Inc	392.69	Safety Boots
EFT000000002993	10/29/2025	Vallecitos Water District	39,051.49	RECLAIMED WATER SALES
EFT000000002994	10/29/2025	Hasa	9,940.88	WWTP CHEMICALS
EFT000000002995	10/29/2025	North County Powder Coating	1,000.94	WWTP SERVICES
EFT000000002996	10/29/2025	McMaster-Carr Supply Co.	205.92	SUPPLIES
EFT000000002997	10/29/2025	Calif. Surveying & Drafting Supply	80.58	MARKING CHALK - BLUE
EFT000000002998	10/29/2025	Woodard & Curran	8,593.75	NSDWRC GRANT ADMIN SUPPORT
EFT000000002999	10/29/2025	Cecilia's Safety Service	1,875.00	SAN DIEGUITO RD & WINLAND RD
EFT000000003000	10/29/2025	Volt Management Corp DBA	1,476.09	SDCWA INTERNS W/E 10/3/2025
EFT000000003001	10/29/2025	Traffic Safety Solutions	995.00	TRAFFIC DRAWINGS - ROMERIA
EFT000000003002	10/29/2025	The Pun Group LLP	14,420.00	6/30/25 AUDIT SERVICES
EFT000000003003	10/29/2025	EcosConnect LLC	1,444.00	BACKFLOW REPORTS/NOTICES
EFT000000003004	10/29/2025	Parsons	1,101.00	25AGR041 - EFRR Parking Lot Design Services
EFT000000003005	10/29/2025	Rincon Consultants Inc.	3,993.40	NSDWRC GRANT ADMIN SUPPORT
EFT000000003006	10/29/2025	KDC Inc. dba	72,680.40	PLC Replacement Project Construction (Potable/Recycled)
EFT000000003007	10/29/2025	GovernmentJobs.com, Inc. dba	6,677.45	GOV'T SUBSCRIPTION
EFT000000003008	10/29/2025	GSE Construction Co., Inc.	87,685.00	Construction Agreement for 4SWRF Headworks Project - GSE Construction (25AGR013)
EFT000000003009	10/29/2025	SCA of CA, LLC	1,375.00	STREET SWEEPING - AZAHAR
EFT000000003010	10/29/2025	California Office Cleaning, Inc.	11,030.00	Janitorial Services for Multiple Sites
EFT000000003011	10/29/2025	Gallade Chemical	139.00	WWTP CHEMICALS
EFT000000003012	10/29/2025	Express Services Inc	1,383.46	TEMP LABOR PPE 101225
EFT000000003013	10/29/2025	Global Power Group Inc	965.83	WWTP PREVENT MAINT SERVICES
EFT000000003014	10/29/2025	Samba Holdings Inc	339.40	9/25 DRIVER RECORD MONITORING
EFT000000003015	10/29/2025	Bob Turner's Crane Service Inc	1,120.00	WRF POND PUMP PM'S
EFT000000003016	10/29/2025	NBS	12,170.75	QTRLY ADMIN SERVICES - 96-1 DEBT
EFT000000003017	10/29/2025	Valley Construction Management	13,802.00	Village Park PRS Station Construction Management Services (22AGR029, TO#7)
EFT000000003018	10/29/2025	Harrington Industrial Plastics Inc	4,611.37	WWTP POND SUPPLIES
EFT000000003019	10/29/2025	Guardian	980.22	11/25 DENTAL ADMIN FEES
EFT000000003020	10/29/2025	N2W Engineering, Inc.	17,003.80	Final Design Services for Palms PRS Project - N2W - 25AGR025
			<u>2,784,401.66</u>	

Olivenhain Municipal Water District
Monthly Directors Fee and Reimbursed Expenses for Directors and Staff
October 2025

<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	450.00
			0.00	0.00	0.00	0.00	450.00
Director Hahn			0.00	0.00	0.00	0.00	900.00
			0.00	0.00	0.00	0.00	900.00
Director Lanfried			0.00	0.00	0.00	0.00	750.00
			0.00	0.00	0.00	0.00	750.00
Director Maloni	10/22/2025	37642	0.00	75.91	0.00	75.91	600.00
			0.00	75.91	0.00	75.91	600.00
Director Meyers			0.00	0.00	0.00	0.00	750.00
			0.00	0.00	0.00	0.00	750.00
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	

*Includes September and October Per Diems.

Notes:

(1) Reviewed and discussed with the Finance Committee (02/05/18).

(2) Reimbursement of expenses are in compliance with Article 19 of the District's Administrative and Ethics Code.

(3) Travel and other expenses charged to District's credit cards and paid by the District are recorded and maintained separately.

Memo

Date: November 19, 2025
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 2568 LONE JACK ROAD WATER SERVICE INSTALLATION (ANGER) 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 Nicholas and Amie Anger (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 to OMWD's Standard Specifications and Drawings per the Development Construction Agreement.

Background

The 2568 Lone Jack Road Water Service Installation Project (Project) is located on Lone Jack Road, north of Dove Hollow Road in Director Division 1 (Lanfried). The project consisted of the installation of a 2" water service for a 1.5" meter.

OMWD entered into an agreement with the Developer in October of 2023 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.

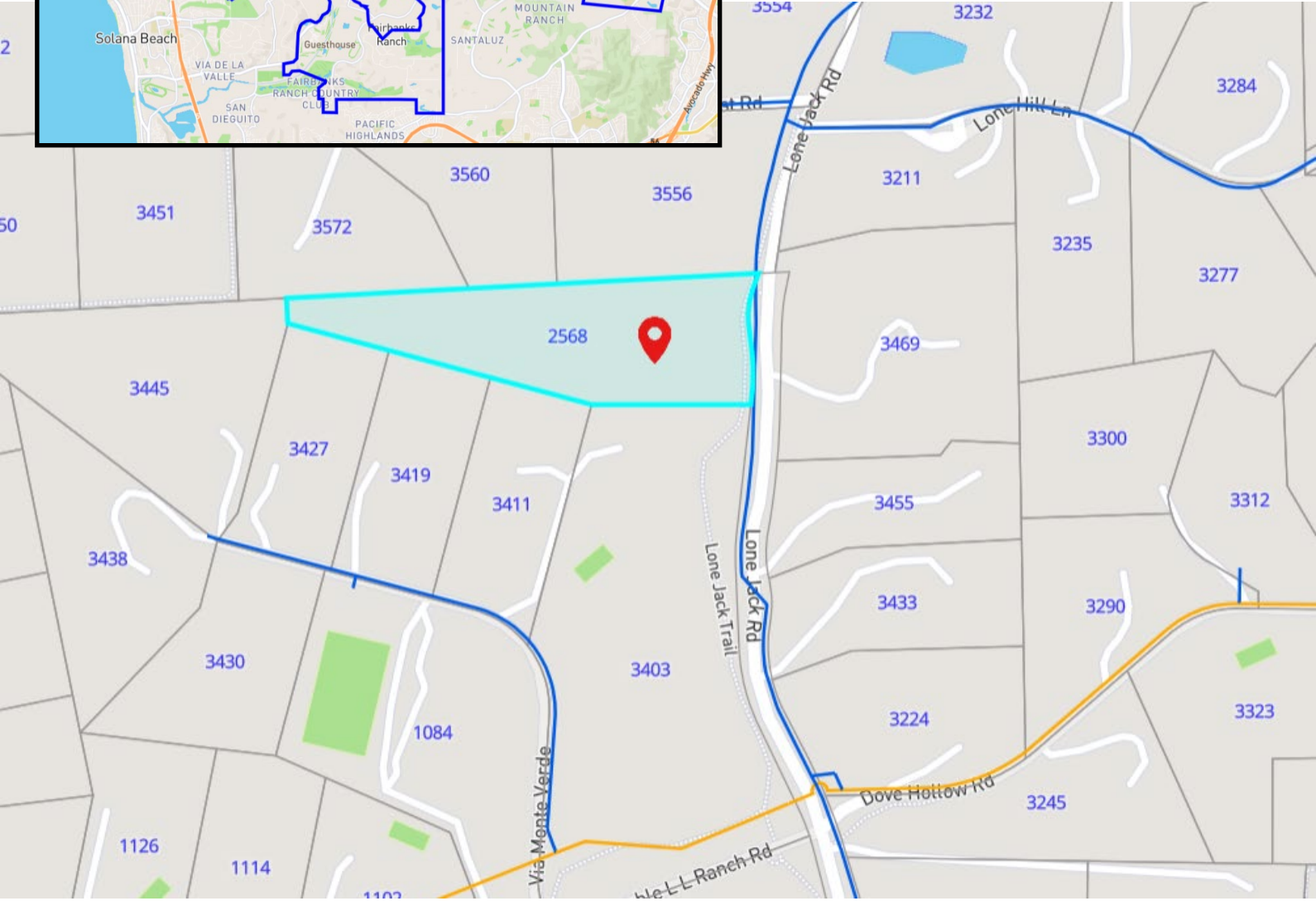
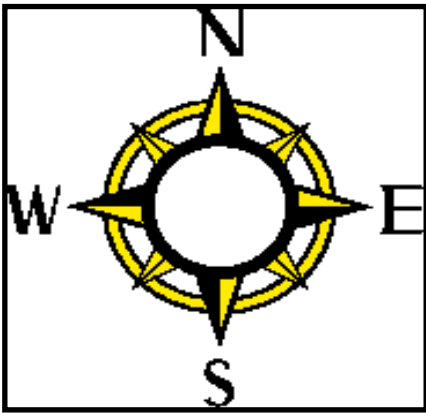
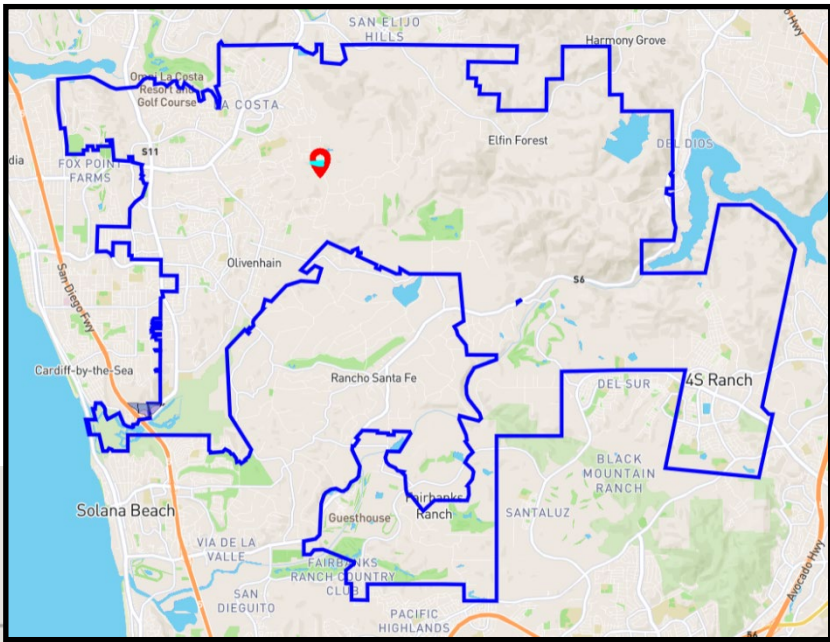
Discussion

Staff is available to answer questions.

Attachments:

Location Map

Notice of Completion



LOCATION MAP
2568 LONE JACK ROAD
DISTRICT PROJECT NO. W590320

**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 264-241-26-00 of Map No. 13947, recorded on Date of Map Recording located in the County of San Diego, State of California for which Nicholas Anger and Amie Anger, ("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 October 1st, 2025. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 19th day of November 2025.

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: November 19, 2025
To: Olivenhain Municipal Water District Board of Directors
From: Steven Weddle, Engineering Services Supervisor
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER FINAL UPDATE OF THE OTP-1 EMERGENCY LEAK REPAIR PROJECT, ACCEPT THE PROJECT INTO OMWD'S SYSTEM, AND ORDER THE NOTICE OF COMPLETION FILED**

Purpose

The purpose of this agenda item is to provide a final update on the Olivenhain Treatment Plant (OTP) – 1 Leak Repair Project (Project), accept the Project into OMWD's system, and authorize the filing of a Notice of Completion with the San Diego County Recorder.

Recommendation

Staff recommends the Board accept the Project into OMWD's system and authorize staff to file the Notice of Completion with the San Diego County Recorder, as work is now complete.

Alternative(s)

There are no alternatives to accepting the project into OMWD's system. Emergency work to repair the leak is complete.

Background

During the week of September 15, OMWD Staff investigated a leak that surfaced at the 48" CMLC Olivenhain Treated Pipeline (OTP-1) in Director Division 1 (Lanfried), which staff believed was on an analyzer sample lateral. Staff tried to determine the source, but the remote location, depth, and pressure of the pipe made access and repairs challenging for OMWD crews to address beyond minor subsurface investigations.

While no service to customers was interrupted, the location immediately adjacent to key facilities for OMWD and San Diego County Water Authority (SDCWA), the pressure of the pipeline (200+ psi), the depth of the needed excavation (estimated 20+ feet), and the potential to cause great harm to property and essential public service created a clear and imminent danger to critical SDCWA and OMWD infrastructure. Because of this, the General Manager declared an emergency on September 24, 2025, in accordance with §3.2.1 of the District's Administrative and Ethics Code. The General Manager declared an emergency to immediately deploy the resources needed to investigate, excavate and repair the leak.

The area in question is called "Pipelines East" and was constructed in partnership with the SDCWA circa 2000- 2001. When OMWD built the Olivenhain Water Storage Project (OWSP) and the SDCWA Emergency Storage Project back in the late 1990's and early 2000's, OMWD owned the right of way for pipelines to be constructed from the Olivenhain Dam and the McCollom Treatment Plant (DCMWTP) out into the OMWD distribution system and connecting to the SDCWA imported water aqueduct(s). At that time, OMWD sold excess treatment to SDCWA instead of Vallecitos. The analyzer in question where the leak is surfacing had been used to test treated water being sold to SDCWA and has not been used since OMWD stopped selling water to SDCWA over 16 years ago. SDCWA was the lead for construction back in 2000-2001 for "Pipelines East", which included both OMWD's 48" pipeline that takes water from our plant out to the system and for SDCWA's 78" raw water pipeline that takes water off SDCWA's raw water Pipeline 5 and feeds the Olivenhain Dam. These pipes run parallel to each other in the same right of way. OMWD paid SDCWA for OWMD's share of the construction cost for our 48" pipeline and SDCWA constructed both pipelines at the same time and achieved economies of scale for both agencies.

The initial leak manifested as approximately 8,000 gallons per day and diverted into a nearby culvert while staff investigated. SDCWA was kept in the loop through the entire process. OMWD staff met with multiple contractors to understand availability and estimates. Three of the contractors indicated that they had limited availability for immediate repair. Cass had immediate crews and equipment available and was selected to make the repairs.

Crews excavated on September 29 and found a failed corporation stop at the connection to the 48" pipeline on the analyzer connection lateral. Repairs were enacted thereafter and were completed on September 30. OMWD took the DCMWTP offline during repairs and switched to SDCWA treated water on September 29, 2025. There were no impacts to water delivery for customers.

The emergency was reviewed with the Board on October 15, 2025, with a contract authorized to Cass for an estimated amount of \$75,000 and \$100,000 appropriated to the Project (D120215).

Fiscal Impact

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: \$100,000

Current Fiscal Year Appropriation: \$100,000

To Date Approved Appropriations: \$100,000

Target Project Completion Date: completed

Expenditures and Encumbrances as of November 10, 2025: \$27,823

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

If this change order is outside of the appropriation, Source of Fund? N/A

Discussion

Cass mobilized the week of September 22, and all pipeline repairs were completed by September 30. The line was immediately returned to service thereafter to restore normal flow and operation from the DCMWTP. Site restoration was completed by October 3, 2025, by OMWD and Cass. Cass was utilized as the work and large equipment needed was beyond the capabilities of OMWD crews and equipment, and the nature of the leak required immediate action to prevent and mitigate the loss of property and essential public service given the proximity to critical SDCWA and OMWD infrastructure. OMWD communicated with key SDCWA staff throughout the duration of the repair work.

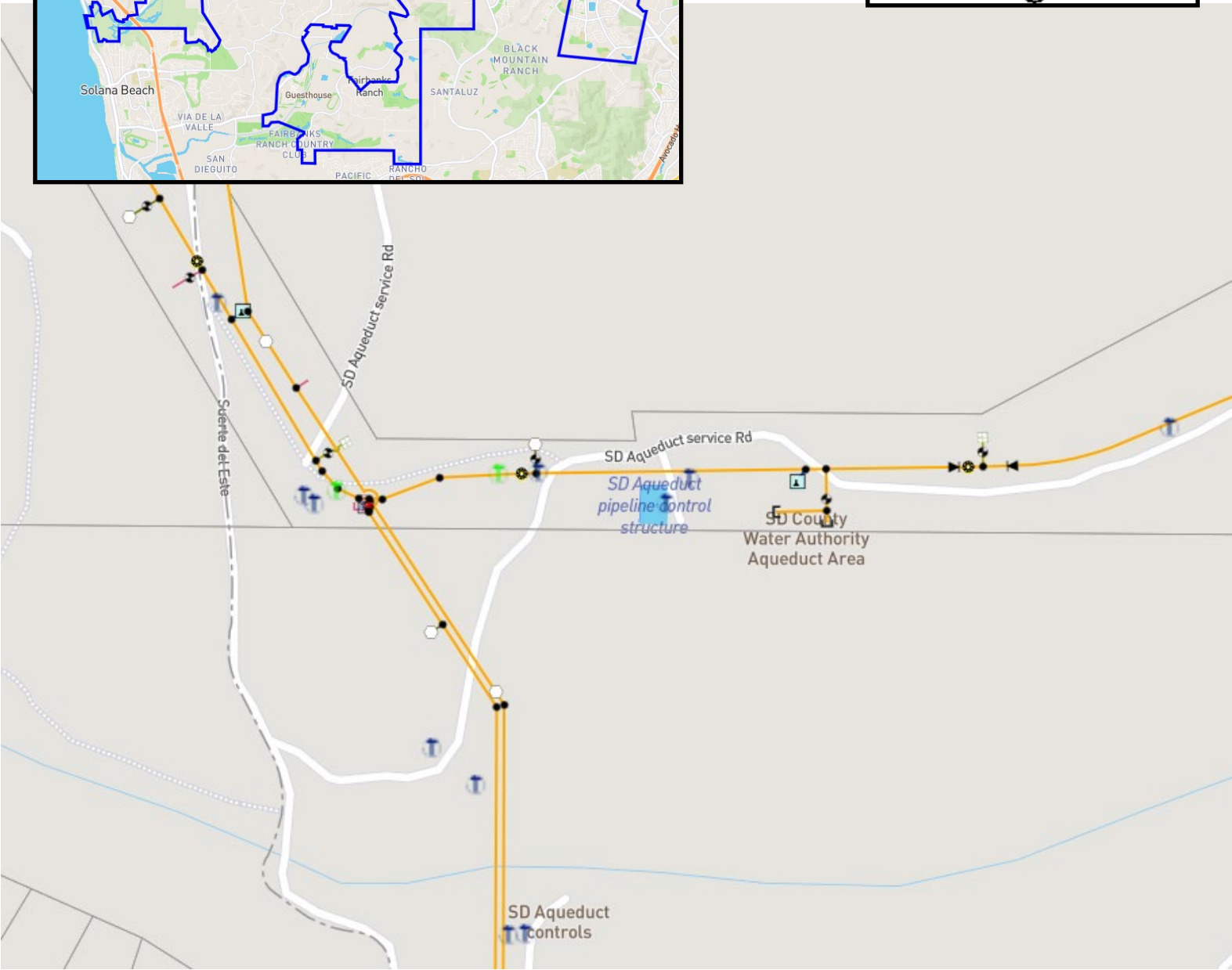
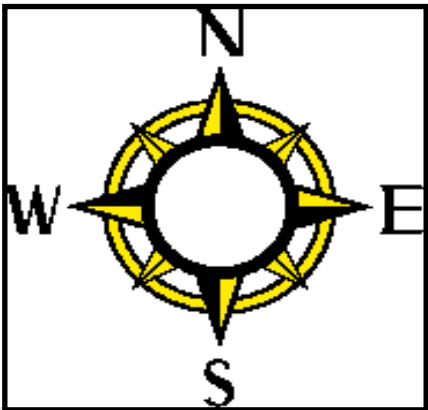
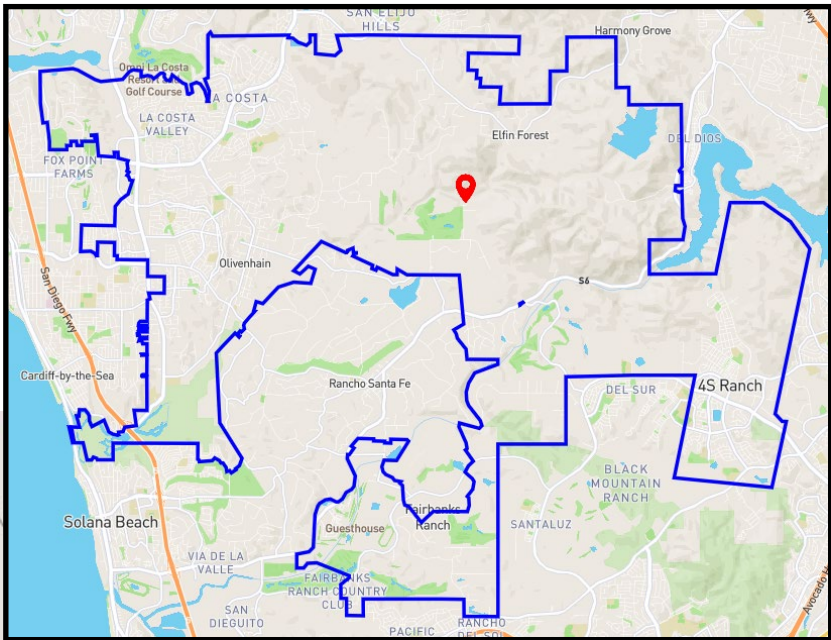
Work for the project is now complete. This will be the final report on the emergency declaration to the Board. Staff recommends acceptance of the project into OMWD's system and filing the Notice of Completion with the San Diego County Recorder.

Staff is available to answer questions.

Attachment(s):

Location Map

Notice of Completion



OTP-1 LEAK REPAIR PROJECT

**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 OTP-1 Emergency Leak Repair Project located in the vicinity north of Calle Messina, adjacent to SD Aqueduct Service Road, Escondido, CA , located in the County of San Diego, State of California for which OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner", in fee, of the facilities), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with CASS CONSTRUCTION, INC. dba CASS ARRIETA ("Contractor"), located at 1105 N. Marshall Avenue, El Cajon, CA 92020, have been completed in accordance with the plans and specifications as of September 30, 2025. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 19th day of November 2025.

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: November 19, 2025

To: Olivenhain Municipal Water District Board of Directors

From: Paul Martinez, Engineering Technician I

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER APPROVAL OF THE FIRST AMENDMENT TO A LEASE AGREEMENT BETWEEN OLIVENHAIN MUNICIPAL WATER DISTRICT AND VERTICAL BRIDGE AT THE GATY II RESERVOIR SITE TO EXTEND THE LEASE TERM AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider approval of a First Amendment to a lease agreement between Olivenhain Municipal Water District (OMWD) and Vertical Bridge for cellular communication facilities at the Gaty II Reservoir Site to extend the lease term, and authorize the General Manager to sign on behalf of the District.

Recommendation

Staff recommends approval of the First Amendment

Alternative(s)

The Board could choose not to accept the First Amendment to the lease agreement or direct staff to further negotiate on certain terms. Vertical Bridge would then continue to

operate under their current lease and may return for additional negotiations as their current lease comes closer to expiring or may explore other potential sites.

Background

In February 2014, OMWD entered into a Lease Agreement with Sprint-Nextel for the construction and operation of cellular communication facilities at the Gaty II Reservoir site. The original lease term was ten (10) years, with one (1) optional five-year extension. The lease is currently within the extension period and is set to expire in January 2029.

During the initial 10-year term, Sprint-Nextel assigned the cell site to Vertical Bridge, with OMWD approving the assignment in July 2021. As part of this transfer, Vertical Bridge assumed full responsibility for operating and maintaining the site, as well as submitting the required monthly lease payments to OMWD.

Vertical Bridge is now requesting that the Board of Directors consider a First Amendment to the Lease Agreement to include four (4) additional five-year extension options, potentially extending the lease through 2049. The existing annual escalation rate of three percent (3%) would remain in effect for the entire term, and all provisions outlined in Section 9 would continue to apply, including OMWD's right to terminate the agreement with twelve (12) months' written notice.

Fiscal Impact

There is no fiscal impact associated with the approval of this First Amendment to the lease agreement. OMWD staff requested and received a \$2,500 administration fee prior to initiating the formal process for Board of Directors review. These funds will be used to offset staff time spent reviewing the formatting of the First Amendment and preparing the accompanying Board documentation. If Vertical Bridge exercises all available extension options, the total revenue generated could reach approximately \$1.1 million. Staff conducted a market rate study in 2024 and the current lease rate exceeds both the regional median and average rates, positioning OMWD favorably for the long term under this agreement.

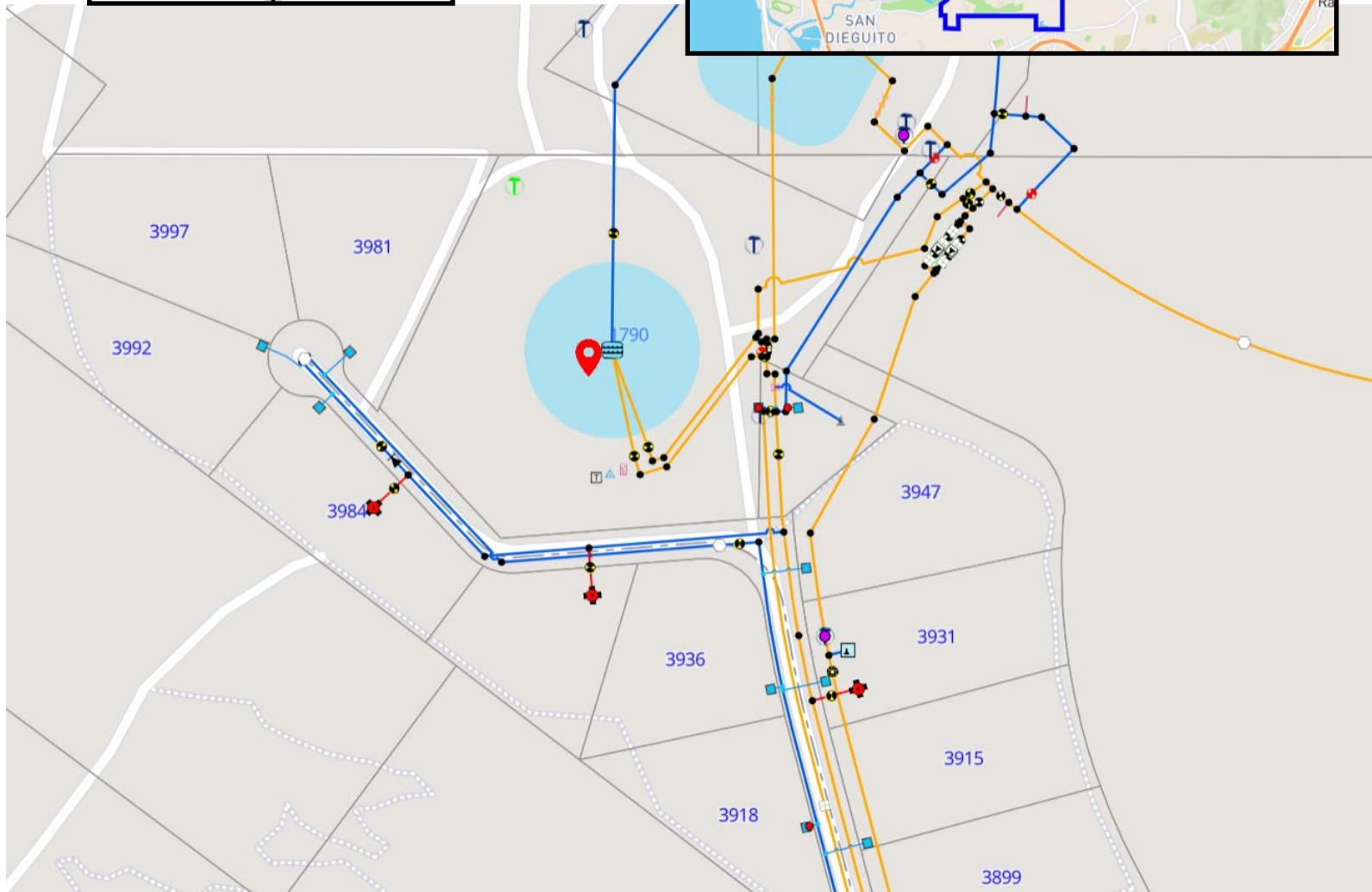
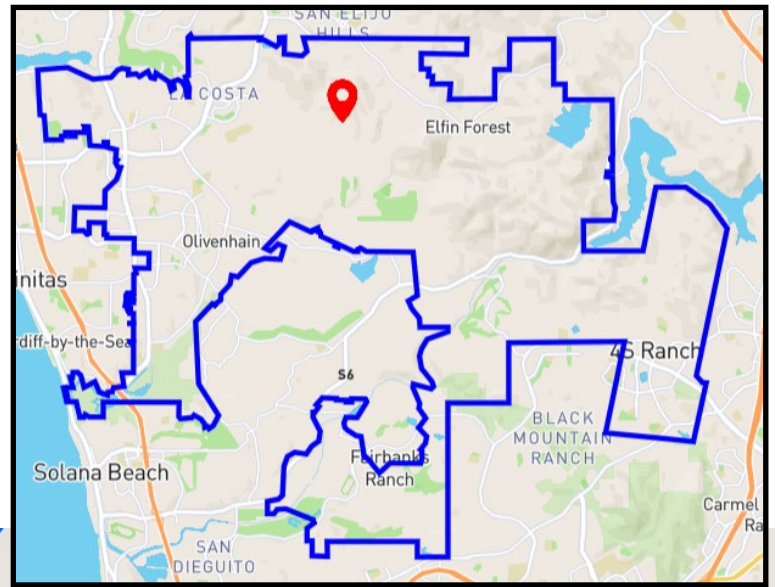
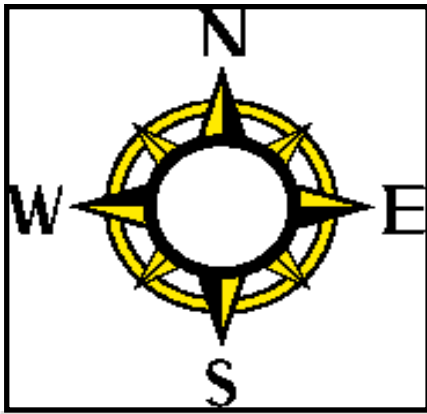
Discussion

The terms of the First Amendment have been agreed to by Vertical Bridge and reviewed by OMWD General Counsel. A copy of the proposed First Amendment is attached for review. Staff is available to answer questions.

Attachments:

Location Map

First Amendment



FIRST AMENDMENT FOR VERTICAL BRIDGE AT GATY II RESERVOIR

FIRST AMENDMENT TO A LEASE BETWEEN OLIVENHAIN MUNICIPAL WATER DISTRICT AND SPRINT-NEXTEL TO ALLOW COMMUNICATIONS FACILITIES AT THE GATY II RESERVOIR SITE

THIS FIRST AMENDMENT TO LEASE (the “First Amendment”) is made and entered into this ____ day of _____, 2025, by and between OLIVENHAIN MUNICIPAL WATER DISTRICT, a public agency organized and operating pursuant to California Water Code Sections 71000 *et seq.* (hereinafter referred to as “Lessor”) and VBT SUB 2, LLC., a Delaware limited liability company (hereinafter referred to as “Lessee”).

RECITALS

WHEREAS, Lessor (“Original Lessee”) SPRINT PCS ASSETS, LLC., entered into a Lease Between the Olivenhain Municipal Water District and Sprint-Nextel to Allow Communications Facilities at the Gaty II Reservoir Site dated February 6th, 2014 (the “Lease”) whereby Original Lessee leased certain real property, together with access and utility easements, located in San Diego County, California from Lessor (the “Leased Area”), all located within certain real property owned by Lessor (“Lessor’s Property”); and

WHEREAS, T-Mobile USA, Inc. (hereinafter “T-Mobile”) acquired the premises from its merger with Sprint PCS Assets, LLC on April 1, 2020; and

WHEREAS, on April 29, 2021, SprintCom, as equipment owner, and Vertical Bridge NTCF, LLC, entered into an Assignment and Assumption Agreement whereby SprintCom agreed to sell, convey, assign, transfer, and deliver its site interests to Vertical Bridge NTCF, and Olivenhain Municipal Water District accepted to this assignment on July 8, 2021; and

WHEREAS, Vertical Bridge NTCF, LLC, and its affiliates, including VB Run LLC. and VBT Sub 2, LLC., are now successor in interest to the original Lessee; and

WHEREAS, Lessor and Lessee desire to amend the Lease on the terms and conditions contained herein.

AGREEMENT

NOW THEREFORE, in consideration of the facts contained in the Recitals above, the mutual covenants and conditions below, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Lessor and Lessee agree as follows:

1. **Definitions.** The parties acknowledge and agree that all references in the original lease and any subsequent amendments to Sprint shall mean and refer to Vertical Bridge NCTF, LLC as Lessee. All references to Olivenhain Municipal Water District shall mean and refer to Lessor. Except as otherwise stated in this Amendment, all initially capitalized terms will have the same respective defined meaning stated in the original lease.

2. **Extension Terms.** At the end of the current five-year extension period on January 30, 2029, the lease shall extend for an additional four (4) five-year lease extensions (each extension referred to as a “Renewal Term”). Lessee may exercise each Renewal Term by providing written notice to Lessor of its intention to renew the lease at least ninety (90) days prior to commencement of each Renewal Term, unless Lessee terminates the Lease by giving Lessor written notice of its intent to terminate at least one hundred eighty (180) days before the end of the then-current term.

3. **Notices.**

To Vertical Bridge (Lessee):

Vertical Bridge REIT
C/o VBT Sub 2, LLC
22 W Atlantic Ave., Suite 310
Delray Beach, FL 33444
Attn: General Counsel

To OMWD (Lessor):

For All Legal Notices:

Olivenhain Municipal Water District
Attn: Kimberly A. Thorner, General Manager
1966 Olivenhain Road
Encinitas, CA 92024-9761
Tel No. (760) 753-6466

With a Copy To:

Alfred E. Smith
Nossaman LLP
777 South Figueroa Street, 34th Floor
Los Angeles, CA 90017
Tel No. (213) 612-7831
asmith@Nossaman.com

For All Other Notices & Requests for Site Upgrades

Olivenhain Municipal Water District
Attn: Facilities Coordinator
1966 Olivenhain Road
Encinitas, CA 92024-9761
Tel No. (760) 753-6466
Email: cellsites@olivenhain.com

4. **Continued Effect.** Except as specifically modified by this Amendment, all of the terms and conditions of the Lease shall remain in full force and effect. In the event of a conflict between any term or provision of the Lease and this Amendment, the terms and provisions of this Amendment shall control.

[Signature pages follow]

Lessor and Lessee have caused this First Amendment to be duly executed on the day and year first written above.

LESSOR:

OLIVENHAIN MUNICIPAL WATER
DISTRICT, a public agency organized and
operating pursuant to California Water Code
Sections 71000 et seq.

By: _____

Print Name: _____

Title: _____

[Lessee Execution Page Follows]

This First Amendment is executed by Lessee as of the date first written above.

LESSEE:
VBT SUB 2, LLC,
A DELAWARE LIMITED LIABILITY
COMPANY

By: _____

Print Name: _____

Title: _____

Memo

Date: November 19, 2025

To: Olivenhain Municipal Water District Board of Directors

From: Paul Martinez, Engineering Technician I

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER APPROVAL OF A THIRD AMENDMENT TO THE LEASE AGREEMENT BETWEEN CELLCO PARTNERSHIP (DBA VERIZON WIRELESS) AND OLIVENHAIN MUNICIPAL WATER DISTRICT TO GRANT EASEMENT RIGHTS FOR THE INSTALLATION OF COMMUNICATION FACILITIES AT THE MARYLOYD RESERVOIR SITE TO INSTALL FIBER OPTIC AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider approval of a Third Amendment to the lease agreement between Cellco Partnership (dba Verizon Wireless) and Olivenhain Municipal Water District (OMWD) to grant easement rights for the installation of cellular communication facilities at the Maryloyd Reservoir Site. With the Third Amendment, Verizon is requesting to bring fiber optic to the site.

Recommendation

Staff recommends approval of the Third Amendment.

Alternative(s)

The Board could choose not to accept the Third Amendment to the lease agreement, or it could recommend changes to the proposed amendment. If the Third Amendment is not approved, Verizon would then continue using their current microwave antenna technology rather than upgrading to fiber optic cable.

Background

In June 2002, OMWD entered into a Lease Agreement with Verizon Wireless for construction of cellular communication facilities at the Maryloyd Reservoir Site in Director Division 1 (Lanfried). Following the original 2002 lease, OMWD and Verizon entered into a First Amendment in March 2010 and a Second Amendment in July 2021. Both the First and Second Amendments were executed to extend the term of the lease, and the lease is currently due to expire on May 31, 2027.

In September 2024, Verizon Wireless approached OMWD with a request to upgrade their facilities at the Maryloyd site to install fiber optic cable. A plan for the fiber optic cable installation was prepared by Verizon and reviewed by OMWD. The proposed work involves Verizon installing a conduit starting within the Via Ambiente roadway and running southwest along Paseo Esplanada to their facilities. If the amendment is approved, Verizon will have conduit and fiber optic cable installed. The proposed conduit path follows an existing OMWD Easement 1084 (Doc. No. 2000-0266224) states:

“GRANTEE shall have the right to use the easement for... the construction, operation, maintenance, repair or replacement of water or sewer pipelines or any other utility facilities or structures determined appropriate by Grantee, in its sole discretion, including any electrical or communications facilities determined appropriate by GRANTEE. GRANTEE and its successors or assigns shall have the right to use all or any portion of the fee for any purpose or use permitted by GRANTEE’S enabling laws and for all uses permitted to GRANTEE now or in the future by the laws of the State of California... The GRANTEE shall have the right at any time to share this fee with any public agency or private party as determined by GRANTEE in its sole discretion.”

While this language allows OMWD to assign rights to Verizon to utilize the easement, Verizon desired to explicitly memorialize their request for installing fiber optic communication facilities with this Third Amendment. All terms of the original lease and subsequent amendments will remain in full force and effect.

Fiscal Impact

There is no fiscal impact to accepting the Third Amendment to the lease agreement. Language in the new amendment requests a signing bonus of \$2,500 from Verizon to be paid within sixty (60) days after full execution of the lease amendment. The funds will be applied towards OMWD staff time that has been utilized to review the proposed construction plan, preparation of the Third Amendment to the lease agreement, and the preparation of Board paperwork.

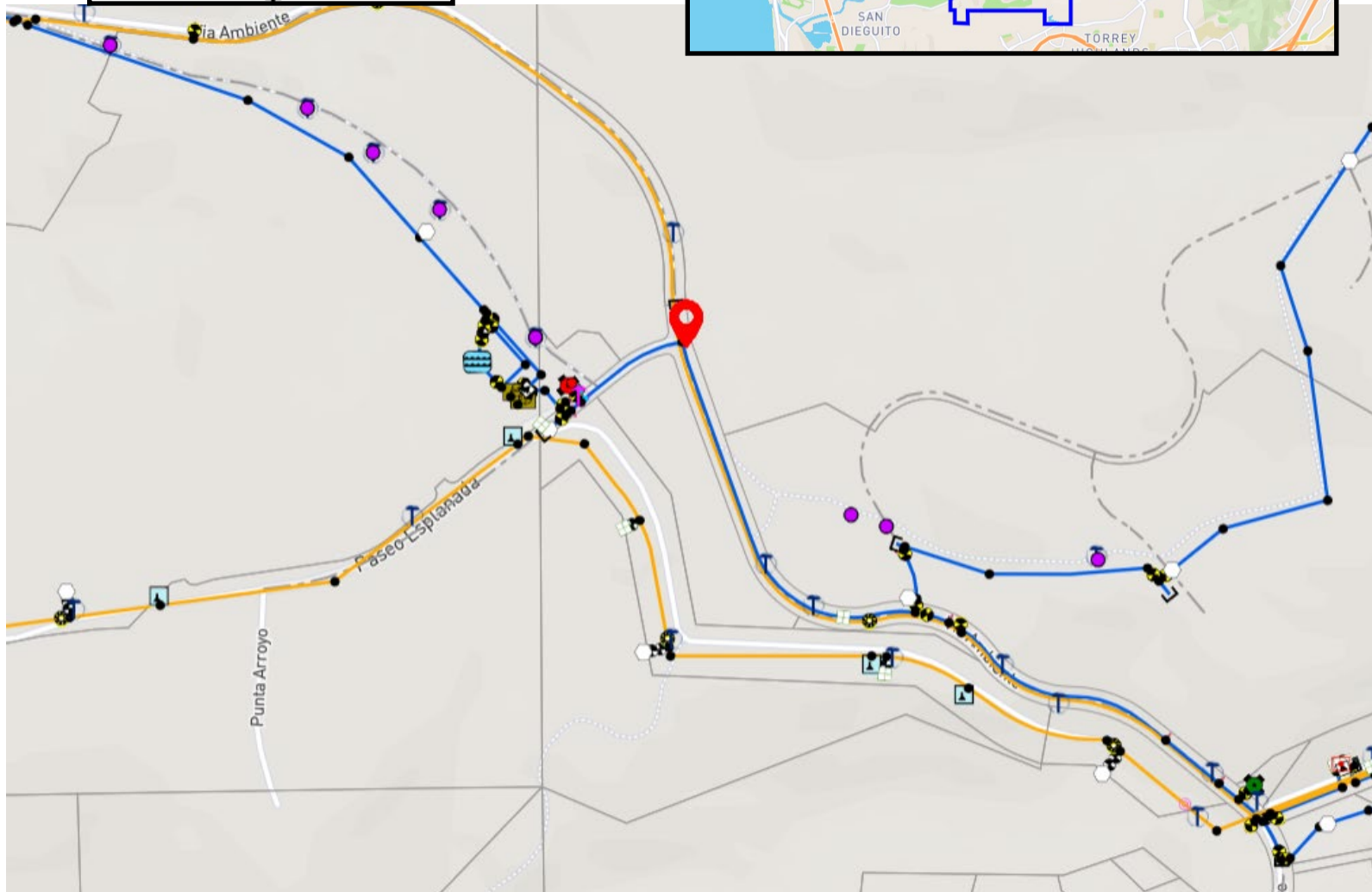
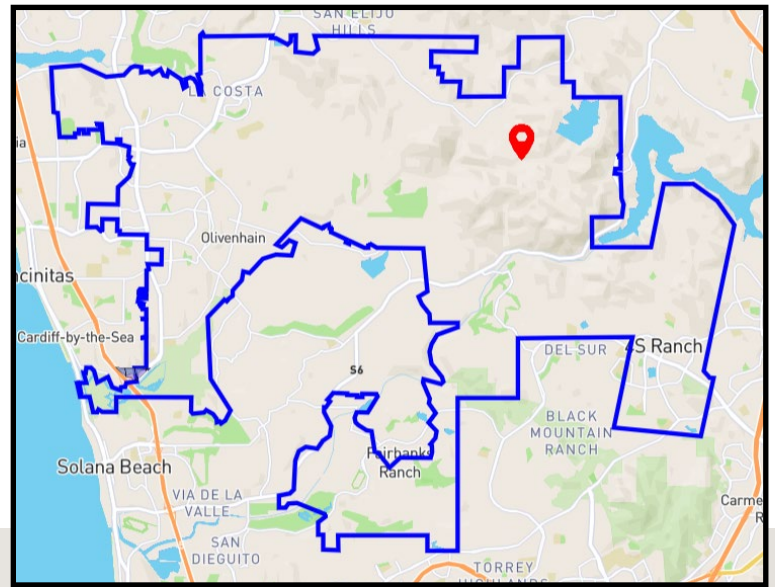
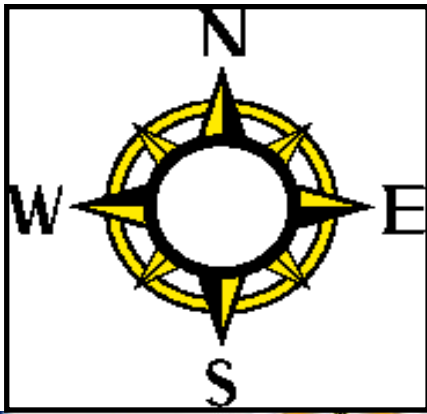
Discussion

The terms of the Third Amendment have been agreed to by Celco Partnership (dba Verizon Wireless) and reviewed by OMWD General Counsel. A copy of the proposed Third Amendment is attached for review. Staff is available to answer questions.

Attachments:

Location Map

Third Amendment



**3rd AMENDMENT FOR VERIZON AT
MARYLOYD RESERVOIR
LOCATION MAP**

**THIRD AMENDMENT TO LEASE BETWEEN THE OLIVENHAIN MUNICIPAL
WATER DISTRICT AND CELLCO PARTNERSHIP (DBA VERIZON WIRELESS) TO
ALLOW COMMUNICATIONS FACILITIES AT THE MARYLOYD RESERVOIR SITE**

This THIRD AMENDMENT TO LEASE BETWEEN THE OLIVENHAIN MUNICIPAL WATER DISTRICT AND VERIZON WIRELESS TO ALLOW COMMUNICATION FACILITIES AT THE MARYLOYD RESERVOIR SITE (this "Amendment") is entered into this ____ day of _____, 20__, by and between the **Olivenhain Municipal Water District, a public agency**, with a mailing address of 1966 Olivenhain Road, Encinitas, California 92024-9761, hereinafter designated "Lessor" or "Olivenhain," and **Cellco Partnership, a Delaware general partnership, d/b/a Verizon Wireless**, with its principal offices located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, hereinafter designated "Lessee" or "Verizon Wireless," with reference to the facts set forth in the Recitals below. Lessor and Lessee are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

RECITALS

A. Lessor is the owner of certain real property located at 8250 Paseo Esplanada, Escondido, California, in the County of San Diego, State of California and also known as Assessor Parcel Number 264-060-05-00 ("Maryloyd Site").

B. Lessor and Lessee are parties to that certain Lease Between the Olivenhain Municipal Water District and Verizon Wireless to Allow Communication Facilities at the Maryloyd Reservoir Site executed June 1, 2002 ("Original Lease"), as amended by that certain First Amendment to Lease Between the Olivenhain Municipal Water District and Verizon Wireless to Allow Communication Facilities at the Maryloyd Reservoir Site dated March 2, 2010, as further amended by that certain Second Amendment to Lease Between the Olivenhain Municipal Water District and Verizon Wireless to Allow Communication Facilities at the Maryloyd Reservoir Site dated July 8, 2021 (the Original Lease, as so amended, the "Lease"), whereby Lessor leases a portion ("Premises") of the Maryloyd Site to Lessee for the construction, maintenance, security and operation of a communications facility situated substantially as shown on Exhibit "B" attached to the original Lease of June 2002.

C. Lessor and Lessee desire to amend the Lease on the terms and conditions as more fully set forth below to permit Lessee to install utility connections at the Maryloyd Site.

AGREEMENT

NOW, THEREFORE, in consideration of the facts contained in the Recitals above, the mutual covenants and conditions below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** The Parties acknowledge and agree that all references in the Lease to "VZW" shall mean and refer to Lessee. Except as otherwise stated in this Amendment, all initially capitalized terms will have the same respective defined meaning stated in the Lease.

2. **Fiber Improvements.** Lessor hereby consents to the alterations, additions and improvements to the Maryloyd Site that are described and depicted on Exhibit "B1," attached hereto

and made a part hereof. In connection with the proposed improvements set forth herein, Lessor consents to: (i) Lessee constructing a new fiber utility trench on the Property, (ii) installing fiber connections within a proposed new conduit, and (iii) installing additional appurtenant equipment on the Property (collectively, the "Fiber Improvements"). Upon completion of installation of the Fiber Improvements, such Fiber Improvements shall be deemed a part of the Premises. The Parties further acknowledge and agree the Fiber Improvements will be located within the Maryloyd Site as well as within that certain easement area of Lots 51 and 54 as shown in Exhibit "B1" pursuant to that certain Grant Deed and Easement in favor of Lessor recorded May 22, 2000, in the Office of the County Recorder of San Diego County as Instrument Number 2000-0266224 as provided in Section 12 of the Original Lease.

3. **Signing Bonus.** Lessee agrees to pay Lessor a one-time, lump sum nonrefundable signing bonus in the amount of Two Thousand Five Hundred and 00/100 Dollars (\$2,500) as additional rent, which shall be payable within sixty (60) days after full execution hereof by both parties. The failure of Lessee to do so shall constitute a material breach of this Amendment upon receipt of written notice from Lessor.

4. **Notices.** The notice addresses listed in Section 35.10 of the Original Lease are hereby deleted in their entirety and the following is substituted in lieu thereof:

"TO: "OMWD"

For All Legal Notices:

Olivenhain Municipal Water District
Attn: Kimberly A. Thorner, General Manager
1966 Olivenhain Road
Encinitas, CA 92024-9761
Tel No. (760) 753-6466

With a Copy To:

Alfred E. Smith
Nossaman LLP
777 South Figueroa Street, 34th Floor
Los Angeles, CA 90017
Tel No. (213) 612-7831
asmith@Nossaman.com

For All Other Notices & Requests for Site Upgrades

Olivenhain Municipal Water District
Attn: Facilities Coordinator
1966 Olivenhain Road
Encinitas, CA 92024-9761
Tel No. (760) 753-6466
Email: cellsites@olivenhain.com

TO LESSEE:

Cellco Partnership
dba Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attention: Network Real Estate

With a copy to:

Basking Ridge Mail Hub
Attention: Legal Intake
One Verizon Way
Basking Ridge, New Jersey 07920"

5. **Continued Effect.** Except as specifically modified by this Amendment, all of the terms and conditions of the Lease shall remain in full force and effect. In the event of a conflict between any term or provision of the Lease and this Amendment, the terms and provisions of this Amendment shall control. All captions are for reference purposes only and shall not be used in the construction or interpretation of this Amendment.

[Signatures appear on next page]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Amendment to be executed by each party's duly authorized representative effective as of the date first above written.

LESSOR:

Olivenhain Municipal Water District

By: _____

Name: _____

Title: _____

Date: _____

LESSEE:

Cellco Partnership, a Delaware general
partnership dba Verizon Wireless

By: _____

Name: _____

Title: _____

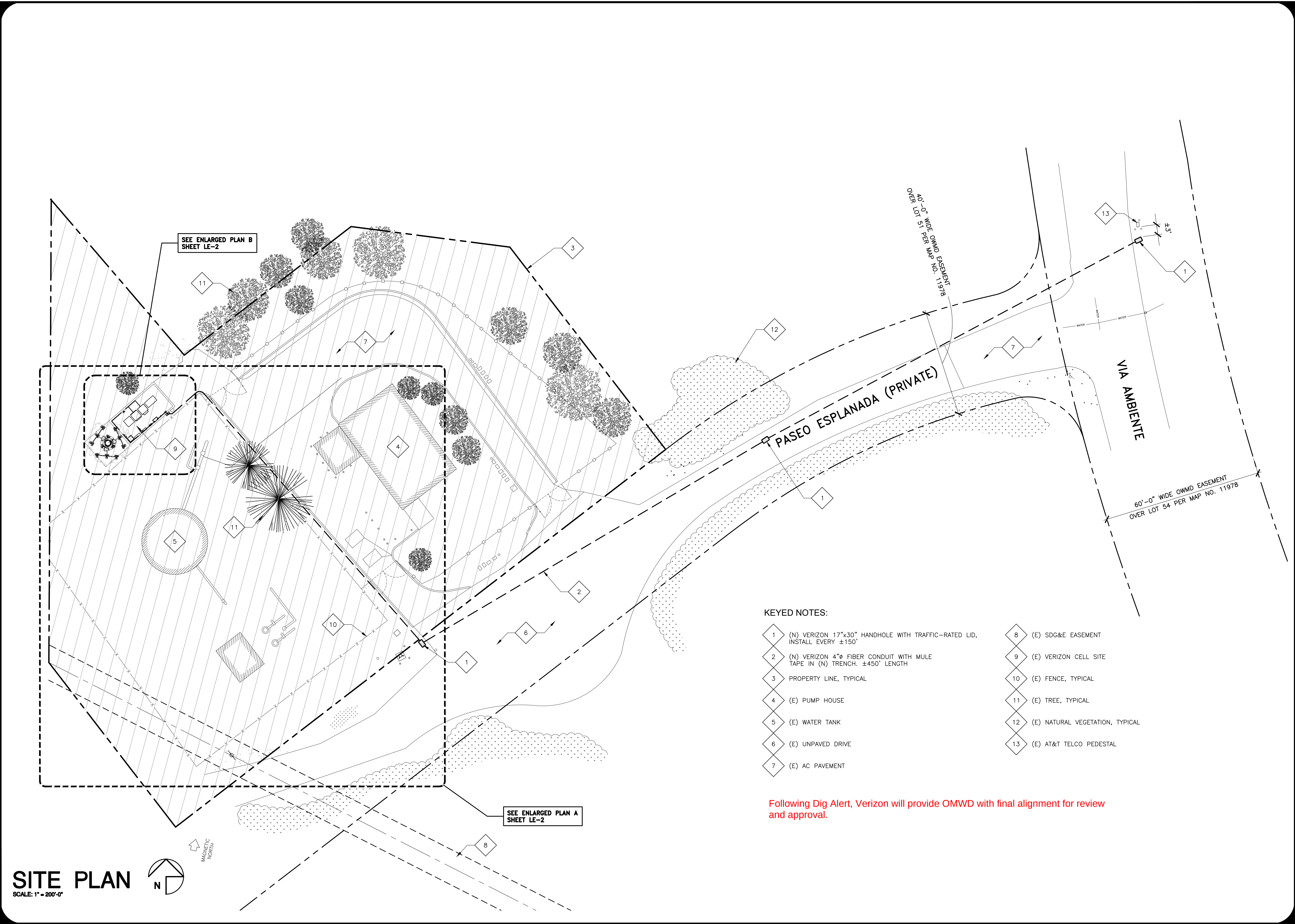
Date: _____

Exhibit “B1”

Fiber Improvements/Premises

See attached.

EXHIBIT B1



ISSUE STATUS

REV.	DATE	DESCRIPTION	BY
0	09/06/24	LEASE EXHIBIT	RW
1	06/17/25	NEW FFR	RW

PLANCOM
TELECOMMUNICATIONS PROJECT MANAGEMENT
16776 BERNARDO CENTER DRIVE,
UNIT 203,
SAN DIEGO, CALIFORNIA 92128

PROPRIETARY INFORMATION
THE INFORMATION CONTAINED IN THIS SET OF
DRAWINGS IS PROPRIETARY & CONFIDENTIAL TO
VERIZON WIRELESS
ANY USE OR DISCLOSURE OTHER THAN AS IT
RELATES TO VERIZON WIRELESS IS STRICTLY
PROHIBITED

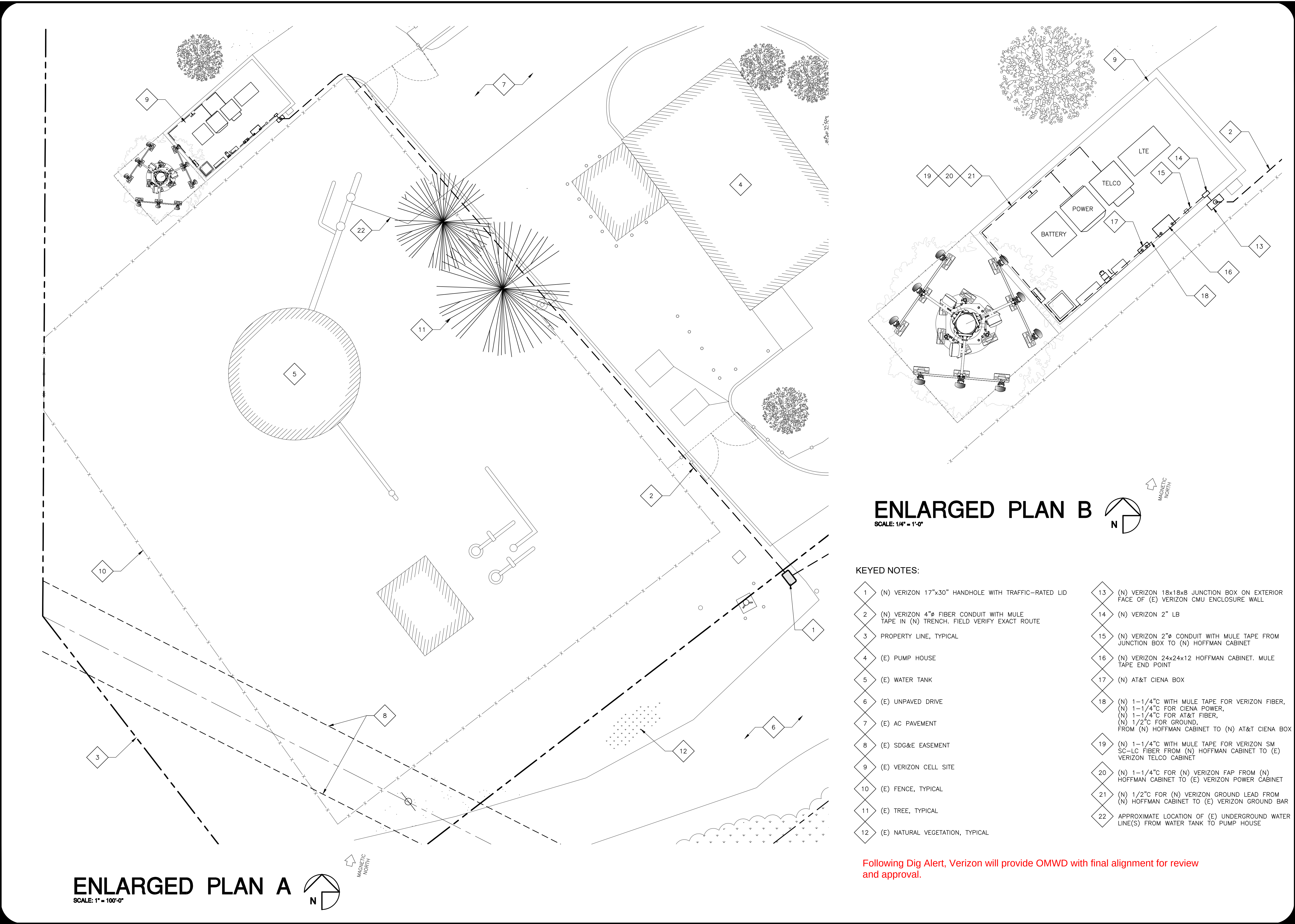
verizon
15505 SAND CANYON AVENUE
IRVINE, CA 92618

**ELFIN FOREST
FIBER**
19090 VIA AMBIENTE
ESCONDIDO, CA 92024

SHEET TITLE:
LEASE EXHIBIT

LE-1

EXHIBIT B1



KEYED NOTES:

- 1

(N) VERIZON 17"x30" HANDHOLE WITH TRAFFIC-RATED LID
- 2

(N) VERIZON 4"Ø FIBER CONDUIT WITH MULE TAPE IN (N) TRENCH. FIELD VERIFY EXACT ROUTE
- 3

PROPERTY LINE, TYPICAL
- 4

(E) PUMP HOUSE
- 5

(E) WATER TANK
- 6

(E) UNPAVED DRIVE
- 7

(E) AC PAVEMENT
- 8

(E) SDG&E EASEMENT
- 9

(E) VERIZON CELL SITE
- 10

(E) FENCE, TYPICAL
- 11

(E) TREE, TYPICAL
- 12

(E) NATURAL VEGETATION, TYPICAL
- 13

(N) VERIZON 18x18x8 JUNCTION BOX ON EXTERIOR FACE OF (E) VERIZON CMU ENCLOSURE WALL
- 14

(N) VERIZON 2" LB
- 15

(N) VERIZON 2"Ø CONDUIT WITH MULE TAPE FROM JUNCTION BOX TO (N) HOFFMAN CABINET
- 16

(N) VERIZON 24x24x12 HOFFMAN CABINET. MULE TAPE END POINT
- 17

(N) AT&T CIENA BOX
- 18

(N) 1-1/4"Ø WITH MULE TAPE FOR VERIZON FIBER, (N) 1-1/4"Ø FOR CIENA POWER, (N) 1-1/4"Ø FOR AT&T FIBER, (N) 1/2"Ø FOR GROUND, FROM (N) HOFFMAN CABINET TO (N) AT&T CIENA BOX
- 19

(N) 1-1/4"Ø WITH MULE TAPE FOR VERIZON SM SC-LC FIBER FROM (N) HOFFMAN CABINET TO (E) VERIZON TELCO CABINET
- 20

(N) 1-1/4"Ø FOR (N) VERIZON FAP FROM (N) HOFFMAN CABINET TO (E) VERIZON POWER CABINET
- 21

(N) 1/2"Ø FOR (N) VERIZON GROUND LEAD FROM (N) HOFFMAN CABINET TO (E) VERIZON GROUND BAR
- 22

APPROXIMATE LOCATION OF (E) UNDERGROUND WATER LINE(S) FROM WATER TANK TO PUMP HOUSE

Following Dig Alert, Verizon will provide OMWD with final alignment for review and approval.

ISSUE STATUS

REV.	DATE	DESCRIPTION	BY
0	09/06/24	LEASE EXHIBIT	RW
1	06/17/25	NEW FFR	RW

PLANCOM

TELECOMMUNICATIONS PROJECT MANAGEMENT
16776 BERNARDO CENTER DRIVE,
UNIT 203,
SAN DIEGO, CALIFORNIA 92128

PROPRIETARY INFORMATION

THE INFORMATION CONTAINED IN THIS SET OF
DRAWINGS IS PROPRIETARY & CONFIDENTIAL TO
VERIZON WIRELESS
ANY USE OR DISCLOSURE OTHER THAN AS IT
RELATES TO VERIZON WIRELESS IS STRICTLY
PROHIBITED

verizon

15505 SAND CANYON AVENUE
IRVINE, CA 92618

ELFIN FOREST
FIBER

19090 VIA AMBIENTE
ESCONDIDO, CA 92024

SHEET TITLE:

LEASE EXHIBIT

LE-2

Memo

Date: November 19, 2025

To: Olivenhain Municipal Water District Board of Directors

From: Steven Weddle, Engineering Services Supervisor

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH BRIGHTVIEW LANDSCAPE SERVICES, INC. FOR DISTRICT-WIDE LANDSCAPE MAINTENANCE SERVICES IN THE AMOUNT OF \$17,532 PER MONTH FOR 30 MONTHS, WITH THE OPTION TO EXTEND FOR UP TO TWO ADDITIONAL YEARS, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider approval of a Professional Services Agreement (PSA) with BrightView Landscape Services, Inc. (BrightView) for District-wide Landscape Maintenance Services in the amount of \$17,532 per month, for 30-months, with the option to extend for up to two (2) additional years, and authorize the General Manager to sign on behalf of Olivenhain Municipal Water District (OMWD).

Recommendation

Staff recommends award of an agreement to BrightView in the amount of \$17,532 per month, for 30 months, with the option to extend for up to two (2) additional years, and authorize the General Manager to sign on behalf of OMWD.

Alternative(s)

The Board could direct staff to:

- Reject all proposals and readvertise for qualified firms to perform Landscape Maintenance Services for OMWD; or
- Proceed in a manner as otherwise directed by the Board

Background

OMWD owns and operates twenty-nine reservoirs and facility sites including the Headquarters (HQ), David C. McCollom Water Treatment Plant (DCMWTP), 4S Ranch Water Reclamation Facility (4SWRF) and 4S Ranch Water Reclamation Facility Overflow Storage Pond (4SWRF Pond) requiring landscape maintenance services. These sites range in maintenance complexity based on the specific existing site plan and layout. The existing PSA for Landscape Maintenance Services expires on December 31, 2025, and the current monthly value is \$20,494.

In September and October 2025, OMWD ran a competitive procurement for Landscape Maintenance Services, and received five proposals from qualified firms.

Fiscal Impact

Funds for ongoing landscape maintenance services are planned for and included in each annual budget. This operational cost is shared proportionally between water, recycled water, and wastewater budgets. The total not to exceed value for the 30-month duration spanning part of FY 26 and all of FYs 27 and 28 is \$525,960. Funds are already budgeted to cover the first 6 months of this contract in FY 26.

Discussion

The Request for Proposal (RFP) for landscape maintenance services was posted to the Planet Bids website in September 2025, in accordance with Administrative and Ethics Code Section 6.9B. The comprehensive RFP included aerial photographs, updated site plans, and detailed specifications regarding the nature and frequency of all landscape maintenance tasks. The scope of work details specific landscape maintenance services required for each of the OMWD sites and reflects the work required to maintain these

sites due to specific site improvements (such as the Courtyard and Demonstration Garden at HQ), development, municipal screening/greenbelt requirements, and/or fire protection/weed abatement. Staff worked to evaluate the needs of each site to identify the right level of services necessary at each to preserve OMWD's assets and complement the surrounding community.

The scope is broken into two schedules based on frequency of service, with key sites requiring weekly service and other sites requiring monthly service, as shown in the table below:

Schedule I (minimum 2 days per week)	
Site Name	
4S Ranch Water Reclamation Facility	OMWD Headquarters
4S Ranch Water Reclamation Overflow Storage Pond	
Schedule I-A (minimum 1 day per week)	
David C. McCollom Water Treatment Facility	
Schedule II (minimum 1 day per month)	
4G Reservoir	Neighborhood #1 Sewer Pump Station
4S I Reservoir	Palms I and II Reservoir Complex
4S II Reservoir	Peay Reservoir
520 Building	Rancho Cielo Reservoir and Pump Station
Ammonia Feed Injection Facility	Rancho Lakes Pump Station
Berk Reservoir and Connemara Pump Station	Roger Miller Reservoir
Denk Reservoir	Santa Fe Valley Reservoir and Recycled Water Pump Station
Firehouse Sewer Pump Station	Thelma Miller Recycled Water Reservoir
Gano Reservoir	Unit Z Pump Station
Gaty I and Gaty II Reservoir	Wanket Reservoir
Golem Reservoir	Wiegand Recycled Water Reservoir and Thornton Pump Station
Maryloyd Reservoir and Pump Station	Zorro Reservoir
Midpoint Sewer Pump Station	

On October 7, 2025, a mandatory pre-proposal meeting was held with a guided tour of OMWD key facilities. Seven firms attended the pre-proposal meeting, and five proposals were subsequently received. A summary of proposals received and associated scores (with a maximum value of 5) is shown in the table below:

Firm	Score	Proposed Monthly Fee
BrightView Landscape Services, Inc.	4.1	\$17,532
PWLC I, Inc.	3.9	\$25,219
Mariposa Landscapes, Inc	3.3	\$19,099
Land Graphics	3.1	\$19,751
Aztec Landscaping, Inc	2.6	\$27,205

A selection panel of four (4) OMWD staff members from multiple departments reviewed the proposal in accordance with Administrative and Ethics Code Section 6.9B. Proposals were evaluated based on experience, expertise, availability and qualifications of staff, completeness and responsiveness of proposal, approach to accomplishing the work, and cost of services as described in the RFP.

BrightView was determined to be the most qualified and best value based on their approach to work, completeness of proposal, local firm experience, responsiveness, tenured and experienced staff, and competitive pricing. Staff recommends awarding a PSA to BrightView Landscape Services, Inc., for Landscape Maintenance Services for OMWD. Staff is available to answer any questions.

Attachments:
Fee Schedule

BrightView Fee Schedule

Olivenhain Municipal Water District Landscape Services Agreement

EXHIBIT "A"

SCHEDULE I

SITES WITH WEEKLY SERVICE

Item	Item Description	Monthly Amount
1.	All work required to maintain the landscaping at the 4S Ranch Water Reclamation Facility, weekly service- 2 days per week , for the monthly lump sum price of: <u>TWO THOUSAND, THREE HUNDRED AND NINETY-TWO</u> DOLLARS (Words)	\$ <u>2,392.00</u>
2.	All work required to maintain the landscaping at the 4S Ranch Water Reclamation Overflow Storage Pond, weekly service-2 days per week , for the monthly lump sum price of: <u>FIVE THOUSAND AND FIFTY-THREE</u> DOLLARS (Words)	\$ <u>5,053.00</u>
3.	All work required to maintain the landscaping at OMWD Headquarters, weekly service-2 days per week , for the monthly lump sum price of: <u>FOUR THOUSAND, TWO HUNDRED AND FIFTY-EIGHT</u> DOLLARS (Words)	\$ <u>4,258.00</u>
4.	All work required to maintain the landscaping at the David C. McCollom Water Treatment Facility, weekly service- 1 day per week , for the monthly lump sum price of: <u>ONE THOUSAND, ONE HUNDRED AND SEVENTY-THREE</u> DOLLARS (Words)	\$ <u>1,173.00</u>
TOTAL MONTHLY AMOUNT OF SCHEDULE I		\$ <u>12,876.00</u>
TOTAL MONTHLY AMOUNT OF SCHEDULE I (IN WORDS)		
<u>TWELVE THOUSAND, EIGHT HUNDRED AND SEVENTY-SIX DOLLARS</u>		

**Olivenhain Municipal Water District
Landscape Services Agreement
EXHIBIT "A"
SITES WITH MONTHLY SERVICE**

Item	Item Description	Monthly Amount
1.	All work required to maintain the landscaping at the 4G Reservoir, monthly service- 1 day per month , for the monthly lump sum price of: EIGHTY-THREE (Words) DOLLARS	\$ 83.00
2.	All work required to maintain the landscaping at the 4S I Reservoir, monthly service- 1 day per month , for the monthly lump sum price of: ONE HUNDRED AND SEVENTY-SEVEN (Words) DOLLARS	\$ 177.00
3.	All work required to maintain the landscaping at the 4S II Reservoir, monthly service- 1 day per month , for the monthly lump sum price of: FORTY-FIVE (Words) DOLLARS	\$ 45.00
4.	All work required to maintain the landscaping at the 520 Building, monthly service- 1 day per month , for the monthly lump sum price of: ONE HUNDRED AND EIGHTEEN (Words) DOLLARS	\$ 118.00
5.	All work required to maintain the landscaping at the Ammonia Feed Injection Facility, monthly service- 1 day per month , for the monthly lump sum price of: FIFTY-EIGHT (Words) DOLLARS	\$ 58.00
6.	All work required to maintain the landscaping at the Berk Reservoir and Connemara Pump Station, monthly service- 1 day per month , for the monthly lump sum price of: ONE HUNDRED AND FORTY-FOUR (Words) DOLLARS	\$ 144.00

Olivenhain Municipal Water District
Landscape Services Agreement

EXHIBIT "A"

SCHEDULE II

SITES WITH MONTHLY SERVICE

Item	Item Description	Monthly Amount
18.	All work required to maintain the landscaping at the Rancho Lakes Pump Station, monthly service- 1 day per month , for the monthly lump sum price of: FIFTY-FIVE DOLLARS (Words)	\$ 55.00
19.	All work required to maintain the landscaping at the Roger Miller Reservoir, monthly service- 1 day per month , and for the monthly lump sum price of: THREE HUNDRED AND EIGHTY-SIX DOLLARS (Words)	\$ 386.00
20.	All work required to maintain the landscaping at the Santa Fe Valley Reservoir and Recycled Water Pump Station, monthly service- 1 day per month , for the monthly lump sum price of: TWO HUNDRED AND FIFTY-SIX DOLLARS (Words)	\$ 256.00
21.	All work required to maintain the landscaping at the Thelma Miller Recycled Water Reservoir, monthly service- 1 day per month , for the monthly lump sum price of: FORTY-THREE DOLLARS (Words)	\$ 43.00
22.	All work required to maintain the landscaping at the Unit Z Pump Station, monthly service- 1 day per month , for the monthly lump sum price of: NINETY-THREE DOLLARS (Words)	\$ 93.00
23.	All work required to maintain the landscaping at the Wanket Reservoir, monthly service- 1 day per month , for the monthly lump sum price of: THREE HUNDRED AND SEVENTEEN DOLLARS (Words)	\$ 317.00

SITES WITH MONTHLY SERVICE

**Olivenhain Municipal Water District
Landscape Services Agreement**

EXHIBIT "A"

TOTAL

Amounts shall be shown in both words and figures, where indicated. In case of discrepancy, the amount shown in words will govern.

The prices shall include all labor, materials, removal, overhead, profit, insurance, and incidentals required to complete the work.

TOTAL MONTHLY COMBINED AMOUNT OF SCHEDULE I AND II \$ 17,532.00

TOTAL MONTHLY COMBINED AMOUNT OF SCHEDULE I AND II (IN WORDS)

SEVENTEEN THOUSAND, FIVE HUNDRED AND THIRTY-TWO DOLLARS

TOTAL ANNUAL COMBINED AMOUNT OF SCHEDULE I AND II \$ 210,384.00

TOTAL ANNUAL COMBINED AMOUNT OF SCHEDULE I AND II (IN WORDS) (12 MONTHS)

TWO HUNDRED AND TEN THOUSAND, THREE HUNDRED AND EIGHTY-FOUR DOLLARS

TOTAL CONTRACT COMBINED AMOUNT OF SCHEDULE I AND II \$ 525,960.00

TOTAL CONTRACT COMBINED AMOUNT OF SCHEDULE I AND II (IN WORDS) 30 Months

FIVE HUNDRED AND TWENTY-FIVE THOUSAND, NINE HUNDRED AND SIXTY DOLLARS

Memo

Date: November 19, 2025
To: Olivenhain Municipal Water District Board of Directors
From: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPOINTMENT OF REPRESENTATIVE TO THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY BOARD OF DIRECTORS**

Purpose

The purpose of this item is to update OMWD's representative to the ACWA Joint Powers Insurance Authority (JPIA) Board of Directors. Director Lanfried has expressed interest in serving as OMWD's representative to the ACWA JPIA Board of Directors.

Recommendation

Staff supports Director Lanfried's interest in serving on ACWA JPIA Board of Directors.

Alternative(s)

The board could decide against updating OMWD's representative on the ACWA JPIA Board of Directors.

Background

At the April 2025 board meeting, Director Meyers was appointed to serve as OMWD's representative to the Association of California Water Agencies Joint Powers Insurance Authority Board of Directors for the May 12 ACWA JPIA Board Meeting. There was board direction to return at a future meeting with another agenda item appointing a new ACWA JPIA representative to serve in the future.

Director Meyers served as OMWD's primary representative to the ACWA JPIA Board of Directors at the May ACWA JPIA Summit and meeting. The General Manager and Human Resources Manager are alternates previously designated by the OMWD board. The ACWA JPIA representative is not appointed by the Board President and will need to be voted on by the full board. The primary representative to the ACWA JPIA Board of Directors should be a board member. The time commitment requires two ACWA JPIA Summit meetings that take place prior to the ACWA conferences about 2 times per year and could require up to 4 days of travel across the state per year as referenced in the attached calendar.

Fiscal Impact

Should Director Lanfried be selected as OMWD's representative to the ACWA JPIA Board of Directors, OMWD would be responsible for the cost of travel for the meetings.

Discussion

OMWD's primary representative to the ACWA JPIA Board of Directors must file a Statement of Economic Interest Assuming Office Statement within 30 days of appointment.

Attachments:

ACWA JPIA 2026 Board Calendar

ACWA JPIA MEETINGS CALENDAR – 2026

MEETING DATES	BOARD OF DIRECTORS	EXECUTIVE	PERSONNEL	FINANCE & AUDIT	P R O G R A M S				RISK MGMT	CWIF
					Emp. Benefits	Liability	Property	Work Comp		
JAN 21			3:00 PM							
JAN 22		10:30 AM							8:00 AM	
MAR 26				1:00 PM			3:00 PM			
MAR 27		8:00 AM								
APRIL 30					9:00 AM *					
MAY 4-7 ACWA JPIA SPRING MEMBERSHIP SUMMIT AND ACWA CONFERENCE - SACRAMENTO										
MAY 4	2:00 PM					8:00 AM				
MAY 29										9:00 AM (UTAH)
JUNE 3			10:00 AM *							
JUNE 25								3:00 PM		
JUNE 26		8:00 AM								10:30 AM
JULY 29		3:00 PM			1:00 PM					
SEPT 11			9:00 AM *							
SEPT 24				1:00 PM		3:00 PM	10:00 AM			
SEPT 25		8:00 AM								11:00 AM
OCT 22		10:00 AM *								
NOVEMBER 30-DECEMBER 3 ACWA JPIA FALL MEMBERSHIP SUMMIT AND ACWA FALL CONFERENCE - ANAHEIM										
Nov 30	2:00 PM									8:00 AM

*Virtual Meeting

Memo

Date: November 19, 2025
To: Olivenhain Municipal Water District Board of Directors
From: Joey Randall, Assistant General Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER INFORMATIONAL REPORT REGARDING OMWD AND SDCWA'S
HISTORICAL POSITIONS ON THE DELTA CONVEYANCE PROJECT**

Purpose

The purpose of this agenda item is to present an informational report to the board regarding Olivenhain Municipal Water District's historical position on the Delta Conveyance Project (DCP). This item satisfies OMWD's annual objective #65 – *Present to board on OMWD's historic position on delta conveyance project.*

As the SDCWA also recently had a presentation to its Board on the historical perspective of the DCP. Meena Westford, SDCWA's Director of Imported Water, will be presenting a few slides (to be provided prior to meeting) at the end of the presentation sharing their perspective and also how the recent Metropolitan Water District of Southern California (MWD) settlement plays into cost impacts for SDCWA on the DCP via MWD.

Recommendation

None; informational report only.

Alternative(s)

None; informational report only.

Background

The Sacramento-San Joaquin Bay-Delta is an important source of water for the San Diego region and OMWD. For example, in 2025, it is expected that about 40% of the potable water delivered to OMWD customers will originate in the Bay-Delta via California's State Water Project. As a key supply source for Southern California, the absence of a long-term, comprehensive solution could significantly compromise OMWD's ability to maintain a reliable and resilient water supply.

Origins of the Bay-Delta Conservation Plan

The CALFED Bay-Delta Program was initiated in 1995. CALFED brought together a coalition of 25 state and federal agencies to collaboratively address California's dual priorities of water supply reliability and ecosystem restoration. CALFED established a broad policy framework with four primary goals:

1. Ensure a high-quality water supply.
2. Provide reliable water for residential, agricultural, commercial, industrial, and ecological use.
3. Restore and preserve the Bay-Delta ecosystem.
4. Maintain stable and reliable Bay-Delta levees.

In 2006, CALFED introduced a 10-year action plan to evaluate financing and governance issues, and evolving science and conditions in the Bay-Delta. A steering committee was formed to develop an environmentally friendly method to convey water through and/or around the Bay-Delta. Building on the scientific and policy foundations laid by CALFED, the Bay-Delta Conservation Plan (BDCP) was later developed as a more targeted planning effort to improve water conveyance and protect endangered species.

By late 2010, a working draft of the BDCP was completed. The 2010 draft proposed a twin-tunnel conveyance facility with a total capacity of 15,000 cubic feet per second. It was established as the preferred alternative because it:

- Provided the greatest water supplies.
- Best alleviated water supply risk given changing Bay-Delta environmental conditions.
- Best restored natural flow patterns in Bay-Delta to protect fish migration patterns.

- Yielded the best water quality.
- Cost three times less per cfs capacity than smallest tunnel proposal

A preliminary draft of the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the BDCP was issued in February 2012.

The EIR/EIS examined 15 Bay-Delta conveyance alternatives. In June 2012, the California Natural Resources Agency (CNRA) changed the preferred project alternative from the one established in 2010. Compared to the previous preferred alternative, the new preferred alternative reduced the number of intakes from 5 to 3, thereby reducing capacity to 9,000 cfs. Advantages over the previous preferred alternative included reduced construction costs and impact on north Bay-Delta communities, decreased power demand, emissions, reduced impact on migrating fish, and an accelerated habitat restoration program.

In January 2013, a coalition of six environmental groups led by National Resources Defense Council requested the examination of a “Portfolio-Based Conceptual Alternative” for the BDCP. In concept, the portfolio approach would couple an existing BDCP conveyance alternative with an increased focus on developing local water supply and water storage projects. This alternative proposed a total capacity of 3,000 cfs. San Diego County Water Authority was a signatory to this request. In concept, the portfolio approach would couple an existing BDCP conveyance alternative with an increased focus on developing local water supply and water storage projects.

However, CNRA had already expressed that a portfolio approach exceeded the scope of the BDCP. When the new alternative was selected in July 2012, CNRA stated,

“...there is no doubt that meeting the co-equal goals of Delta restoration and increased water supply reliability requires actions outside the Delta. Major programs are already underway to address concerns associated with levees, storage, desalination, water conservation, and recycling. Some are the exclusive province of local water agencies. Others are assigned by law to other agencies. But they are all important parts of California’s overall water policy. And although they are not directly part of the BDCP itself, they all have an important role to play in combination with the BDCP.”

In March 2013, shortly after the release of the first draft BDCP chapters, several state legislators issued a letter to John Laird, Secretary of CNRA, expressing support for the portfolio approach and requesting a more comprehensive evaluation in the EIR/EIS. In response, Mr. Laird explained that the 3,000 cfs conveyance alternative, as called for in the portfolio approach, would be weighed against the other alternatives in terms of co-equal goals, with a public review process scheduled to take place through 2013.

SDCWA Member Agency Positions

Member agencies began to consider their stance on the BDCP; namely, whether to (1) support the current BDCP process, or (2) support expanded examination of the portfolio approach.

City of San Diego and Otay Water District were signatories to the January letter advocating additional consideration of the portfolio approach.

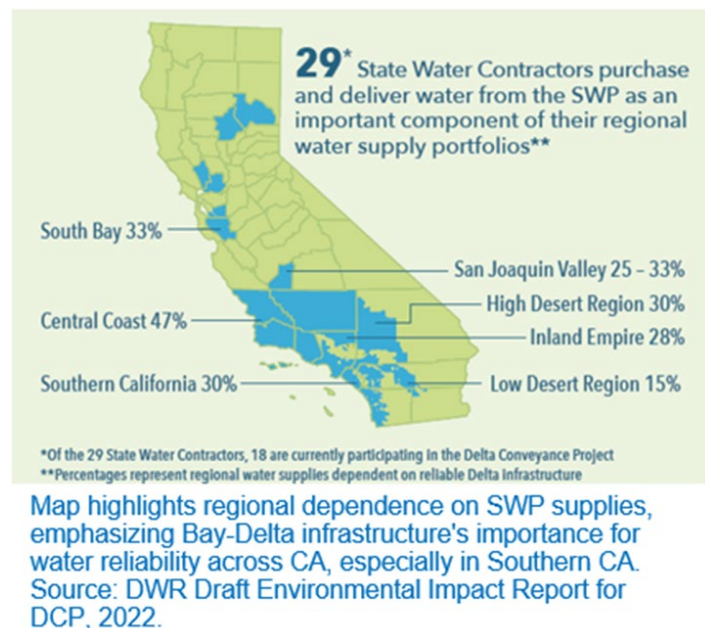
Valley Center Municipal Water District was the first to take a stance against the portfolio approach, issuing a letter in April 2013 requesting that EIR/EIS chapters be released according to schedule rather than delaying the process to consider a portfolio approach.

OMWD Support for BDCP

In April 2013, President Watt appointed an Ad Hoc Bay-Delta Conservation Plan Committee, comprised of Directors Guerin and Topolovac, which was directed to discuss OMWD's stance on the BDCP and the state water bond under consideration at the time.

OMWD's board did not adopt an official position on the BDCP in 2013, opting to postpone any such adoption until provided an adequate opportunity to review the plan's Public Review Draft. However, at the May 2013 board meeting, the board did express support for the BDCP process to protect the Delta's ecological health and ensure its ongoing viability as a water source. OMWD's expression of support to CNRA to move forward with the existing BDCP process was based on the following rationale.

1. Southern California water users would continue to pay for the State Water Project regardless of the quantity of water taken and should thus derive the greatest possible water reliability benefit from the investment.
2. All Californians would contribute to ecological improvements in the Bay-Delta, and should thus derive the greatest possible water reliability benefit from the investment.



3. Under the terms of the State Water Contract, OMWD would be paying for the project regardless of whether we receive water. It was estimated that Metropolitan's long-term commitments under the State Water Contract would total over \$7.2 billion through 2035; and it was expected to extend its agreement through 2052, which would result in annual minimum operations and maintenance costs through 2052.
 - a. Per the contract, Metropolitan is obligated to pay allocable portions of the cost of construction of the State Water Project system and ongoing operations and maintenance costs through at least the year 2035, regardless of the quantities of water available from the project. Metropolitan and the other contractors may also be responsible to the state for certain obligations of any contractor who defaults on its payments to the state.
4. Local projects were not under the scope of the BDCP.
5. Political will existed to see the BDCP through.
6. Larger Bay-Delta conveyance costs did not necessarily preclude local projects.
7. BDCP sought to restore water supplies, whereas the alternative plan proposed that water agencies pay for a plan that would result in a 33% reduction in supplies from traditional levels.
8. The larger capacity, twin-tunnel system would allow more water to be taken during high storm flows, so that diversions could be reduced during dry spells. The smaller, single-tunnel alternative forfeited the opportunity to capture more water in wet years.
9. The two tunnels proposed by BDCP incorporated a backup plan. If one tunnel went down for routine maintenance, the other could keep running. There was no backup for the single tunnel alternative.
10. The smaller tunnel size of 3,000 cfs would force more water to be pumped at the existing water facilities in the ecologically sensitive south Bay-Delta. A small tunnel that forces more pumping in the south Delta would not achieve the goal of increased protection for Bay-Delta fish.

Public Review Drafts of the BDCP itself and of its EIR/EIS were released in December 2013. In response, the board issued a formal comment letter in May 2014 (to the National Marine Fisheries Service) supporting the BDCP process, endorsing the preferred alternative (Alternative 4 featuring 9,000 cfs water conveyance facilities), advising that progress on the plan should not wait until the plan is 100% financed, and advocating for a seat at the table for SDCWA.

California WaterFix and California EcoRestore

In April 2015, Governor Brown divided the BDCP's coequal goals into two separate projects dubbed California WaterFix and California EcoRestore to facilitate permitting. The revised approach was designed to enhance tunnel operations and maintenance, reduce power requirements, and minimize impacts on Bay-Delta communities. Additionally, the revised preferred alternative, Alternative 4A, would provide additional water supplies in wet years and average years compared to those contemplated in Alternative 4.

OMWD's board reaffirmed its support position in October 2015, and a letter was transmitted to the BDCP Reviewing Committee that contained the following key points:

- OMWD appreciates the efforts of the state to move the pumping station to the south Bay-Delta and reduce the impacts to the Bay-Delta community, to develop a northern intake that can produce significant supplies from large individual storms, and to significantly reduce total dissolved solids in the water supply.
- OMWD supports BDCP and Alternative 4A, a well-founded, viable solution.
- The Bay-Delta is critically important to California and San Diego County, especially given ongoing drought conditions.
- While acknowledging that they are not a part of the EIR/EIS, OMWD anxiously awaits the financing plan and cost-sharing arrangements.

In September 2016, OMWD stated its continued support of the California WaterFix by submitting a letter of support to Governor Brown.

In June 2017, the California Department of Water Resources, the United States Bureau of Reclamation, the National Marine Fisheries Service, and the United States Fish and Wildlife Service issued the Biological Opinion for the California WaterFix.

In July 2017, DWR certified the Environmental Impact Report for the project, and the California Department of Fish and Wildlife subsequently released its Incidental Take Permit.

Delta Conveyance Project

In February 2019, Governor Gavin Newsom directed state agencies to develop a "portfolio approach" to make California's water supplies climate resilient. This strategy changed the approach to Bay-Delta conveyance to a single-tunnel, smaller-capacity project. The state formally withdrew its pursuit of the proposed twin-tunnel WaterFix project and withdrew

all approvals made in compliance with the California Environmental Quality Act, the National Environmental Policy Act, and California Endangered Species Act, as well as the water rights petition in front of the State Water Resources Control Board.

In September 2019, OMWD signed a coalition letter of support to the director of the governor's Water Portfolio Program suggesting the following actions:

- Construct new Bay-Delta conveyance facilities to improve the efficiency, quality, and reliability of water deliveries through the Bay-Delta, reduce demands on upstream reservoirs, and improve environmental conditions in the Bay-Delta, while creating no redirected financial or water supply impacts on upstream water users.
- Ensure Bay-Delta conveyance facility improvements result in a system that is fully protected from sea level rise and seismic threats.
- Renovate the portions of the California Aqueduct and the Friant-Kern Canal that have experienced reduced capacity due to subsidence.
- Construct new conveyance systems to expand the ability to capture flood flows and stormwater runoff and deliver these supplies to groundwater recharge systems and surface storage reservoir.

Continued on next page.

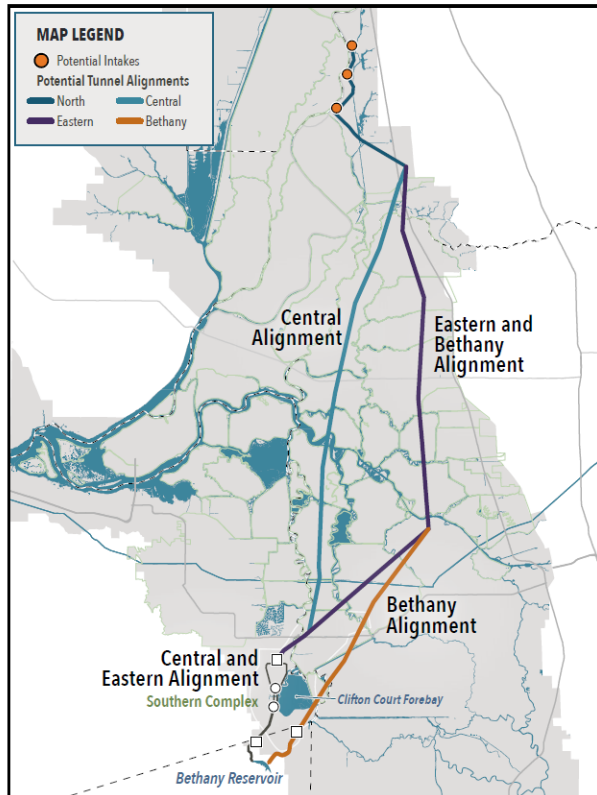
	CALIFORNIA WATERFIX (2017)	DELTA CONVEYANCE PROJECT (2023)
Conveyance	Two tunnels, 35 miles each	One tunnel, 45 miles
Operation Type	Dual conveyance, allowing for through-Delta operations. North Delta Diversion prioritized	Dual conveyance, allowing for through-Delta operations. South Delta Diversion prioritized
Capacity	9,000 CFS (Down from original 15,000 CFS)	6,000 CFS
Number Of Intakes	3	2
Alignment	Through the center of the Delta	Along the east side, avoiding the central Delta
Fish Screens	3 intakes, linear fish screens with 2,000 ft cleaning apparatus visible above water line	2 intakes, t-shaped fish screens, 1,500 ft cleaning apparatus below surface
Potential Agricultural Land Impact	Approximately 3,550 acres	Approximately 2,400 acres
SR 160 Construction Traffic	Yes	No
Forebays Needed	Yes, 2	None, direct connection to California Aqueduct
Number Of Barge Landings	3 intakes and Victoria Island	None
Tunnel Launch Shaft Sites	Located at intakes and sites away from intakes	Located away from intakes

This image provides a side-by-side comparison of the California WaterFix 2017 and the Delta Conveyance Project 2023, detailing differences in conveyance design, operation type, capacity, number of intakes, alignment, and other specifications.

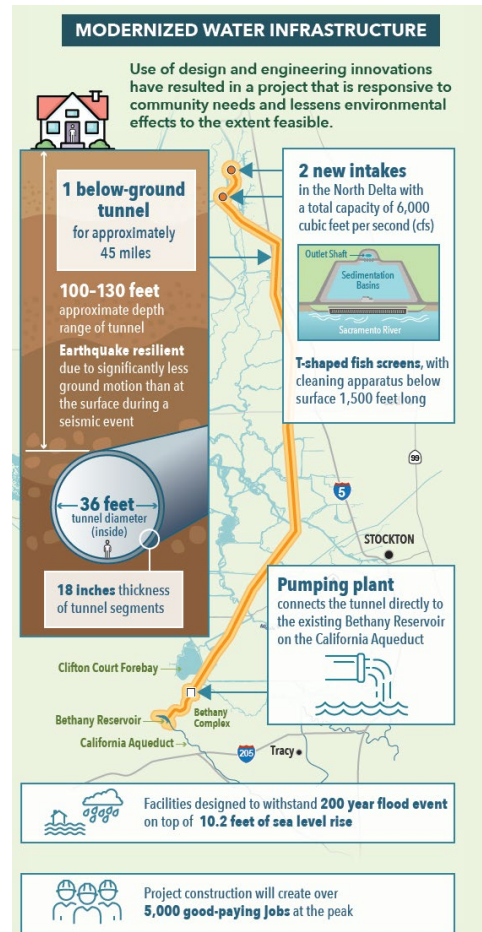
Source: California Department of Water Resources

In July 2022, DWR was working on financing for a smaller, single-tunnel project, for which costs were preliminarily expected at that time to total \$16 billion. The proposed project objectives were to address the effects of sea level rise, minimize water supply disruption caused by an earthquake, protect the ability of State Water Project to reliably deliver water, and provide operational flexibility to improve aquatic conditions in the Bay-Delta. At the time, Governor Newsom’s administration acknowledged that the project would take as long as 20 years to complete and could begin as early as 2028.

The Draft EIR for the Delta Conveyance Project evaluated the proposed project and alternatives outlined below:



**All proposed project details are subject to refinement. No final decisions will be made until the conclusion of the environmental review process.*



Left image: Potential DCP tunnel alignments to improve water delivery and reliability.

Right image: Highlights proposed DCP infrastructure addressing seismic and environmental concerns.

These images showcase potential alignments and updated water infrastructure designed to improve water delivery reliability and seismic resilience.

Source for both images: California Department of Water Resources

- The Proposed Delta Conveyance Project, also referred to as the “Bethany Reservoir Alternative”:
 - Two new 3,000 cubic feet per second intake facilities in the north Bay-Delta.
 - To divert water, for a total capacity of 6,000 cfs.
 - One below-ground tunnel.
 - To convey that water from the new intakes following the Eastern Alignment.
 - Ending at the existing Bethany Reservoir on the California Aqueduct.
 - A new pumping plant.
 - To connect the tunnel directly to the Bethany Reservoir.
- Eight conveyance “action alternatives”:

- One, two, or three new intakes in the north Bay-Delta.
- Four capacity options ranging from 3,000 cfs – 7,500 cfs.
- One new tunnel following the Central or Eastern Alignment.
- New facilities in the south Bay-Delta at the Southern Complex near Clifton Court Forebay.
- The No Project Alternative (as required by CEQA):
 - Likely conditions if the project were not implemented included reasonably foreseeable changes in existing conditions and potential alternate actions that may be taken absent a project, such as increased conservation, recycling, and desalination.

In August 2022, OMWD's board adopted a support position for the preferred alternative for the Delta Conveyance Project. This aligned with OMWD's ongoing efforts to address water supply reliability and acknowledged the state's initiative to modernize water infrastructure in response to challenges such as sea-level rise and seismic risks.

In January 2025, OMWD's board approved a new legislative guideline to support legislation advancing Sacramento-San Joaquin levee improvements, funded by statewide and/or federal resources. This came in response to findings from United States Geological Survey predicting that a 6.7 magnitude earthquake is likely to occur in the Bay-Delta by 2043. This could lead to widespread failures along the 1,100 miles of levees surrounding the Bay-Delta islands, allowing seawater to enter and making the freshwater that travels between the levees undrinkable for months or even years. The new legislative guideline includes support for modernization of the existing Bay-Delta levee system and ongoing maintenance programs that safeguard it against earthquakes and other risks, enhance water supply reliability, and don't conflict with the Delta Conveyance Project.

In May 2025, the Newsom administration released a proposed budget trailer bill in support of the Delta Conveyance Project as part of the May Revise to streamline approvals for the project. The Delta Conveyance Project budget trailer bill addressed four main issues, designed to minimize delays:

1. Allow DWR to negotiate directly with landowners for necessary easements without going through the eminent domain process.
2. Negate the basis for litigation over DWR's authority to issue bonds for the DCP.
3. Streamline some permitting processes by eliminating issues related to time limits on DWR's water rights.
4. Limit the remedies available to a court in response to legal challenges. Specifically, a court would not be able to order construction to halt in the face of a legal challenge.

In June 2025, OMWD joined a coalition of labor, business, infrastructure, social justice, and nonprofit organizations in signing a letter support for the budget trailer bill.

In July 2025, the legislature excluded the trailer bill language from the final budget agreement. Many legislators expressed a preference for the proposed provisions to undergo the policy process. The trailer bill did not advance during the final week of the 2025 legislative session. It is expected that this will be the subject of a bill introduced in the second half of the legislative session.

Bay-Delta Legislative Audit Request

In June 2025, Assemblymember Ransom (D-Stockton) submitted a request to the Joint Legislative Audit Committee to conduct an audit of the DCP. The committee is responsible for setting priorities, assigning audits to the State Auditor, investigating facts, reviewing reports, taking action, and submitting reports and recommendations to the legislature about the state's revenues and expenditures.

Metropolitan responded to the audit request. According to Metropolitan's response, the financial resources it has provided to DWR for DCP and projected DCP costs are publicly available. Metropolitan also stated that additional financial information will be developed and reviewed when Metropolitan considers whether to invest in the project.

DWR also responded to the audit request. According to DWR's response, total expenditure for DCP planning, permitting, public engagement, and conceptual engineering has been less than \$300 million. DWR advised it has already completed a rigorous environmental analysis of the project. DWR will submit a certification of consistency with the Delta Plan for the DCP in late 2025.

A hearing on the audit request took place on June 18, 2025. Nossaman participated on OMWD's behalf in a coalition of advocates opposing the audit request. After much debate, JLAC did not approve the audit request.

Fiscal Impact

There are no direct costs associated with this informational report.

Should the DCP be constructed, the most recent cost estimate is \$20 billion, which would have an as-yet undetermined impact on wholesale water rates, however Meena Westford from SDCWA will provide some insight at our meeting.

Discussion

In July 2025, the Governor announced that California State Water Resources Control Board proposed an update to the Bay-Delta Water Quality Control Plan. The plan aimed to incorporate the Healthy Rivers and Landscapes Program (also called Voluntary Agreements) into the Bay-Delta framework. The eight-year program focused on enhancing environmental conditions within the Sacramento River, the Sacramento-San Joaquin Delta, and their tributaries. The HRL program did not address levee improvements. Instead, it sought to reverse the decline of native fish species by improving environmental flows and restoring habitats. The proposed updates considered population growth projections, weather patterns, and scientific advances since the previous plan was established in 1995. If approved, the plan would present two options for water rights holders and agencies: one was to participate in the Healthy Rivers and Landscapes Program—a voluntary effort combining restored stream flows with habitat projects; the other was a flow-only alternative for those not wishing to join the broader program. The HRL program was developed collaboratively with input from local, state, and federal leaders. It emphasized voluntary agreements with water users, including cities, farms, and environmental organizations. The plan proposed restoring over 45,000 acres of aquatic habitat and allocated \$2.9 billion over eight years for the initiative.

Similarly, MWD's board approved funding for three pilot studies related to forest restoration efforts in the northern Sierra. These studies aimed to assess the cost-effectiveness and potential benefits of enhanced forest health in improving water supply resilience and water quality for water agencies statewide.

The forest restoration programs were being funded through a new finance model known as a Forest Resilience Bond, managed by the nonprofit organization Blue Forest, established to promote restoration projects through strategic partnerships. This funding mechanism integrates public and private resources to accelerate restoration efforts that might otherwise require decades to complete. The following provides an update on three watershed projects and related activities financed through the Forest Resilience Bond.

- North Feather I Forest Resilience Bond
 - Brings together a diverse coalition of organizations to finance the acceleration of forest restoration in an area of the Feather River Watershed heavily impacted by the 2021 Dixie Fire. This project aims to restore forest health and reduce the risk of catastrophic wildfires, protecting communities and creating a more resilient landscape and water supply.
 - The North Feather I Forest Resilience Bond officially launched in December 2024, and preliminary work began under a federal emergency

authorization. Additional work on the larger project footprint began in July 2025.

- Plumas Community Protection I Forest Resilience Bond
 - Aids in the protection of communities, water supply, water quality, and biodiversity in the Feather River watershed. Forest health projects implemented in watersheds upstream of the Bay-Delta may help support long-term sustainability, protect key species and habitats, and contribute to climate change adaptation of SWP. The Plumas Community Protection I Forest Resilience Bond began in fall 2025.
- Upper Butte Creek I Forest Resilience Bond
 - Investigates the benefits of improving the health of a watershed on vulnerable fish species. Butte Creek supports the largest population of naturally spawning wild spring run chinook salmon and may be the only remaining naturally spawning population in the region, given recent wildfires. Work on the Upper Butte Creek project is anticipated to begin in spring next year, following delays resulting from recent fires in the area and issues related to the US Forest Service staffing and National Environmental Policy Act processes.

In August 2025, Governor Newsom launched an Accountability Action Plan for the DCP to ensure transparency and support for communities potentially impacted by the project's construction. The plan consists of the following five components:

- Ombudsman Office
 - Serving as a single point of contact for any concerns or grievances.
- Regulatory Mitigation (including a Mitigation Monitoring and Reporting Program)
 - To avoid, minimize, or offset environmental impacts.
- At Least One Community Advisory Group
 - To keep local communities informed about the project's progress, impacts, schedule, and available resources.
- Community Benefits Program
 - Dedicated \$200 million fund.
 - To deliver tangible, lasting, and measurable benefits to communities nearest to and most affected by project construction activities.
- Project Communications
 - To ensure transparent, accessible, and proactive communication about the project's progress, impacts, schedule, and available resources.
 - Foster trust and engagement through timely updates, community feedback channels, and clear, inclusive messaging.

In October 2025, the Delta Conveyance Project continued to make progress with two key milestones to push the project forward:

- Certification of Consistency submitted to the Delta Stewardship Council
 - This certification documented that the DCP is consistent with the Delta Plan, as required by the Delta Reform Act. The Delta Reform Act protects both the Sacramento-San Joaquin Delta ecosystem and a reliable statewide water supply. By filing a Certification of Consistency, the California Department of Water Resources confirms that the DCP can protect both Californians' water supply and their environment. The Delta Stewardship Council will review the submission and make a determination.
- State Appellate Court Decision
 - Concurrently, the California Court of Appeal for the Third District ruled that the California Department of Water Resources can proceed with key "geotechnical" work related to the planning and design of the DCP (e.g., soil boring and related testing). The court's ruling in October rejected a previous decision from a lower court in June 2024 granting a preliminary injunction that had blocked this preliminary geotechnical work with a conclusion stating the certification-of-consistency process must be completed first. This decision allows geotechnical work to proceed and reaffirms the importance of judgment of the Delta Stewardship Council in future legal decisions.

How does OMWD's Colorado River water supply relate to Delta Conveyance?

Like the Bay-Delta, the Colorado River remains an important source of water for the San Diego region and for OMWD. In the 2024 calendar year, for example, nearly 76% of the potable water supplied to OMWD customers came from the Colorado River. Both sources, along with local supplies such as recycled and desalinated water, ensure OMWD's water supply reliability.

In June 2025, the Colorado River's two largest reservoirs, Lake Mead and Lake Powell, should have been swelling with melting snow, but water levels were nevertheless considerably below average. The total volume of the two reservoirs have been steadily declining since July 2024 and continued to decline into 2025. In the past 15 years, the decline in total storage of Lake Powell and Lake Mead had not extended so late into spring. According to the Center for Colorado River Studies at Utah State University, reservoir storage data showed an ominous pattern familiar from past dry years: upstream

use of water before it had a chance to get to Lake Powell, combined with releases from Lake Mead to users further downstream, outpaced the melting snowpack's ability to replenish the two reservoirs.

The Bureau of Reclamation issued its August 24-Month Study for the Colorado River Basin for Water Year 2026. The August 24-Month Study projections of January 1 reservoir elevations set the operating tiers for Lake Powell and Lake Mead, and are used to project annual release volumes from Lake Powell to Lake Mead. In the most probable scenario, Lake Powell is projected to be in the Mid-Elevation Release Tier, triggering an annual release of 7.48 million acre-feet, which is less than the normal annual release of 8.23 million acre-feet. If dry conditions return to the Colorado River Basin, release volumes may be adjusted downward based on the April 24-Month Study. Lake Mead will operate in a Tier 1 Shortage Condition with Lower Basin Drought Contingency Plan contributions. The current Colorado River operational agreements, including the 2007 Interim Guidelines, 2019 Drought Contingency Plan, and the 1944 Water Treaty with Mexico, are set to expire in late 2026. This deadline is driving negotiations among the seven basin states (Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming) to develop new long-term operating rules for the Colorado River.

Going Forward, Including the Financing Question

The path forward for the Delta Conveyance Project remains fluid. Staff is continuing to monitor ongoing developments and will continue to engage the board when appropriate to provide the governor and DWR with public comment. SDCWA remains very engaged on the issue as well, having supported the governor's trailer bill to expedite the permitting process.

A key reason San Diego County Water Authority can support the Delta Conveyance Project is because legal disputes with Metropolitan have been resolved. Previously, Metropolitan allocated costs for its share of the State Water Project and Delta Conveyance to transportation expenses, which was a main reason for SDCWA's opposition to the Delta Fix and Metropolitan's island purchases, among other concerns. With the settlement, transportation costs for SDCWA's Imperial Irrigation District and All-American Canal water are now based on an independent inflation index, not Metropolitan's transportation expenses. Consequently, SDCWA will not incur costs related to Metropolitan's SWP improvements and Delta Fix, effectively dissociating itself from delta conveyance expenses, while still ensuring access to water supplies as Metropolitan continues efforts to store water in the Colorado River. Meena Westford will expand on this discussion point at our meeting.

Metropolitan continues to advocate for the DCP Project planning and related funding. At the Delta Conveyance Design and Construction Authority (DCA) Board meeting on August 21, 2025, several resolutions were approved to secure an executive support service agreement that provides strategic, facilitation, and human resources support for the DCA's ongoing operations and strategic initiatives. The DCA board also adopted a resolution approving an advocacy policy and delegated authority to the DCA executive director to take positions on legislative or regulatory proposals affecting the DCA and/or the Delta Conveyance Project. According to the policy, any written positions will be signed by the DCA Board President. OMWD also monitors SDCWA board actions to stay informed about how they advocate for their interests in the planning and related funding of the DCP Project.

It is important to note the MWD contracts for 1.9 MAF of water from the Delta and generally receives 45% allocation on average. This means that at 850,000 af a year of existing MWD supply comes from the Delta and the DCP bolsters the existing supply.

Staff have been made aware of a potential subsidence issue within the Delta that could require emergency repair. SDCWA is hosting a meeting to learn more about the potential issue on December 4, 2025.

Meena Westford, SDCWA's Director of Imported Water, will be available at the board meeting to answer questions about SDCWA's history related to the DCP.

Nevertheless, it is still undetermined how the DCP will be financed, and the ultimate financing plan will assuredly involve some impact to OMWD ratepayers. This and other uncertainties have prompted some, including OMWD's representative to the SDCWA board, to weigh the merits of alternatives to the DCP. Director Meyers intends to address the board at the board meeting to share his concerns.

Attachments:

- *Delta Conveyance Project: OMWD's Historical Position (Presentation)*
- *2025-06-05 Coalition Letter of Support for Delta Conveyance Project Streamlining Trailer Bill*

Delta Conveyance Project

OMWD Board of Directors
Historical Position

Bay-Delta: Background

Bay-Delta is expected to supply about 40% of OMWD potable water (2025)

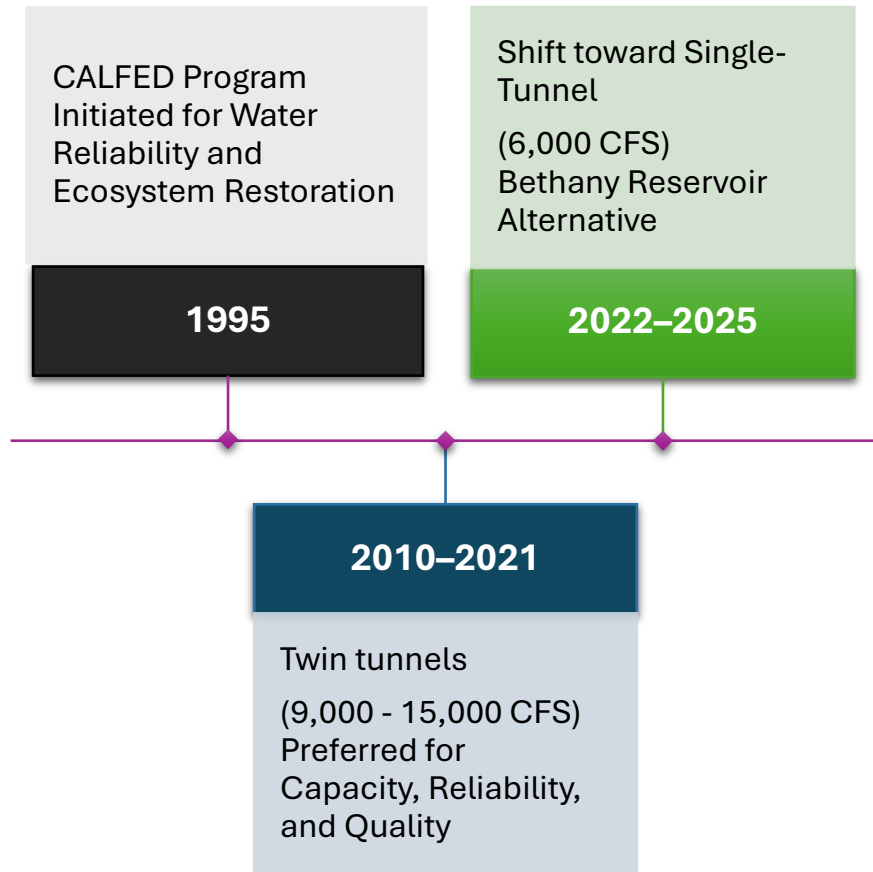


A major source of Southern California's water supply



Infrastructure vulnerable to earthquakes and sea-level rise

BDCP to DCP: Project Evolution



	CALIFORNIA WATERFIX (2017)	DELTA CONVEYANCE PROJECT (2023)
Conveyance	Two tunnels, 35 miles each	One tunnel, 45 miles
Operation Type	Dual conveyance, allowing for through-Delta operations. North Delta Diversion prioritized	Dual conveyance, allowing for through-Delta operations. South Delta Diversion prioritized
Capacity	9,000 CFS (Down from original 15,000 CFS)	6,000 CFS
Number Of Intakes	3	2
Alignment	Through the center of the Delta	Along the east side, avoiding the central Delta
Fish Screens	3 intakes, linear fish screens with 2,000 ft cleaning apparatus visible above water line	2 intakes, t-shaped fish screens, 1,500 ft cleaning apparatus below surface
Potential Agricultural Land Impact	Approximately 3,550 acres	Approximately 2,400 acres
SR 160 Construction Traffic	Yes	No
Forebays Needed	Yes, 2	None, direct connection to California Aqueduct
Number Of Barge Landings	3 intakes and Victoria Island	None
Tunnel Launch Shaft Sites	Located at intakes and sites away from intakes	Located away from intakes

OMWD

Board of Directors

Position Over Time



2013: Formed Ad Hoc Committee; supported BDCP process



2014: Supported BDCP process



2015: Supported Alternative 4A for better drought resilience



2016: Supported California WaterFix



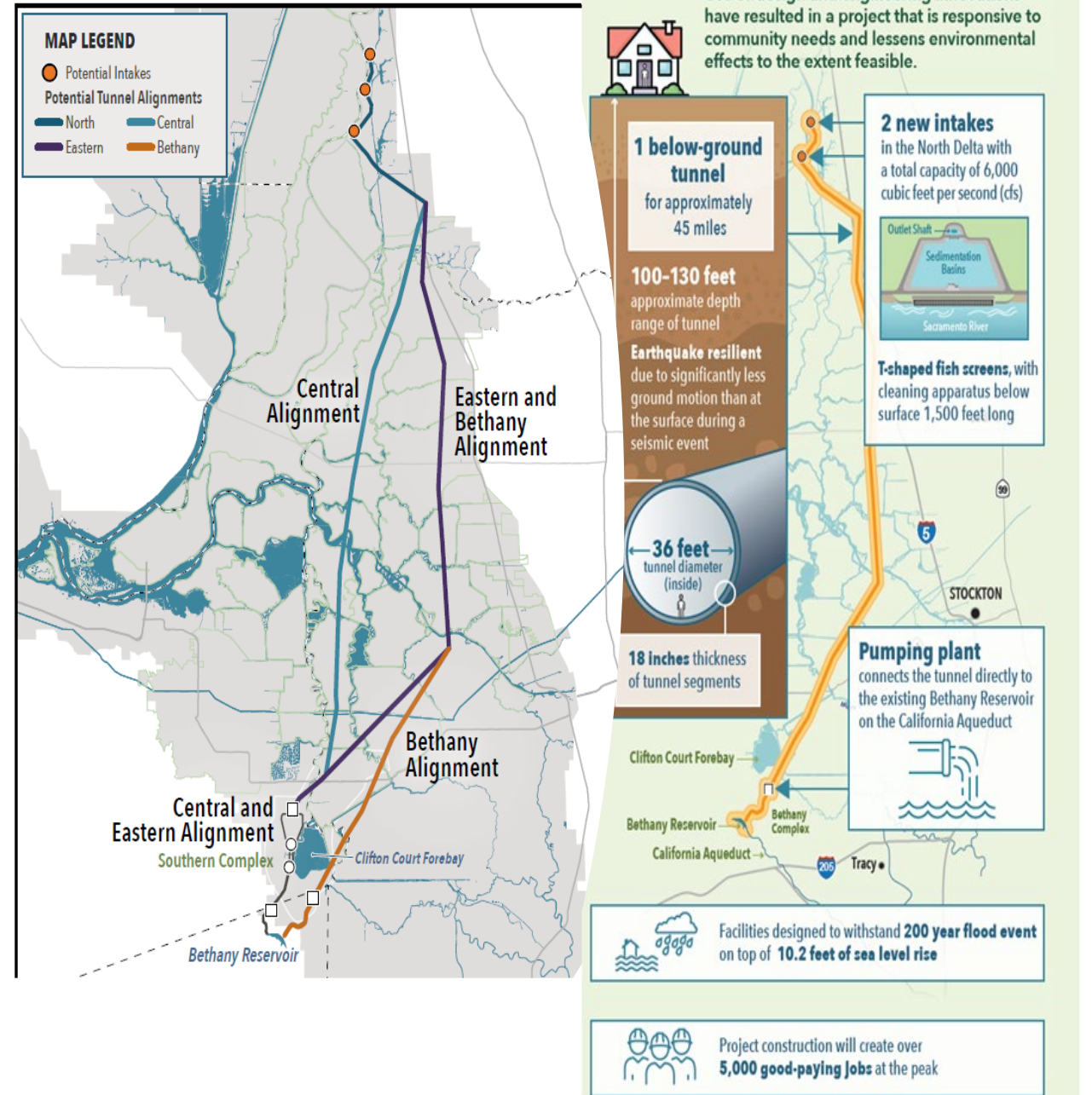
2019: Supported Governor Newsom's Water Portfolio Program



2022: Unanimously supported Delta Conveyance Project preferred alternative (Bethany Reservoir Alternative)



2025: Supported DCP Budget Trailer Bill



Legislative and Budget Action

- May 2025: Governor Newsom proposed budget trailer bill in support of DCP to streamline approvals and cut red tape
- June 2025: OMWD joined a broad coalition supporting the budget trailer bill
- July 2025: Legislature excluded trailer bill language from final approved budget

Trailer bill failed to advance in the 2025 legislative session.

Each year the DCP is delayed adds an estimated
\$500 million
to the project's costs

SUPPORT FOR MODERNIZING WATER INFRASTRUCTURE

The public is highly concerned about the condition of state and local water infrastructure and a recent poll shows voters strongly support increased funding for water-related infrastructure and are extremely supportive of building a new tunnel. 

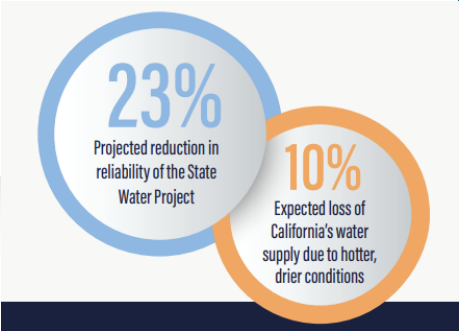


68% of California voters rate the "condition of state and local water supply infrastructure like reservoirs, dams, canals, sewers and storm drains" as an extremely or very serious problem



76% of voters support building a new tunnel underneath the Sacramento-San Joaquin Delta to upgrade California's primary water delivery infrastructure

Current Risks and Why It Matters



- Bay-Delta serves 27 million Californians and key agricultural regions
- 72% chance of 6.7 magnitude earthquake by 2043
- Water infrastructure failure could result in undrinkable supplies for months or years

MISSED OPPORTUNITY

If the Delta Conveyance Project was operational during the big winter storms of winter 2021-2022, January 1 through June 13, 2024, a significant amount of water could have been captured and moved.

Winter 2021-2022	January 2023	Jan 1-June 13, 2024
Amount of water that could have been captured:		
236,000 acre-feet	228,000 acre-feet	941,000 acre-feet
That's enough water to supply:		
Over 2.5 million people for one year	Over 2.3 million people for one year	Over 9.8 million people for one year
or		
Nearly 850,000 households for one year	Nearly 800,000 households for one year	Nearly 3.3 million households for one year
Percent of the total volume of water exported by the SWP per year		
45% water year 2021	40% water year 2022	95% 2024 exports

Bay-Delta Water Quality Control Plan 2025 Updates

- Governor Newsom and SWRCB proposed integration of Healthy Rivers and Landscapes Program into the Bay-Delta framework
- If approved, HRL Program focuses on:
 - Increasing river flows
 - Restoring ecosystems
 - Reversing decline of native fish species
- Scope and funding:
 - Restore 45,000 acres of aquatic habitat
 - \$2.9 billion allocated over 8 years
- Developed with local, state, and federal input
- Voluntary agreements with cities, farms, and environmental groups
- Plan offers two options:
 - Participate in HRL Program – combining restored stream flows with habitat projects
 - Flow –only alternative (narrow program without habitat projects)

**Aims to expand habitat in Sacramento and San Joaquin Rivers, tributaries, and Bay-Delta.
HRL Program does not address levee improvements.**

MWD's Forest Resilience Bond Pilot Projects

MWD similarly has programs related to forest restoration in the northern Sierra

Three Pilot Studies Include:

- **North Feather I Forest Resilience Bond**
 - Restoration of Feather River Watershed impacted by 2021 Dixie Fire
- **Plumas Community Protection I Forest Resilience Bond**
 - Protection of communities, water supply, water quality, and biodiversity in the Feather River watershed
- **Upper Butte Creek I Forest Resilience Bond**
 - Investigates the benefits of improving the health of a watershed on vulnerable fish species

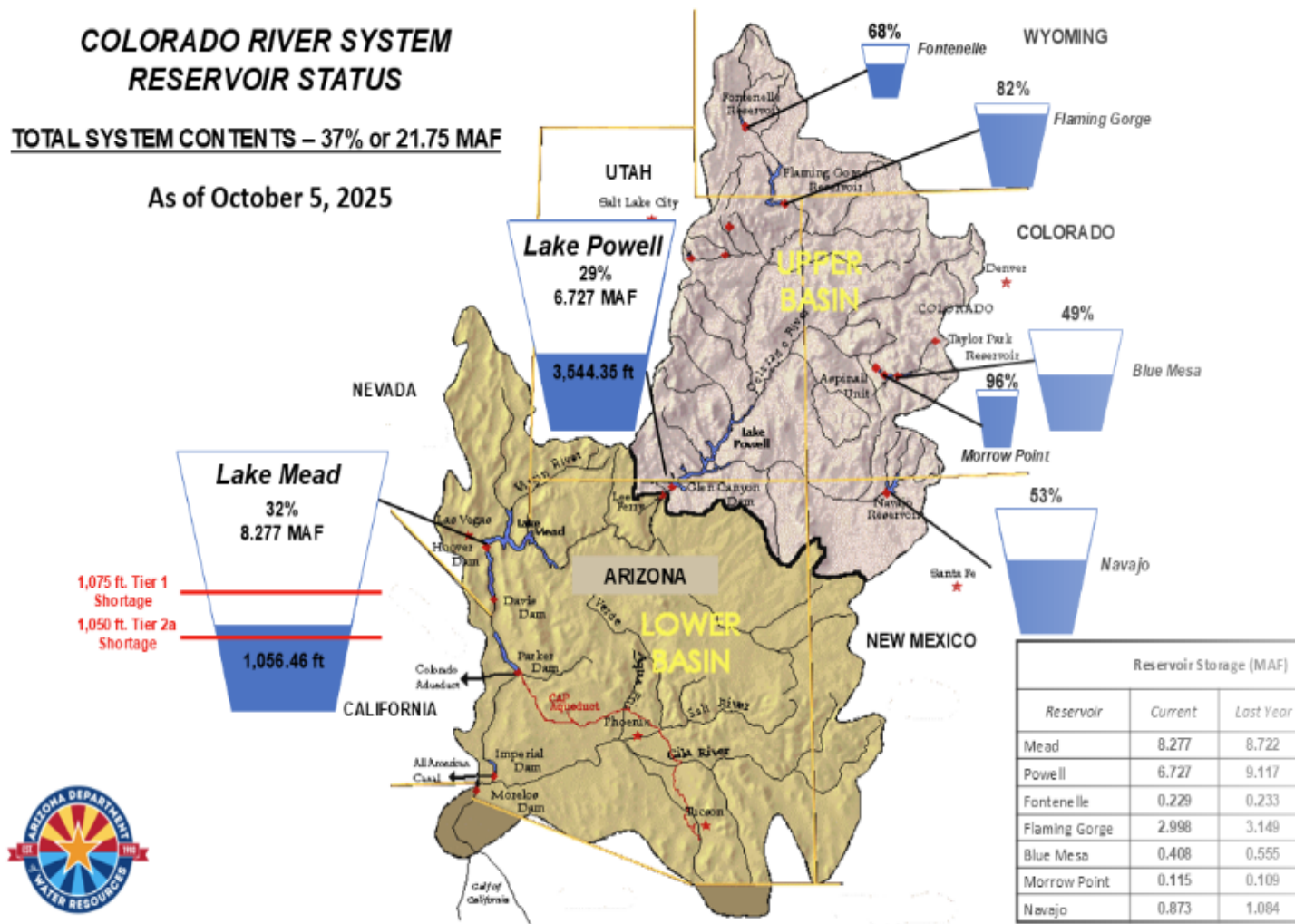
Goals are to assess forest health improvement effects on:

- Water supply resilience, and
- Statewide water quality

Funding Mechanism:

- Forest Resilience Bond managed by nonprofit *Blue Forest*
- Combines public and private funding to accelerate large-scale forest restoration that might otherwise require decades to complete

Colorado River: Supply in Context



In 2024, 76% of OMWD Water Supply Came From the Colorado River Basin

- Ongoing depletion and reduced snowpack replenishment are a concern

Bureau of Reclamation Issued 2026 Water Year, August-Month End Study

- August-24 Month Study projections of January 1 reservoir elevations set operating tiers for Lake Powell and Lake Mead
- These projections are also used for annual release volumes
 - Lake Powell is projected to be in the Mid-Elevation Release Tier, triggering an annual release of 7.48 MAF, which is less than the normal annual release of 8.23 MAF
 - If dry conditions return, release volumes may be adjusted downward
 - Lake Mead will operate in a Tier 1 Shortage Condition with Lower Basin Drought Contingency Plan Contributions

DCP Funding: Next Steps

- MWD's board approved \$300 million for preconstruction costs in 2020 and 2024, covering funds through 2027
- A decision on future costs will be made in 2027, considering design, costs, and benefits
- Most recent DCP cost estimate is \$20 billion
- As a MWD member agency, San Diego County Water Authority sets DCP pass-through costs to OMWD and its other member agencies
- DWR predicts SWP water deliveries will decline by 23% in the coming decades due to changes in weather patterns, seismic risks, and rising sea levels
- *Details emerging on possible subsidence issue within the Delta that could require emergency repair. SDCWA to host meeting discussing the issue on December 4, 2025





Key Takeaways

- Historically, OMWD's Board of Directors has consistently supported a reliable Bay-Delta conveyance solution
- DCP provides for future supply reliability
- Support aligns with drought resilience and climate adaptation strategies for the communities OMWD serves



SDCWA DCP Project





San Diego County
Water Authority



Historical Bay-Delta Policies

November 19, 2025

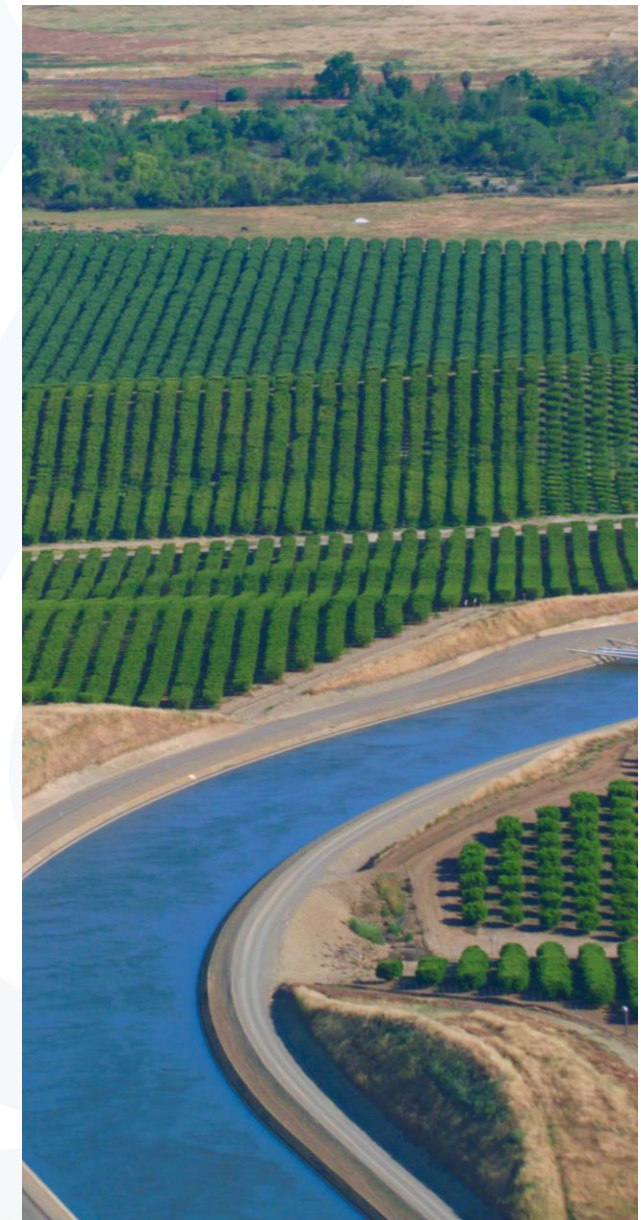
Olivenhain Municipal Water District

Meena Westford
Director of Imported Water

Bay-Delta Supplies

Supporting regional supply reliability

- **All of Water Authority's imported supplies delivered via an exchange with Metropolitan Water District (MWD)**
 - Exchange provides key benefits:
 - Water Quality Improvements for blending (lower salinity)
 - Allows MWD to manage CRA/SWP supplies for regional reliability
 - Reduced costs from shared infrastructure
- **The Water Authority purchases 6% of its supplies from MWD on average**
 - SDCWA pays the full-service MWD rate for these supplies
 - SDCWA-MWD settlement insulated SDCWA from future large cost increases on the volumetric rate
 - MWD collects property tax to pay for a portion of it's existing State Water Contract, SDCWA's share is approximately \$51.7M

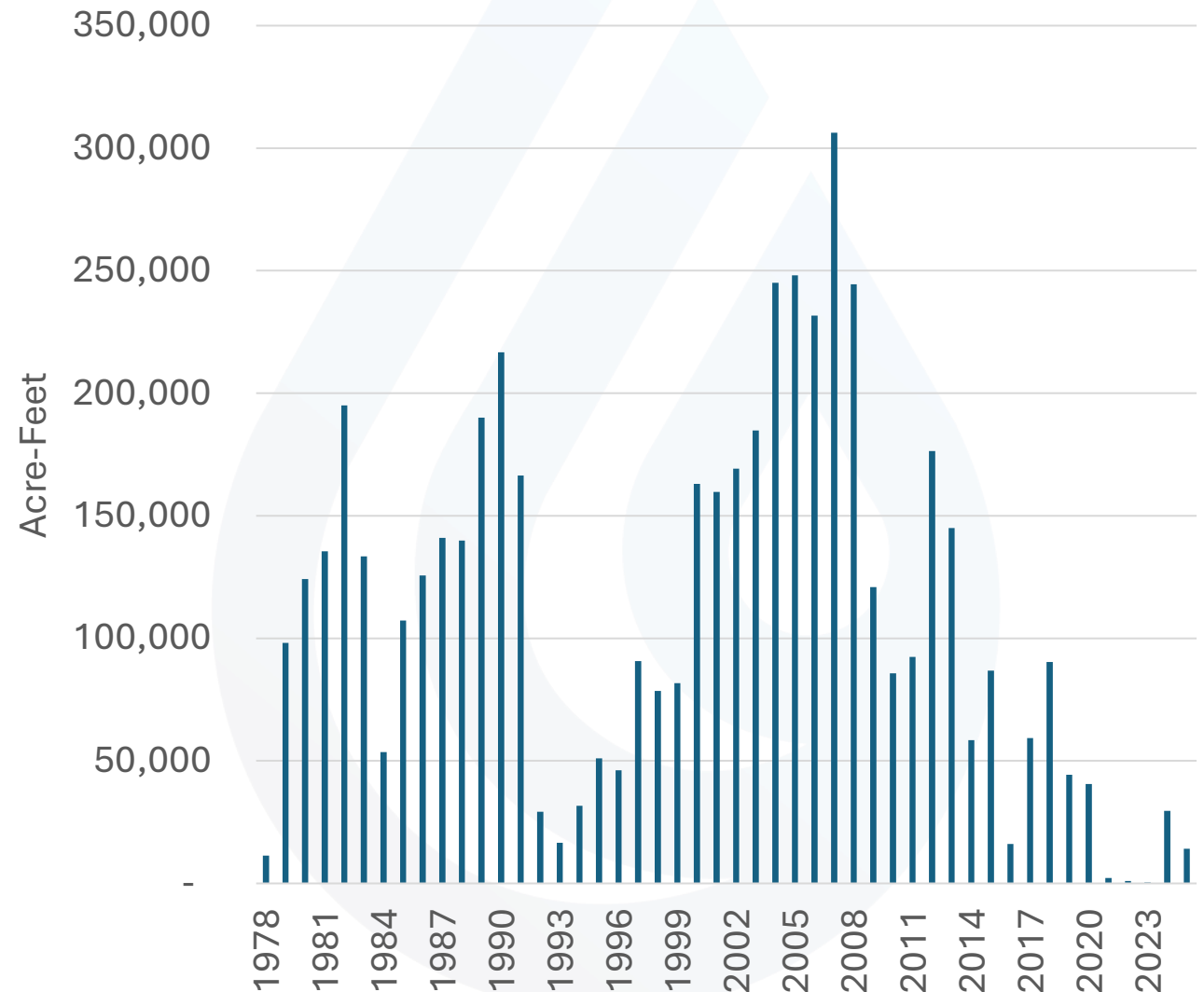


Investments in a System

A substantial investment in the existing system

- **MWD has a long-term contract for up-to 1.9 million acre-feet of SWP supplies.**
 - Average MWD Deliveries over the contract's history is 738 TAF /AF
- **The Water Authority historically was MWD's largest purchaser of water**
 - Significant investment in MWD's State Water Contract and the reliability of its system
- **The variability of the SWP year-to-year presents significant operational challenges**

SDCWA SWP Purchases via MWD



Variability in Supplies

Increasing variability presents risk

- **Water Supplies** are managed at a **State-wide level**
- **Severe reductions on the SWP/CVP** often precede a governor's executive order requiring demand management measures.
 - Up-to 36% reduction in 2015-2017; 20% reduction 2022-2023
 - These one-size fits all requirements don't recognize the region's investment in supply reliability and present outsized risk.
- **Increased resilience and reliability for SWP system helps Statewide water management.**



Managing Risk

Investments in any supply reliability has risk

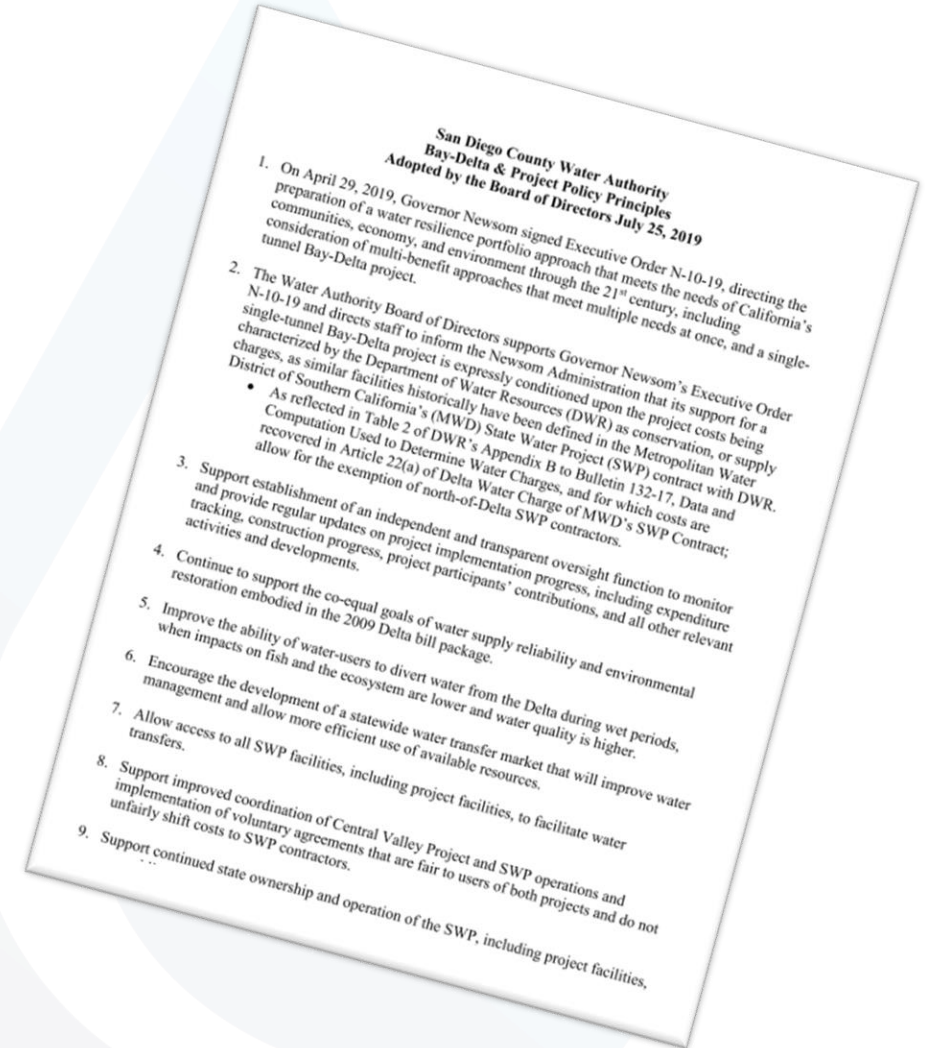
- **Delta Conveyance has risks:**
 - Project Configuration changes
 - Cost allocation
 - Financial/ Cost Estimation risks
 - Environmental mitigation/regulations
 - Hydrologic Variability
- **Risk/Benefit changes as information becomes available:**
 - SDCWA-MWD Settlement
 - DWR Benefit-Cost Study (2025)
 - DCA Cost Estimate (2023)
 - MWD CAMP4W Decision Making Process



SDCWA's Bay-Delta Policy Principles

Conditional Support for a project with risk management

- Adopted July 2025
- Bay-Delta Policy Principles Includes:
 - Support for a single-tunnel project
 - Conditioned support as DWR characterizing costs as conservation or supply
 - Establishment of an independent and transparent oversight function
 - Support of Co-equal goals
 - Improved ability to move water during wet periods



Thank You!





Questions?

NAACP
California Hawaii
STATE CONFERENCE



CalChamber



Association of California Cities
Orange County



San Diego County
Water Authority



June 5, 2025

Governor Gavin Newsom
1021 O Street, Suite 9000
Sacramento, CA 95814

Senate President Pro Tempore Mike
McGuire
1021 O St., Suite 8518
Sacramento, CA 95814

Speaker of the Assembly Robert
Rivas
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0029

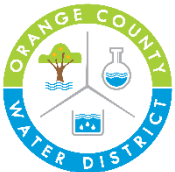


RE: Support for Delta Conveyance Project Streamlining Trailer Bill

Dear Governor Newsom, Pro Tem McGuire, and Speaker Rivas,

On behalf of a broad coalition of labor, business, infrastructure, social justice and nonprofit organizations, we would like to express our strong support for the budget trailer bill that is





intended to streamline processes for advancing the Delta Conveyance Project (DCP) to a point where informed decisions can be made regarding construction investment.

This budget trailer bill is NOT about circumventing public engagement and review – this budget trailer bill is all about breaking through redundant, archaic processes that have resulted in endless delays, duplicative reviews, and millions upon millions of dollars of additive costs, while impeding the State’s ability to complete the DCP and other critical, needed infrastructure projects.

The DCP is a critical component of California’s plans to fortify the State Water Project (SWP) in preparation for the impacts of extreme weather and climate change. The SWP delivers water to more than 27 million Californians and 750,000 acres of farmland and is the engine that powers California’s economic success. However, this system is vulnerable to extreme weather and unpredictable precipitation patterns and, as a result, our state’s main water supply is at serious risk.

According to the Department of Water Resources’ SWP Delivery Capability Report, the SWP is expected [to lose up to 23% of its supply in the next 20 years](#) due to changing flow patterns and extreme weather shifts. It is critical that we act *NOW* by advancing the DCP to prepare California’s water infrastructure to protect the long-term reliability and affordability of water for the millions of Californian homes and businesses that rely upon the SWP.

The [2024 Benefit/Cost Analysis](#) of the Delta Conveyance Project found that water conveyed through the SWP is the most affordable source of water compared to alternatives like desalination or recycling. These alternative sources are necessary, but the volume of water delivered by the SWP cannot be replaced.

For decades, the DCP has been stalled by frivolous lawsuits and duplicative reviews. These are the universal problems facing major infrastructure throughout California, and foundational to why it is so difficult to do big things in our state and bring major infrastructure to completion.

The budget trailer bill proposal restores balance to this process – ensuring legitimate concerns are addressed, while removing tools for obstruction and delay. Every year of delay in construction of the DCP costs California’s water ratepayers – including nearly 8 million people living in disadvantaged communities – approximately \$600 million. The budget trailer bill proposal reduces bureaucratic red tape, which translates into real savings for Californians and for the State budget.

The proposed trailer bill smooths administrative processes to help move the Delta Conveyance Project in a way that balances environmental protections while improving the efficiency of the review and approval process.

It needs to be said, that this DCP *“is not your grandparent’s water conveyance project.”* The DCP has been redesigned to be smaller, more environmentally responsive, and less intrusive to Delta communities. At the same time, the DCP will generate thousands of good-paying



union construction jobs and stimulate local economies, especially in areas hardest hit by economic downturns and drought-related agricultural cutbacks.

For these reasons, **our coalition urges you to support the DCP trailer bill**. We appreciate your consideration and look forward to working with you to advance this important legislation.



Sincerely,

Deven Upadhyay, General Manager
**The Metropolitan Water District of
Southern California**

Rick Callender, President
NAACP California Hawaii State Conference



Joe Cruz, Executive Director
California State Council of Laborers

Kristopher Anderson, Policy Advocate,
Water, Agriculture and Resources
California Chamber of Commerce

Matthew Cremins, Legislative Consultant
**CA/NV Conference of Operating
Engineers**

Michael Quigley, Executive Director
California Alliance for Jobs



Dan Denham, General Manager
San Diego County Water Authority

Ernesto Medrano, Executive Secretary
**LA/OC Building & Construction Trade
Council**



Tyler Munzing, Director of Government
Affairs
**American Council of Engineering
Companies – California**

Robert Saucedo, Chairman
Groundswell for Water Justice

Peter Tateishi, Chief Executive Officer
**Associated General Contractors of
California**

Thomas D. McCarthy, General Manager
Kern County Water Agency



Kris Murray, Executive Director
**Association of California Cities – Orange
County**

Valerie Pryor, General Manager
Zone 7 Water Agency



Adrian Covert, Senior Vice President of
Public Policy
Bay Area Council

Aaron Baker, P.E., Chief Operating Officer –
Water Utility
Santa Clara Valley Water District



Jeff Montejano, Chief Executive Officer
**Building Industry Association of
Southern California**

Richard Lambros, Managing Director
Southern California Leadership Council



Tracy Hernandez, CEO
**Los Angeles County Business Federation
(LA BizFed)
New California Coalition**

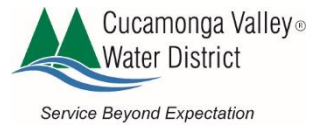
Charley Wilson, Executive Director
Southern California Water Coalition

Jon Switalski, Executive Director
Rebuild SoCal Partnership

Dave Sorem, President
Secure Water Alliance

Dan Dunmoyer, President & CEO
California Building Industry Association

Ahmad Thomas, CEO
Silicon Valley Leadership Group



**Irvine Ranch
Water District**



Mayor Sharona R Nazarian, PsyD.
City of Beverly Hills

Nella McOsker, President
Central City Association of Los Angeles

Amanda Walsh, VP of Government Affairs
Orange County Business Council

Mike Lewis, Senior Vice President
**Construction Industry Coalition on
Water Quality (CICWQ)**

Joe Mouwad, P.E., General Manager
Eastern Municipal Water District

Monica Garcia-Diaz, Chair
**South Bay Association of Chambers of
Commerce**

Chisom Obeolu, Assistant General
Manager -- Water
Glendale Water and Power

Joe Cina, President & CEO
Glendora Chamber of Commerce

Danielle Borja, President & CEO
**Greater Conejo Valley Chamber of
Commerce**

Peggi Hazlett, President & CEO
Greater Ontario Business Council

Zeb Welborn, President & CEO
Chino Valley Chamber of Commerce

Bobby Spiegel, President & CEO
Corona Chamber of Commerce

Erin Sasse, Chair
Southwest California Legislative Council

Nina Jazmadarian, General Manager
Foothill Municipal Water District

Claudette J. Baldemor, President & CEO
Garden Grove Chamber of Commerce

Rev. Jonathan Mosely, Director
**National Action Network – Western
Region**

Stuart Waldman, President
Valley Industry & Commerce Association

Matthew Stone, General Manager
Santa Clarita Valley Water Agency

Paul Granillo, President & CEO
Inland Empire Economic Partnership

Carlos A. Singer, SVP & Chief Policy Officer
Los Angeles Area Chamber of Commerce

Julie B. Michaels, Executive Director
Inland Action

Shivaji Deshmukh, P.E., General Manager
Inland Empire Utilities Agency

Luis Portillo, President & CEO
San Gabriel Valley Economic Partnership

Charlie Nobles, Executive Director
**Southern California Contractors
Association**

Gus Flores, Director of Government Affairs
United Contractors

Jeremy Harris, President & CEO
Long Beach Area Chamber of Commerce

Kristine McCaffrey, General Manager
Calleguas Municipal Water District

David Pedersen, General Manager
Las Virgenes Municipal Water District

Henry Rogers, Executive Director
**Harbor Association of Industry and
Commerce**

Joanne McClasky, Executive Director
Industry Business Council



Matthew Hargrove, President & CEO
California Business Properties Association

Pat Fong Kushida, President & CEO
California Asian Pacific Chamber of Commerce

Rob Lapsley, President
California Business Roundtable



Harvey De La Torre, General Manager
Municipal Water District of Orange County

Lance Eckhart, General Manager
San Geronio Pass Water Agency



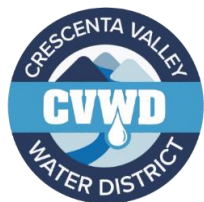
John Kennedy, General Manager
Orange County Water District

Aldo E. Schindler, City Manager
City of Tustin



Eileen Hupp, President & CEO
Palos Verdes Peninsula Chamber of Commerce

Monica Farias, President & CEO
Greater West Covina Business Association



Jason Martin, General Manager
Rancho California Water District

Randall Reed, Board President
Cucamonga Valley Water District



Mara Santos, President & CEO
Redondo Beach Chamber of Commerce

Victoria Hernandez, Executive Director
South Orange County Economic Coalition

Marisa Creter, Executive Director
San Gabriel Valley Council of Governments

Matthew Litchfield, General Manager
Three Valleys Municipal Water District

Robb Grantham, General Manager
Santa Margarita Water District

Donna Duperron, President & CEO
Torrance Area Chamber of Commerce



Dennis Cafferty, General Manager
El Toro Water District

Paul Shoenberger, General Manager
Mesa Water District



Mandip Samra, General Manager
Burbank Water and Power

Justin M. Scott-Coe, General Manager
Monte Vista Water District

Pete Martinez, General Manager
Channel Islands Beach Community Services District

Tom Love, General Manager
Upper San Gabriel Valley Municipal Water District (Upper Water)



Dennis D. LaMoreaux, CEO/General Manager
Palmdale Water District

Louise Lamparra, Executive Director
Ventura County Coalition of Labor, Agriculture and Business (CoLAB)



Darin Kasamoto, General Manager
San Gabriel Valley Municipal Water District

Edward J. Caldwell, General Manager
West Basin Municipal Water District

Heather Dyer, General Manager
San Bernardino Valley MWD

Jim Barrett, General Manager
Coachella Valley Water District

**INVEST
FRESNO**

in Community.
in Jobs.
in Our Future.



California Domestic Water Company

SUMMERHILL HOMESSM



**MULTICULTURAL
BUSINESS ALLIANCE**



Steve L. Johnson, P.E., General Manager
Desert Water Agency

Adnan Anabtawi, General Manager
Mojave Water Agency

Marsha Hansen, President & CEO
El Segundo Chamber of Commerce

John Thiel, General Manager
West Valley Water District

Andy Conli, President & CEO
West Ventura County Business Alliance

Councilman Brian Tisdale, City of Lake
Elsinore
Chair, Advocacy Committee
**Western Riverside Council of
Governments**

Craig D. Miller, General Manager
Western Water District

James Lee, General Manager
Crescenta Valley Water District

Mary Leslie, President
Los Angeles Business Council

Roberto C. Arnold, Chairman & Founder
Multicultural Business Alliance

Ethan Smith, Chairman
INVEST Fresno

Chris Thorne, Chief Executive Officer
North San Diego Business Chamber

Brian Brennan, Executive Director
21st Century Alliance

Kelly Gardner, Executive Secretary
Central Basin Water Association

Carlos Solórzano-Cuadra, CEO
**Hispanic Chambers of Commerce of San
Francisco**

Alma Quezada, P.G., General Manager
Ventura River Water District

Paul A. Cook, General Manager
Irvine Ranch Water District

Jennifer Spindler, General Manager
**Crestline-Lake Arrowhead Water
Agency**

Caren Spilsbury, Executive Director
Gateway Chamber Alliance

James Lee, General Manager
**Crescenta Valley Water District
(CVWD)**

Greg Thomas, General Manager
**Elsinore Valley Municipal Water
District**

David Youngblood, P.E., General
Manager
East Orange County Water District

David Reyes, General Manager
Pasadena Water & Power

Gail Delihant, Sr. Director, CA
Government Affairs
Western Growers Association

Will Oliver, President & CEO
**Fresno County Economic
Development Corporation**

Norman Huff, General Manager
Camrosa Water District

Lacy Schoen, President & CEO
Brea Chamber of Commerce

Amy Valdiva, Chairman of the Board
Upland Chamber of Commerce

Gary Arant, General Manager
Valley Center Municipal Water District

Monica Garcia-Diaz, Executive
Director
Wilmington Chamber of Commerce

Lynda Noriega, President
**California Domestic Water
Company**

Chris Neighbor, President & CEO
SummerHill Homes

David Ellis, President
Delta Ventures, Inc

Kimberly A. Thorner, General Manager
Olivehain Municipal Water District

Caren Spilsbury, Executive Director
Norwalk Chamber of Commerce

CC: Members of the Assembly
Members of the Senate

Memo

Date: November 19, 2025
To: Olivenhain Municipal Water District Board of Directors
From: Jesse Bartlett-May, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **PROVIDE AN UPDATE OF THE GENERAL MANAGER'S EMERGENCY DECLARATION OF THE AZAHAR/CADENCIA/ROMERIA STREETS AND ALDEA PLACE LEAK REPAIR PROJECT AND APPROPRIATE AN ADDITIONAL \$1,200,000 TO THE PROJECT BUDGET FROM THE CAPITAL RESERVE FUND**

Purpose

The purpose of this agenda item is to provide an update on the General Manager's emergency declarations for the Azahar/Cadencia/Romeria Streets and Aldea Place Leak Repair Project (Project) and to consider an additional appropriation of \$1,200,000 to the Project from the Capital Reserve Fund in order to account for additional costs associated with paving being required from the City of Carlsbad (City).

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

Recommendation

Staff recommends approval of an additional appropriation of \$1,200,000 from the Capital Reserve Fund to the Azahar/Cadencia/Romeria Street and Aldea Place Emergency Project.

Alternative(s)

The Board may choose not to approve the appropriation in which the District may be unable to pay invoices that come due related to the Project and/or would have to reduce the amount of pipeline to be replaced.

Background

The streets included in this emergency declaration are located in Director Division 5 (Meyers) and contain 4" to 8" Asbestos Cement (AC) distribution main pipeline, constructed in 1971. These pipelines are an important asset in OMWD's potable water system to maintain water quality and supply reliability in the area.

On the evening of Monday, August 18, 2025, staff received a call from the Carlsbad Police Department regarding excessive water flow on Azahar Street. System Operators quickly arrived on site and were able to isolate and shut off water to this main. Even with the quick response time, there was substantial damage to the road due to the high-pressure release of water washing out the base dirt below the asphalt. Further, tree trimming equipment and heavy equipment owned by a contractor, unrelated to OMWD were sunk into the street at the exact location of the leak. OMWD crews worked into the morning and ultimately removed 11 dump trucks of debris from the site. Staff called Dig Alert so repair efforts could begin.

Due to the extent of damage to the street and the number of customers out of water, the General Manager officially declared an emergency based on Administrative & Ethics Code §3.2.1 to prevent and mitigate the loss or impairment of life, health, property, and essential public services on August 18, 2025, at 10 p.m. Staff immediately began reaching out to contractors. Cass Arrieta (Cass) responded to staff at midnight, notifying them that they could be out in the morning. Cass arrived on site the morning following the emergency declaration and quickly assembled a crew to begin work to restore customers' water service.

Cass had equipment mobilized on site by 10 a.m. and formulated a plan with staff to isolate the broken AC pipe and keep the surrounding pipe in place to limit the number of customers who would need to be highlined. Crews worked quickly and had all customers back in water by 8 p.m. on Tuesday, August 19, 2025. Throughout the process, staff spoke with customers who were very understanding of the situation and appreciative of OMWD's responsiveness.

After ensuring all customers were back in water, Cass began work on exposing the affected pipeline to begin replacement. Cass was able to replace the damaged pipeline

with new 8" PVC. 8" PVC was chosen to replace the old 6" to bring the new pipeline up to current fire flow standards.

On August 26, 2025, while Cass was working to make the necessary repairs on Azahar, another section of AC pipe on Cadencia Street began leaking. On-site Cass crews were able to quickly pivot to Cadencia to begin excavation of this new leak. Staff notified 48 affected customers while Cass continued working to make repairs. Customers were all back in water by 7:15 p.m. the same evening.

Work continued throughout the week on pipeline tie-ins and finishing pavement restoration. However, on Friday, August 29, at approximately 8:00 p.m., another leak was reported on Azahar Street just uphill of where previous repairs had been made. While crews were beginning to make repairs to this new leak, staff noticed water running down Cadencia Street, where another leak had formed upstream of previous repairs. Water was shut off on Cadencia while crews focused on Azahar repairs. Once the leak was stopped and repairs were made on Azahar, crews shifted to begin work on Cadencia Street. Crews worked into the early morning hours to finalize repairs on Cadencia.

Unfortunately, once these repairs were made, the trenchline soil immediately above the pipeline failed, resulting in caving of the trench. Upon inspection of the cave-in, staff and Cass identified additional voids and general unstable soil conditions that compromised the stability of the trench. With limited backfill pressure above the pipeline and unstable soils surrounding the Project area, water could not be restored until proper compaction was made due to concerns of further pipeline damage.

Another crew from Cass was called in on Saturday morning, August 30, 2025, to relieve the crews who worked overnight. Work began to dig up Cadencia Street from the latest repair downhill to Romeria Street, and then re-compact soil so the pipeline could be repressurized. Just before this work began, staff decided to instead cut and cap the recently repaired pipeline and then cut and cap the bottom of the pipeline near Romeria. This would reduce the amount of trench work involved and thus the amount of time customers were out of water due to the installation of a temporary highline to 5 customers on Cadencia. The holiday weekend caused difficulties in gathering necessary repair parts; however, Cass and staff leveraged a long-standing working relationship with local Pacific Pipeline Supply, and work continued throughout the day. Repairs were ultimately successful, with customers back in water by 11:30 p.m.

The following morning, Cadencia Street was added to the emergency declaration. This emergency declaration combined all the leaks repaired by Cass on both Azahar and Cadencia over the prior eleven days.

In early September, staff along with Cass developed a plan to make permanent repairs to Azahar, Cadencia, and Romeria Streets along with Aldea Place while keeping customers in water and limiting other impacts. On the week of September 8, 2025, Cass began running highline materials the entire length of Azahar St. and began excavation in four key intersections to replace valves in preparation of the pipeline replacement work. Starting Monday morning, September 15, 2025, Cass provided four crews, which provided the most efficient method of installing the four separate valve clusters. Working this way ensured that customers would only be without water for eight hours as opposed to several different shutdowns.

This prep work was critical to continue work in the area with limited impact to customers, and the newly installed valves have given staff the ability to perform proper shutdowns without taking customers out of water. While crews were installing these new valves, they also added blow-offs and Manual Air Release Valves which will improve the system and help prevent future pipe failures.

After the valves and appurtenances were installed, Cass cleaned Azahar and created a staging area for their equipment and materials. Cass then began potholing the remainder of Azahar to identify the exact location of the AC pipeline. Once the pipe was identified Cass sawcut the entire length of Azahar above the old AC pipeline. This was done to make excavation much quicker and cleaner.

Cass worked through the month of September removing sections of old AC and replacing with new 8" C900 PVC pipe. While laying sections of pipe Cass also tapped the pipe for service connections and a new hydrant. Cass completed the removal and replacement of the pipeline along Azahar and made the final connection by October 9, 2025. After the final connection of new PVC pipe on Azahar Cass began prep work laying class 2 base for the paving contractor.

Cass indicated that they can replace approximately 100 feet of pipeline a day, plus additional time for highlining, testing, backfilling, and restoration. Once the Azahar pipeline replacement is completed, work will transition to Cadencia Street and Aldea Place, and then to Romeria. With a proposed replacement of approximately 4,000 linear feet of pipeline, a completion date in December is the target, but customers should remain in water the entire time, with limited impacts to water service.

It is important to note that OMWD has monitored pressure in the area throughout the entirety of the event. There have been no spikes in pressure. Groundwater has been historically present in this area, and geotechnical conditions have been challenging. Staff remains in frequent communication with the affected community about the repair efforts; for example, staff has met many customers in the field, sent several broadcast telephone call-em-alls to the affected customers with construction updates, and hand-

delivered letters to residents in the area on September 4, 2025. An additional letter was mailed September 18, 2025 to provide further information. OMWD has established a webpage that has the most recent Project information, and customers are referred to the webpage for additional information when they receive the broadcast telephone calls and letters. Information is conveyed routinely to customers as work progresses, either in person, on the webpage, or via telephone. Staff is also coordinating regularly with City of Carlsbad staff; the General Manager has met with the City Manager and continues to keep him apprised as necessary.

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

Fiscal Impact

At the September 17, 2025, Board Meeting, the Board authorized and OMWD has entered into a not-to-exceed contract with Cass for \$2,000,000. Currently Cass has submitted invoices for August and September for \$329,166.20 and \$795,551.14, respectively. OMWD also entered into an agreement with Ninyo & Moore for Geotechnical services in an amount not-to-exceed \$90,316.00 related to the project. The Ninyo & Moore agreement includes support for Geotechnical services at 30hrs/week, and final paving inspection and reports. Along with Ninyo & Moore, HDR is assisting with pipeline investigation for an amount of \$38,000. OMWD has also entered into multiple contracts with Joe's Paving for a not-to-exceed total amounts of \$590,000 to provide paving services. Our estimate for completing the remaining paving on Cadencia, Aldea, and Romeria is an additional \$420,000. These paving services are necessary to bring the streets back to the City's specifications. The City's specifications have varied throughout the project and make it difficult to accurately estimate paving estimates. The exact Romeria costs remain unknown due to the complexities and variation of paving requirements from the City. Staff is requesting the additional appropriation of \$1,200,000 to account for the additional paving costs and ensure invoices can be paid on time with the anticipation of contractors billing before the end of the year.

The additional appropriation will come from the Capital Reserve Fund which currently has \$47.6 million. Staff projects that the Capital Reserve Fund will have \$37.7 million in it at the end of FY 26. The maximum limit for this fund is \$97.2 million and the minimum is \$19.4 million. With this \$1,200,000 appropriation from the Capital Reserve Fund, OMWD will remain within the fund balance limits, and staff will revisit and reprioritize the capital spending plan in the spring of 2026 with the Board as part of the FY 27 and FY 28 budget process.

OMWD staff will continue to work closely with these contractors to find the most cost-effective path forward while still ensuring high-quality work. Below is a table of current invoiced/expended, encumbered, and anticipated remaining costs:

	Invoiced/Expended	Encumbered	Anticipated Remaining	Anticipated Total
Cass	\$1,124,717	\$2,000,000	\$875,283	\$2,000,000
Joe's Paving	\$590,000	\$590,000	\$420,000	\$1,010,000
Ninyo & Moore		\$90,316		\$90,316
HDR		\$38,000		\$38,000
Labor/Materials	\$353,902		\$200,000	\$553,902
Total				\$3,692,218

ACWA JPIA continues its investigation into insurance coverage but has not yet indicated the covered amount. Staff anticipates a sizeable reimbursement from our insurance carrier that will replenish the Capital Reserve Fund.

Discussion

At the last update to the Board on October 15, 2025, staff informed the Board that paving on Azahar was taking place in the next few days depending on weather. Paving of Azahar took place on October 16th and Cass began setting up highlines, potholing, and saw cutting on Cadencia St. Along with this, Cass worked with the City of Carlsbad to obtain Right-of-Way permits and clarify a laydown area for equipment and materials.

In October, Cass also completed final testing of the newly installed pipeline on Azahar St. This work includes hydrostatic testing, chlorination, flushing, and bacteriological testing. With the new PVC pipeline on Azahar having passed all testing, OMWD staff replaced all the curb stops on customers' service lines before officially connecting customers to the new PVC main on October 29, 2025. Once customers were switched over to the new pipeline Cass then removed all highline equipment and performed a final cleanup on Azahar, just ahead of Halloween. OMWD also had staff onsite for Halloween evening to ensure site security.

On November 3, 2025, Cass broke ground to begin removal and replacement of the old 6" AC main on Cadencia St. after customers were highlined. Joe's Paving performed final cap paving to the bottom section of Azahar, adding a finished layer of asphalt.

With Azahar now complete, ~2600 LF of pipeline remains to be replaced on Cadencia, Aldea, and Romeria. This keeps us on track to complete removal and replacement of the pipeline in December, weather permitting. There will still be pipeline testing and asphalt work that must be completed after the final pipeline is installed in December. A large contributing factor for staff coming to the Board today for additional funds is the City has

been directing the contractors to perform work to the City's standards. Our paving Contractor has had several setbacks and pricing adjustments due to the City's requests.

Along with our own pipeline replacement work staff has been working closely with customers and the City of Carlsbad to resolve issues related to City owned trees on Azahar St. One tree has caused damage to a customer private side irrigation and another tree is heavily leaning in one direction. The trees have also potentially caused damage to customer driveways.

Staff also sent another informational update letter on November 10, 2025, to the affected customers notifying of what work has been completed on Azahar and that the final slurry seal is scheduled for November 25, 2025. The letter also lets customers know work is now beginning on Cadencia St. and Aldea Pl. and what they can expect.

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

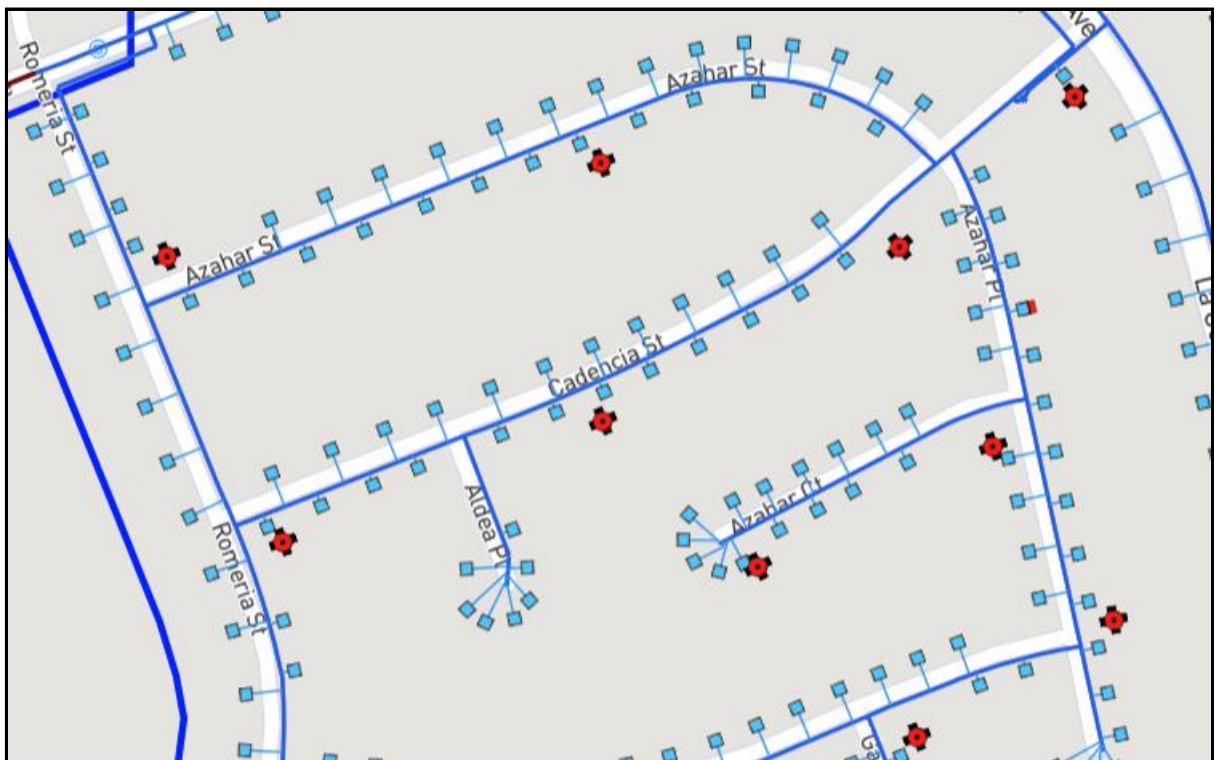
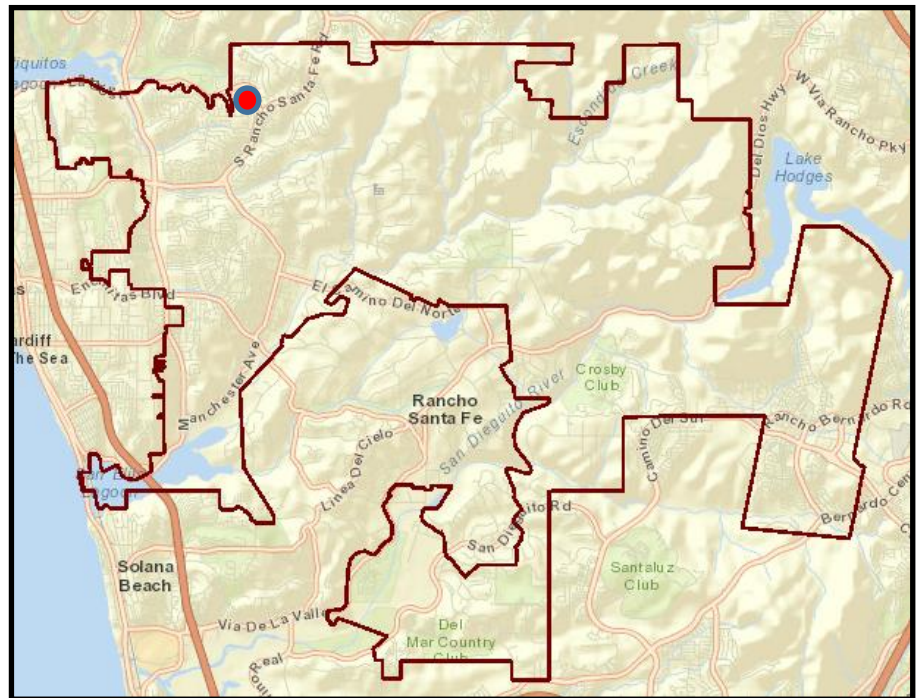
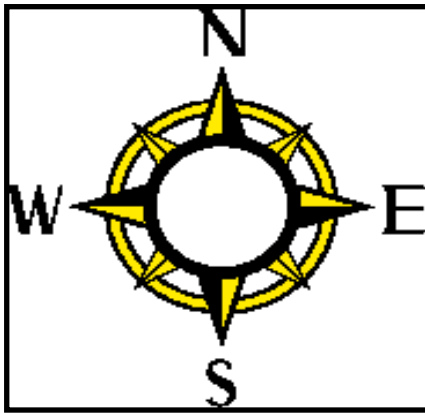
Staff is available to answer any questions.

Exhibits:

A. Map of Improvements

B. Azahar/Cadencia/Romera Streets and Aldea Place Emergency Leak Repair Update PowerPoint Presentation

C. November 10 Letter to Customers



**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

November 19, 2025



AZAHAR ST. PAVING



OMWD STAFF INSTALLING CURB STOPS



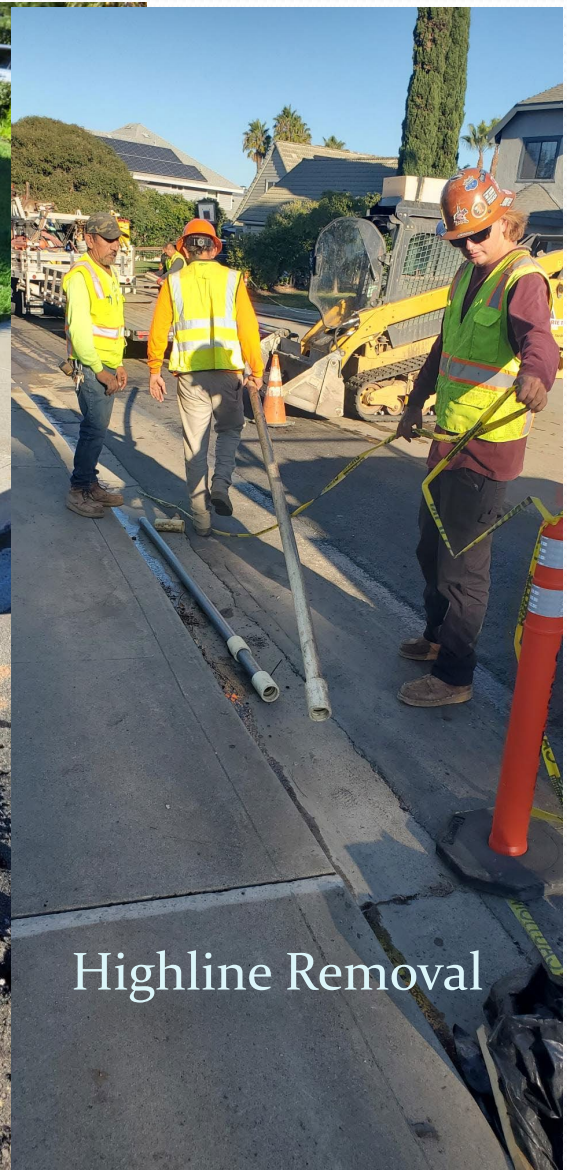
FINISHING TOUCHES ON AZAHAR



Hydrant Pad



Cold mix Removal



Highline Removal

Azahar Work Complete



WORK BEGINS ON CADENCIA



Highline Install



Staging Area



Sawcut

TRENCHING ON CADENCIA



Questions?

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.

November 10, 2025



Carlsbad, CA 92009

Dear [REDACTED],

I would like to provide you with an update on the work on the water infrastructure in your neighborhood.

OMWD has completed full replacement of the 1,400-foot water main on Azahar Street. All residents on Azahar Street are now served by the new water main. We do not anticipate any further interruptions to water service for these residents. OMWD also installed additional valves and an additional fire hydrant on Azahar Street to improve emergency response.

Repaving along Azahar Street is nearly complete. It is still necessary to apply a final layer of sealant which will take place after the fresh asphalt cures. This work is currently scheduled for November 25, weather permitting. The full length of Azahar Street will be closed for the day, and no parking or driveway access will be available on Azahar Street. OMWD will provide additional notification prior to this final paving work.

Meanwhile, OMWD is working to replace approximately 1,450 feet of water main along Cadencia Street and Aldea Place. Work is expected to continue on these streets for approximately three weeks. After the new water main is installed, customers will experience a brief water service interruption while we connect them to the new main. OMWD will provide additional notification prior to the service outage.

Customers on Cadencia Street and Aldea Place will have access to their driveways for the duration of construction. If work is taking place in front of your driveway when you need to leave, please notify our on-site representatives and they will assist you.

We will continue to post regular updates about the construction schedule at www.olivenhain.com/projects.



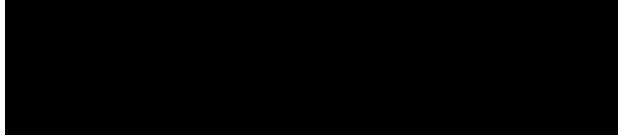
1966 Olivenhain Road • Encinitas, CA 92024 • 760-753-6466 • www.olivenhain.com

A Public Agency Providing Water Wastewater Services Recycled Water Hydroelectricity Elfin Forest Recreational Reserve



Thank you for your continued patience as we complete these improvements to the water infrastructure in your neighborhood. If you have any questions or concerns, please reach out to us at 760-753-6466.

Regards,



Kimberly A. Thorner
General Manager

Memo

Date: November 19, 2025
To: Olivenhain Municipal Water District Board of Directors
From: Joey Randall, Assistant General Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER AN UPDATE ON THE SAN DIEGUITO VALLEY BRACKISH GROUNDWATER DESALINATION PROJECT (INFORMATIONAL REPORT)**

Purpose

The purpose of this agenda item is to update the board regarding the San Dieguito Valley Brackish Groundwater Project (Project) and to provide a comprehensive but concise background for new board members. The update will include progress on obtaining final approval from the Environmental Protection Agency (EPA) to allocate funding (\$959,752) from the Community Project Funding (CPF) grant awarded to OMWD. Additionally, this item will include updates on discussions with the owners of La Valle Coastal Club and Resort (LVCCR) regarding access and easement acquisition for the exploratory borehole and pump testing, which are funded by the grant. The update will also include an economic analysis, results of the Risk Workshop, and how a recently approved Metropolitan Water District of Southern California (MWD) Exchange Program could be utilized for the Project.

Additional details regarding these topics are elaborated in the Discussion section. The Background section of this memorandum offers a summary of the Project's history.

Recommendation

This is an informational item only, though staff welcomes board comments and input. Going forward, staff intends to continue working with EPA on authorization to spend

grant funds, and with LVCCR's owner, MRP PROPCO, LLC (MRP), to develop a joint use agreement (JUA) and obtain easements.

Alternative(s)

This is an information report only.

Background

Recent board updates were provided on March 30, 2022; July 20, 2022; May 31, 2023; and September 18 and October 16, 2024.

Importance of Water Supply Diversity, OMWD Goal

OMWD receives 100 percent of its potable water supply as imported water from the San Diego County Water Authority (SDCWA). The main sources are the Sacramento-San Joaquin Bay-Delta and the Colorado River. These sources are distant from OMWD and face regulatory, drought, and climate-change challenges. For these reasons, OMWD has been investigating opportunities to diversify its water supply portfolio by developing supplies that are locally controlled, reliable, and cost-competitive. Currently, local potable supply opportunities include desalinated seawater and brackish groundwater desalination. OMWD's goal is that one-third of its overall water demands are met by local sources.

Desalinated Seawater versus Groundwater

In 2008, the board directed staff to investigate brackish groundwater desalination opportunities instead of purchasing potable water directly from the Carlsbad Seawater Desalination Plant. The direction at that time was to seek brackish desalination opportunities within OMWD's control at cost equal to or less than the cost of Carlsbad desalinated water, which OMWD had been a partner in and could have elected to receive.

A 2010 opportunities and constraints report identified brackish groundwater desalination opportunities in both the San Elijo and San Dieguito Valley Groundwater basins.

San Elijo Groundwater Basin

OMWD received United States Bureau of Reclamation funding to study the San Elijo Basin. In 2016, OMWD finalized a feasibility report that concluded the San Elijo Basin was potentially feasible as a source of potable supply, pending additional hydrogeologic and

environmental investigations. The San Elijo Basin remains a potential source of supply. However, there appear to be significant challenges related to groundwater extraction and avoidance of environmental impacts. As a result, staff shifted the focus of further studies to the San Dieguito Valley Groundwater Basin.

San Dieguito Valley Groundwater Basin (SDVGWB)

OMWD was awarded State of California grant funding and in 2017 completed a feasibility study of the SDVGWB. The study concluded that a brackish groundwater desalination facility in this area was technically feasible, and that potable water could be produced at a cost that was less than desalinated seawater and competitive with imported water. More information can be found [here](#).

12-Month Pump Test, SDVGWB

OMWD was awarded additional State of California and Metropolitan Water District of Southern California grant funding and, in 2020, completed a 12-month pump test in the SDVGWB. The resultant 2021 Hydrogeologic Report confirmed the feasibility study results, identifying only minor impacts to the groundwater basin storage and mitigable impacts to local wells. The results were presented to the board in April 2021 and to stakeholders and public a week later.

2022 Board of Directors Project Update

On March 30, 2022, a special board meeting was held to consider the results of investigations in the previous year. Consultants that included Jeremy Jungreis of Rutan & Tucker and Rosalyn Prickett of Rincon Consultants presented legal, regulatory, and environmental analysis related to the Project. The conclusion was that there are clear paths forward for environmental and regulatory compliance and permitting. OMWD retained a design-construction firm, Tetra Tech, to update the project cost estimate. In 2027 dollars, the capital cost was estimated at \$47 and \$56 million for a 1.0 and 2.0 MGD capacity project, assuming the continuation of ongoing challenges with supply-chain conditions. The current board approved budget in the 10-year capital spending plan is \$68.8 million. OMWD consultants Doug Gillingham of Gillingham Water and Consulting Engineer Don MacFarlane also presented an economic analysis of the Project, and the benefits derived compared to continuing to buy water from SDCWA. With reasonable assumptions for the input variables, the Project was found to have an estimated financial benefit of \$18 million over 30 years, when compared to status quo. These results indicated the Project has strong potential and supported the continuation

of project planning to reduce uncertainties. At the special board meeting, staff identified several investigations that would be conducted in fiscal year 2023.

2023 Community Project Funding Program

In early 2023, staff began work with Congressman Scott Peters' office to achieve federal funding to continue OMWD's ongoing investigations into the Project's hydrogeology. In March 2024, Congress enacted the Consolidated Appropriations Act of 2024, which included \$959,752 for the Project. The channel by which the Congressionally approved funding is made accessible to OMWD is the EPA's Community Project Funding program. The funding requires a 20 percent local match.

2023 Board of Directors Project Update

On May 31, 2023, another special board meeting was held to consider the results of the FY 2023 investigations. OMWD staff and consultants, including Brian Villalobos of Geoscience Support Services, Inc. (Geoscience, or GSSI), presented an update of the hydrogeologic analysis. The consultants also presented an economic analysis of the Project, and the benefits derived from comparing it to continuing to buy water from SDCWA. By this time, the Project's estimated financial benefit was updated to \$31 million over 30 years, when compared to status quo. Staff presented updates on interagency and private company coordination, and potential partnerships, grant funding opportunities, budgets, and schedules. MRP offers one of those potential partnerships. The board supported the continuation of project planning, including the drilling of exploratory boreholes and pump testing. Geoscience Support Services, Inc. (GSSI) was issued a professional services agreement (PSA) for this work and other work in September 2023.

At the same meeting, staff discussed several planned investigations that were in the approved budget, and were planned to be conducted in fiscal year 2024, including the exploratory borings, pump tests, and construction of monitoring wells at LVCCR. The LVCCR site falls within the "North Valley Wellfield" identified in the 2017 Feasibility Study and shown in Figure 1. The depth to bedrock is shown in Figure 2.

OMWD staff have conducted the following Project outreach activities:

Community Outreach

- Well Owner and Public – March 16, 2017
- Community Meetings and Public Workshops -October 17, 2017 and December 4, 2018

- Del Mar City Council – April 1, 2019
- Public Webinar, Project Status – April 27, 2021
- MWD Future Supply Actions Program – October 17, 2021
- San Dieguito River Park JPA – March 4, 2022
- Santa Fe Irrigation District – July 21, 2022
- Public Outreach at Solana Santa Fe Elementary – September 7, 2023

Grant Funding Summary

OMWD has received the following grants for the current Project.

- Feasibility Study - \$250,000
- Pilot Test Well, 12-Month Pumping Test - \$825,000 (DWR - \$650,000/MWD - \$175,000)
- Exploratory Borehole and Pumping Testing - \$959,752 (Pending EPA authorization)

FY 2025 and 2026 Project Deceleration

During FY 2025 and 2026 budget deliberations, staff proposed a Project deceleration. Due to unforeseen and excessive SDCWA rate increases, the board voted at its April 17, 2024 meeting to decelerate the Project in the FY 25 and 26 budgets to help reduce the impact of these SDCWA rate increases on OMWD customers.

Board Meetings of September 18 and October 16, 2024

At these meetings, the board heard an informational report on the status of the CPF grant and approved:

- An increase in the FY 2025 appropriation for the Project in the amount of \$1,100,000 (Unspent due to not receiving EPA grant funding, reappropriated to FY 2026)
- Draft principles of understanding with MRP, including authorizing and approving the General Manager to negotiate easement purchases in an amount not to exceed \$65,000.(Work paused until EPA grant funding process complete)
- Authorization for the General Manager to enter into a PSA with GSSI in the amount of \$1,209,022 for the exploratory borehole and pump testing work (Not yet executed due to current absence of EPA funding)
- Adopting Resolution 24-17 making CEQA findings and ordering a Notice of Exemption be filed with the San Diego County Clerk and State Clearinghouse at the Governor's Office of Planning and Research.
- In closed session, designating real property negotiators for the easements.

Fiscal Impact

This is an informational item with no fiscal impact at this time, that is not already approved by the board.

Discussion

2024 Risk Workshop

In February 2024, OMWD convened a panel of experts to review the Project and identify potential risks and mitigation. The experts were independent, and had not worked on the Project. Their areas of expertise covered water resources planning and permitting, groundwater hydrogeology, advanced water treatment including reverse osmosis, and civil infrastructure including wells, pumping stations, and pipelines. Staff from the General Manager's office, finance, engineering, operations, and customer services participated along with key members of the consultant team, and the general manager from a local wastewater and recycled water agency. Key risks are listed below along with the planned actions.

- Water Supply and Quality – All of these risks have been considered but will receive additional attention in the next hydrogeologic studies.
 - Understanding of aquifer structure and recharge
 - Supply impacts due to climate change
 - Reductions in return flow due to conservation
 - Pumping effects on the environment
 - Water rights
 - Potential contamination and regulatory constraints
- Stakeholder Involvement for Customer and Public Acceptance and Permitting Success – None of these risks were identified as fatal flaws to public approval and implementation. OMWD will continue its stakeholder involvement and partnership development activities. Development of project partners is considered a highest priority.
- Advanced Technology Requirements and Technical Performance, Including Reverse Osmosis Technology, Brine Discharge, and Reliance on Existing Infrastructure – Mitigation includes a review of operations, maintenance, repair, replacement, and permits for existing infrastructure. Based on this workshop, staff and consultants have already incorporated recommendations regarding

advanced water treatment into the Project cost estimating and economic analysis.

- Consider the Trend of Converting Wastewater Treatment Plants to Pure Water Plants, Using the Groundwater for a Potential for Supply – The panel concluded that this is not a short-term alternative because of infrastructure constraints, but staff will continue to consider it for the long-term viability of the Project.
- Construction Cost Escalation, Long-Term Operating Costs, and Availability of Grant and Low-Interest Loan Funding – Staff will continue to use experienced design and construction companies to provide independent cost estimating, as was done in the most recent update. OMWD will continue to use its ongoing economic analyses to evaluate a broad range of scenarios, costs, and funding, using conservative assumptions, to test the Project against the “No Project” alternative of continuing to buy water from SDCWA. Currently, the model assumes 25 percent grant funding.

Joint Use Agreement and Easements from LVCCR

In preparation for the 2019 year-long pump test, GSSI recommended that the test well be located on the Morgan Run Golf Club (now LVCCR) property. The owner at that time was unresponsive to requests for OMWD to locate a new well on the property; however, Morgan Run staff did allow OMWD to monitor existing wells on the property. Surf Cup Sports was amenable to work with OMWD at that time, and ultimately, the pilot test well was drilled on their property leased from the City of San Diego.

In 2023, OMWD staff learned that MRP had purchased Morgan Run, and due to the groundwater aquifer existing almost directly under the property, staff reached out to MRP. After several conversations and in-person meetings, a principles of understanding (POU) for water resource development was approved by the board on October 16, 2024.

While the POU has been helpful in furthering discussions with MRP, it did not anticipate specific responsibilities that will allow for the completion of the work at LVCCR. Staff has concluded that a Joint Use Agreement that focuses on the exploratory borehole, pumping tests, and the associated rights of way will appropriately address these responsibilities and staff will pursue a JUA at such time as EPA grant funding has been received.

The JUA would address OMWD's need for easements from MRP to perform the grant-funded work. Easements are required for two well sites at LVCCR so that OMWD can control land uses in the area around the wells, and access them for operation and maintenance. Long term, the wells may become production wells, if the Project moves forward. Easements are also required for access from the nearest public right of way, or existing OMWD easement, to the wells. These access easements would also be utilized for pipelines to convey groundwater to a treatment plant, and provide a route for power cables to run well pumps in the future, should the Project progress.

The JUA will also address:

- The drilling and pump test processes, and the monitoring well construction
- Working hours and noise
- MRP's acceptance and use of the pump test water
- Restoration after construction
- CEQA/NEPA requirements and responsibilities
- Community outreach
- Indemnity
- Insurance

Concurrently, LVCCR has been completing a renovation of the East Golf Course. OMWD staff has coordinated with LVCCR staff to try and complete the exploratory borehole and pump testing while the golf course was shut down to avoid disruption and loss of revenues. During the coordination process, LVCCR staff requested that the borehole be moved to a new location. GSSI evaluated and approved the new site, which is out of the way and does not conflict with renovation activities. One of the pumping tests is planned for an existing well that is situated within the landing area for the LVCCR driving range. It appears that with the EPA-related delays, the renovation of the driving range will be complete before the pumping test, and OMWD staff will need to arrange to perform test with the least impact to LVCCR.

For appraisal of the proposed easements, OMWD entered into an agreement with Jones, Roach, and Caringella (JRC). Staff enlisted JRC to estimate easement and access values for use in determining compensation to MRP. JRC's findings have been provided to MRP for review and independent confirmation, which is still underway. OMWD will work with MRP to locate the final easements. OMWD will then retain a surveying consultant to survey the easements and prepare plat maps and legal descriptions to support the acquisition.

2025 MWD Local Supply Exchange Program

In August 2025, the MWD Board of Directors approved a Local Supply Exchange Framework to facilitate the exchange of local-produced water supplies among MWD member agencies and sub-agencies. The framework allows an MWD member agency to sell a portion of its locally produced supply to another MWD member agency, at financial terms determined by the agencies, and to do so without the need for direct delivery from the seller to the buyer. Theoretically, OMWD could take advantage of the framework to exchange supplies from the Project with other MWD member agencies. However, because the Project derives its benefits from avoiding SDCWA rates, and MWD rates are considerably lower than SDCWA's (approximately one-half), such an exchange seems economically unlikely. However, the adoption of a similar framework by SDCWA could benefit OMWD's project by clarifying opportunities for other area water agencies to partner with OMWD.

2025 Economic Analysis Update

Gillingham Water has been preparing incremental updates to the Project's economic feasibility analysis for the past five years. In early 2025, Gillingham Water produced supplemental notes on the analysis, including:

- Improved the approach to measuring Rate-of-Return on OMWD's capital investment.
- Improved definition and modeling of economic terms such as inflation and discount rates.
- Improved model treatment and analysis of SDCWA variable and fixed rate components.
- Improved definition of Project capacity based on comments received at the 2024 Risk Workshop, described below. The water treatment plant capacity factor has now been adjusted downwards to 84 percent, with the plant assumed to be shut down for maintenance, or unplanned outages. With assumed sustainable groundwater pumping unchanged at 2,000 acre-feet per year (AF/yr), the plant's treated water production capacity was increased to 1.7 MGD to compensate for the more conservative plant capacity factor. Annual treated water production volume remains unchanged at approximately 1,600 AF/yr.

After incorporating this work, the Project financial benefit remained at \$31 million (net present value) over 30 years, as compared to continuing to purchase water from SDCWA. In addition, the project would produce a new local water supply, reduce

OMWD's reliance on SDCWA, reduce the region's demands on the Colorado River and the State Water Project, reduce OMWD's energy/GHG footprint through reduced pumping of water supplies, and improve water quality in the San Dieguito Valley groundwater basin by removing salt.

Securing Community Project Funding from the EPA

Upon approval of CPF funding by Congress, the EPA required that staff complete a detailed application package, which has required the submission of an extensive set of documents for review followed by considerable, ongoing engagement with the EPA. Given the interconnected nature of these documents, revisions to one element often necessitated corresponding updates to other components of the application. All requisite materials have been prepared and submitted to the EPA in order to obtain and execute a grant agreement. The application package consisted of the following:

- Workplan
- Budget and timeline
- Biological report
- California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA) documentation
- Cultural resources report
- Section 106 State Historic Preservation Office Authorization
- Title VI Civil Rights Act compliance documentation
- Procurement documentation [federal grants require contracts to demonstrate compliance with Title 2 of the Code of Federal Regulations, Buy America Build America (BABA), American Iron and Steel (AIS), Davis-Bacon Act, and Disadvantaged Business Enterprise (DBE) requirements]

With regard to federal procurement standards, OMWD selected GSSI as the consulting firm for the 2017 Feasibility Study through a competitive procurement process that adhered to all OMWD Administrative & Ethics Code and state regulations. Four proposals were received and evaluated, and GSSI was identified as the most qualified. Subsequently, in accordance with Admin Code requirements and with board approval, GSSI was designated as the sole-source provider for the further tests and investigations listed below.

- 2018 Well construction and one-year pump test.
- 2022 Hydrogeologic investigations.
- 2023 Exploratory borehole and pumping tests. (Not completed)

OMWD has continued working with GSSI on these elements of the Project due to the fact that GSSI had:

- Extensive knowledge of the groundwater basin geology and hydrology.
- Maintained the same key staff during all phases.
- Developed a watershed and groundwater computer model with over 4 million data points.
- Excellent service and high-quality work.

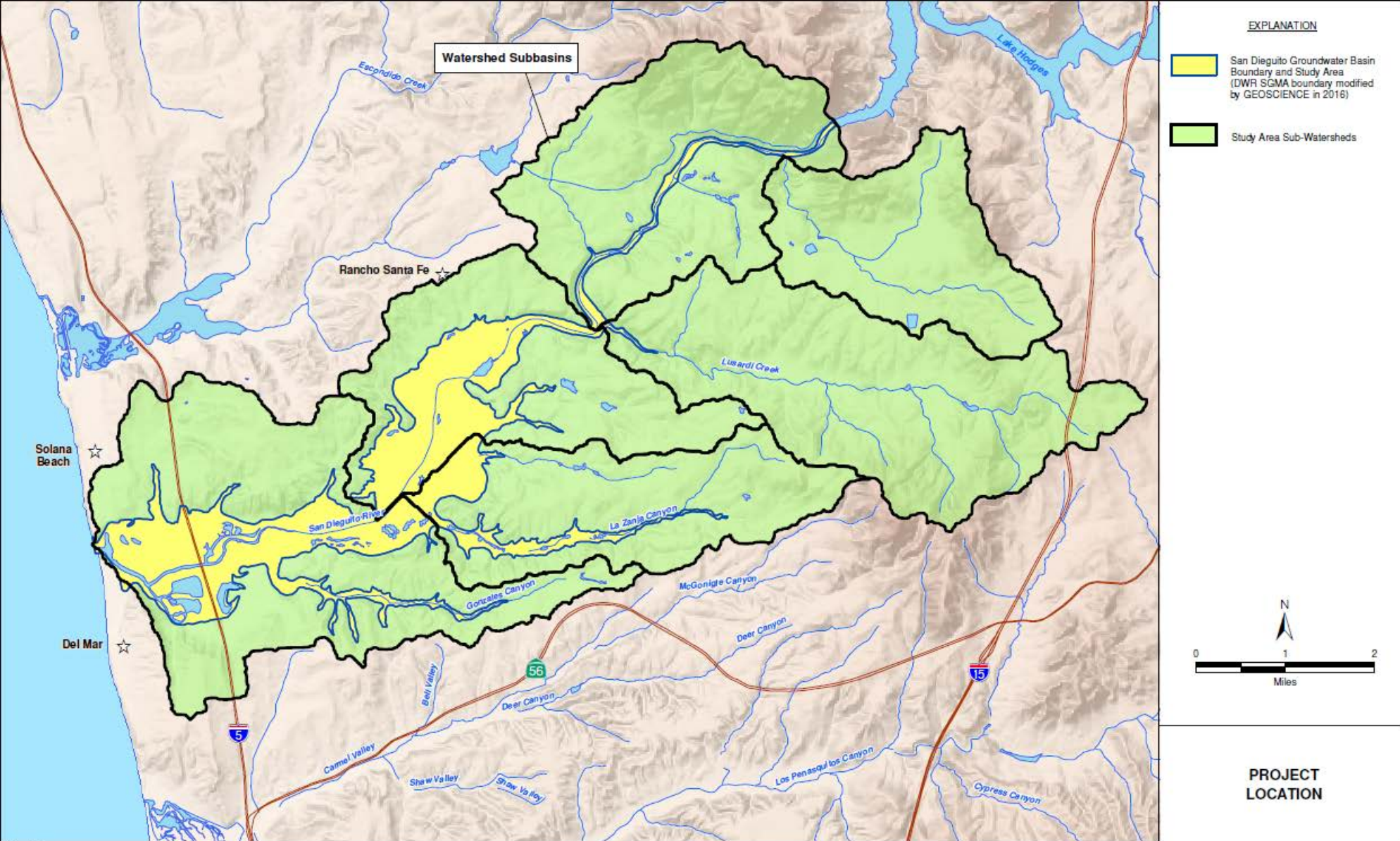
Recently, many months after completing the application, and supporting documents, EPA requested additional justification for a sole-source award to GSSI to complete the grant-funded work. Federal procurement procedures generally discourage sole-source awards. However, such awards are permissible under specific circumstances. After reviewing the criteria by which grantees are permitted to use sole-source awards, staff met with the EPA grant specialist and EPA attorney. Staff advised that conducting a new selection process and retaining a new consultant would result in significant delays and duplication of effort, at significant costs to OMWD. The EPA representatives offered their opinion that the Project qualifies for a competitive procurement waiver, and advised that OMWD should request this by way of a noncompetitive procurement method request as outlined in 2 CFR 200.32, Section C. Staff submitted the documentation on October 2, 2025. In an email dated October 28, 2025, EPA indicated that staff reviewing the request are not currently working due to the federal government shutdown.

On October 16, 2024, the board had authorized a PSA with GSSI to complete the grant-funded work, anticipating near-term authorization from EPA to proceed. To date, however, EPA has not provided this authorization, so the PSA has not been issued, and the work has not started. Further, staff has completed considerable coordination with LVCCR, but has paused these discussion until EPA provides authorization to spend the grant funds.

This concludes a summary of the activities related to the CPF grant, and the more recent Project activities. Staff remains optimistic that EPA will accept the OMWD procurement approach and authorize OMWD to start spending the grant funds. Staff is available to answer any questions.

Attachments:

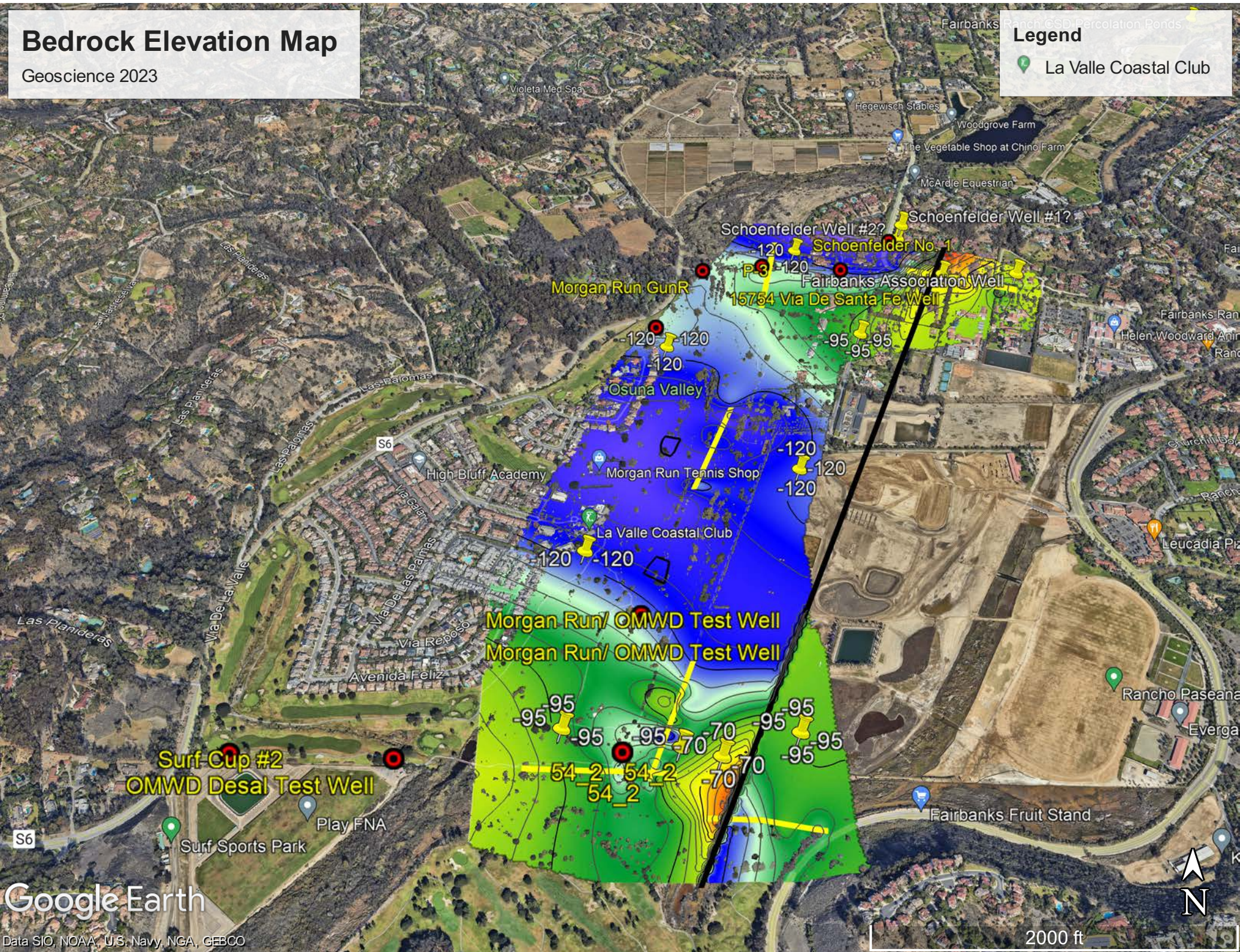
- *Figures 1 and 2*
- *Economic Feasibility Report and Supplemental Analysis*
- *PPT Presentation*



30-Nov-17

Geoscience 2023

 La Valle Coastal Club





San Dieguito Groundwater Desalination Project Planning

Economic Feasibility Assessment Summary Report

UPDATED June 2023



Prepared by:



ECONOMIC FEASIBILITY PROJECT TEAM

CONSULTANT TEAM

Gillingham Water

Doug Gillingham, P.E.
Principal

Weinberg Water Resources Consulting

Ken Weinberg
Technical Review

OLIVENHAIN MUNICIPAL WATER DISTRICT

BOARD OF DIRECTORS:

Christy Guerin, President
Matthew R. Hahn, Vice President
Neal Meyers, Treasurer
Lawrence A. Watt, Secretary
Marco San Antonio, Director

OMWD STAFF:

Joseph Randall, Assistant General Manager
Rainy Selamat, Director of Finance

OMWD CONSULTING ENGINEER:

Don MacFarlane, P.E.



Doug Gillingham, P.E.
Project Manager



CONTENTS

SECTIONS:

Preface to the May 2023 Update	iii
Executive Summary	1
1. Introduction	2
2. Evaluation of Non-Cost Factors	5
3. Evaluation of Cost Factors	6
4. Findings and Recommendations	18

LIST OF TABLES

TABLE 2-1: Evaluation of Non-Cost Factors	5
TABLE 3-1: Project Capital Cost Summary in 2027 Dollars ^{1, 2}	6
TABLE 3-2: Project Operating Cost Summary	7
TABLE 3-3: First-Year Unit Cost Summary (in 2023 Dollars)	7
TABLE 3-4: SDCWA Rate Escalation Assumptions	10
TABLE 3-5: NPV Cost Summary – Project vs. No Project	12
TABLE 3-6: Sensitivity Analysis for Changes Favoring No Project Option	15
TABLE 3-7: Sensitivity Analysis for Changes Favoring Project Option	16

LIST OF FIGURES

FIGURE 3-1: NPV Annual Cost Differential – Project vs. No Project.....	13
FIGURE 3-2: NPV Annual Cost Differential with Extended NPV Term.....	17

Preface to the June 2023 Update

The original version of this report was prepared in March 2022. The purpose of the report was then and is now to support project planning and budgeting decisions by the Olivenhain Municipal Water District concerning the potential for a new potable water supply project, one utilizing surplus groundwater from the San Dieguito Basin.

This new updated version of the report has made modest modifications to the original to incorporate new information and conditions. The most consequential of these are the following:

SUMMARY OF KEY CHANGES IN THE JUNE 2023 REPORT UPDATE

Change	Description	Economic Consequence
1) Increased Production Capacity	The 2022 report evaluated a project with an assumed production capacity of 1.3 million gallons per day (mgd). Subsequently, additional hydrogeological investigations undertaken by OMWD indicate a strong likelihood that sustainable groundwater supplies are available to support a project with a production capacity of at least 1.5 mgd. The new report evaluates a project at this larger capacity.	Positive The change is significant because the larger project benefits from significant economies-of-scale inherent in the project's conceptual design. This leads to reduced unit costs of production, and to an increase in the project's 30-year Net Present Value (NPV) advantage in comparison to the No Project alternative of continued reliance on purchases from the San Diego County Water Authority (SDCWA).
2) Additional Facilities Needed for Product Water Conveyance	The increase in project capacity requires additional facilities to convey product water into regions of the OMWD distribution system having sufficient demands to utilize the supply consistently.	Negative This leads to an increase in costs, but this increase in more than offset by the economies-of-scale benefits noted above.
3) Higher than Expected SDCWA Rate Increases	SDCWA's proposed rate increases for its next budget cycle are considerably higher than the rate escalation assumptions utilized in the 2022 Study. The new report updates the rate escalation assumptions accordingly. We continue to believe there is an upper limit to the <u>variable</u> component of SDCWA rates, and our analysis continues to account for that as detailed in the body of the report.	Positive The change is significant because the economics of the project are primarily a function of how its long-term costs compare to the long-term costs of purchasing a like amount of water from SDCWA. The change results in an increase in the project's 30-year NPV advantage over the No Project status quo of reliance on SDCWA.
4) Adjusted Capital Cost Escalation	The 2022 report inadvertently over-escalated capital costs to the start of construction. The independent cost estimate was already escalated to 2027 conditions and dollars, but the 2022 economic model treated the costs as being in 2022 dollars, and escalated those to the start of construction. That has now been corrected.	Positive The correction reduces the present-worth cost of construction, further advantaging the project in comparison to the No Project status quo of reliance on SDCWA.

The overall effect of the above updates is to increase in the project's 30-year Net Present Value advantage over the No Project alternative of continued reliance on purchases from SDCWA. This and other findings are detailed in the body of the report.

Executive Summary

1. The Project: Olivenhain Municipal Water District (OMWD) is investigating the feasibility of developing a San Dieguito Groundwater Desalination project as a new increment of local water supply to serve the long-term needs of its ratepayers.

Previous work by OMWD has evaluated a reasonable range of groundwater project locations and types, and determined the San Dieguito Groundwater Basin (SDGWB) to be the preferred location for more focused studies to assess project feasibility. Engineering and Hydrogeologic investigations have indicated a project is technically feasible, and that OMWD could safely and sustainably pump up to approximately 2,000 acre-feet per year (AF/yr) of surplus groundwater from the basin. Because the groundwater is brackish, desalination via reverse osmosis would be required, and after treatment losses the project would produce approximately **1,600 AF/yr** of new potable supply. The proposed project would have a production capacity of **1.5 million gallons per day (mgd)**.

2. The Key Question: How does the Project fare, in terms of cost and non-cost factors, in comparison to the No Project alternative of continued reliance on the San Diego County Water Authority (SDCWA)?

We have structured our feasibility assessment as a comparison between the Project and its No Project alternative, the latter being the status quo of continued reliance on purchases of raw water from SDCWA, and continued treatment of that water at OMWD's David C. McCollom Water Treatment Plant (McCollom plant). Project vs. No Project.

3. Answer: The Project fares very well.

- **Non-Cost Factors:** The project provides improved supply reliability, environmental sustainability, and local control, helping to reduce OMWD's exposure to the uncertainties and escalating costs associated with imported water supplies.
- **Cost Factors:** With reasonable assumptions, the project provides significant economic advantage in comparison to the No Project alternative on a Net Present Value (NPV) basis. Over a 30 year period of project operations, we estimate present-worth total costs as follows:

30-Year Net Present Value @ 1,600 AF/yr (2023 Dollars)		
PROJECT	NO PROJECT	PROJECT ADVANTAGE
\$78M	\$109M	\$31M

4. Recommendations / Next Steps: The findings are sufficient to warrant continued investment by OMWD in project development.

The potential cost and non-cost advantages of the Project support continuing with project planning, design, permitting, grant funding applications, and more.

1. Introduction

1.1. Project Background: Imported supplies are subject to increasing environmental and economic challenges. Evaluating local water supply development opportunities is prudent.

With imported supplies subject to continuing challenges and growing increasingly expensive, it becomes prudent to examine opportunities to develop additional sources of local supply where feasible. OMWD has investigated a reasonable range of groundwater project locations and types, and determined the SDGWB to be the preferred location for more focused studies to assess project feasibility.

In 2008, OMWD's Board directed staff to investigate brackish groundwater desalination opportunities, instead of purchasing potable water directly from the Carlsbad Seawater Desalination Plant. The direction at that time was to seek brackish desalination opportunities within OMWD's control at cost equal to or less than the cost of Carlsbad desalinated water, which OMWD had been a partner in and could have elected to receive.

Engineering and Hydrogeologic investigations conducted by OMWD to date have indicated a project is technically feasible, and that OMWD could safely and sustainably pump approximately 2,000 acre-feet per year (AF/yr) of surplus groundwater from the basin¹. Because the groundwater is brackish, desalination via reverse osmosis would be required, and after treatment losses the project would produce approximately 1,600 AF/yr (1.5 mgd) of new potable supply.

1.2. Economic Feasibility Assessment Purpose: Assess economic feasibility, and provide clear and objective analysis sufficient to support a decision by OMWD on whether to continue investing in project development.

OMWD seeks to manage its ratepayer funds wisely, and to invest those funds only in projects for which probable returns warrant that investment. The costs for project planning and feasibility assessments are by their nature at risk, their potential benefit being contingent on a project advancing to implementation.

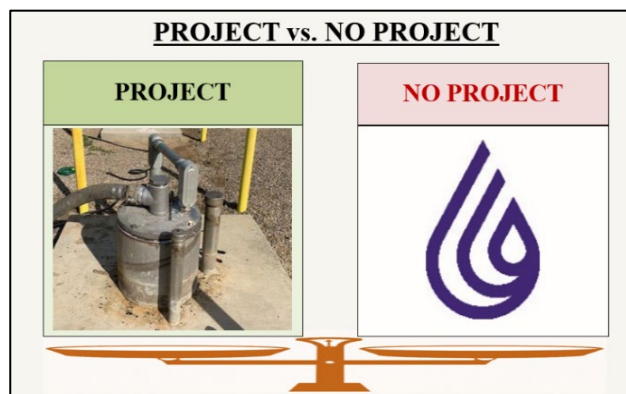
With OMWD having already invested funds in studies to date, it is prudent to test each cycle of investment – perhaps each annual budget – against the expectation of return on investment. The economic feasibility assessment presented in this report attempts to meet that challenge.

¹ **Increased Capacity:** The 2022 version of this report evaluated a project with an assumed projection capacity of 1.3 million gallons per day (mgd), supported by groundwater pumping of approximately 1,700 AF/yr. Subsequently, additional hydrogeological investigations undertaken by OMWD indicate a strong likelihood that sustainable groundwater supplies of approximately 2,000 AF/yr are available, sufficient to support a project with a production capacity of at least 1.5 mgd. The new report evaluates a project at this larger capacity.

1.3. Project vs. No Project: The economic point of comparison for the Project is that of the No Project alternative, being the status quo of continued purchases from SDCWA.

Even though previous Board actions have referenced the costs of water from the Carlsbad Seawater Desalination Plant (Carlsbad Desal), the current analysis draws a different point of comparison more apt for OMWD: it's actual marginal source of supply. While it is true that Carlsbad Desal is a component of SDCWA's supply portfolio, and by far the most expensive component, its costs are melded into SDCWA's overall mix.

As such, the cost to OMWD of buying an extra acre-foot from SDCWA, or conversely, the savings of not buying an acre-foot, are those of the melded SDCWA rate structure. Thus the proper economic comparison is between the costs of the Project, and the costs of continuing to purchase the corresponding increment of raw water supply from SDCWA and treating that water at OMWD's McCollom water treatment plant.



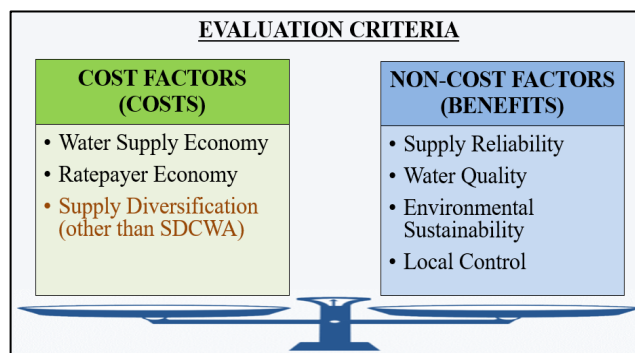
1.4. Evaluation Criteria: The assessment considers both Cost and Non-Cost factors.

Evaluation criteria begin with the OMWD's mission statement:

OMWD MISSION STATEMENT (WATER): Providing safe, reliable, high-quality drinking water while exceeding all regulatory requirements in a cost-effective and environmentally responsive manner.

This leads to project goals as follows:

- 1) Economy: Favor projects that improve water supply economy / rate-payer economy in comparison to a No Project alternative
- 2) Reliability: Favor projects that improve water supply and delivery reliability to OMWD's customers
- 3) Water Quality: Favor projects that improve water quality for OMWD's customers
- 4) Environmental Sustainability: Favor projects that are environmentally sustainable
- 5) Local Control: Although not stated in the mission statement, this criterion appears of interest to OMWD



Informed investment decisions weigh the benefits of achieving project goals against the cost to do so. There is a reason we call it cost-benefit analysis: these are two sides of a balance scale.

1.5. Document Outline

The remainder of the briefing document is organized into sections as follows:

<u>Section:</u>	<u>Page</u>
• SECTION 2: Evaluation of Non-Cost Factors	5
• SECTION 3: Evaluation of Cost Factors	6
• SECTION 4: Findings and Recommendations	18

2. Evaluation of Non-Cost Factors

2.1. By almost any measure, the Project fares very well in a comparison of the Non-Cost factors.

Non-cost factor ratings are summarized in Table 2-1 below:

TABLE 2-1: Evaluation of Non-Cost Factors

Criterion	Notes	Rating
Supply Reliability	Assuming final planning and permitting activities are successful, the project would provide a highly reliable increment of local supply for OMWD's supply portfolio.	
Water Quality	Product water quality would be comparable to current treated water.	
Local Control	The project would provide an increment of supply managed by OMWD and independent of SDCWA and the challenges of imported water supplies.	 
Environmental Sustainability	Environmental studies to date indicate the project can be developed without harming existing users or the environment, and while providing the following benefits:	
• Salt Management	Removing salt from the basin is an environmental positive	
• Reduced Bay-Delta Reliance	The project advances State of California objectives to reduce reliance on the Sacramento – San Joaquin Bay Delta ecosystem.	
• Reduced Colorado River Reliance	The project reduces OMWD's reliance on supplies from the Colorado River.	
• Reduced Energy Footprint / GHG	At an average power consumption of approximately 1,600 kWh/AF, the project would have a smaller energy footprint than existing supplies. (Colorado River Aqueduct: approx. 2,000 kWh/AF; State Water Project: approx. 3,000 kWh/AF, Carlsbad Desal: approx. 4,000 kWh/AF)	

Legend: Better:  Neutral:  Worse: 

2.2. The project's high ratings for non-cost factors help make it an excellent candidate to receive grant funding.

The non-economic benefits listed above are valuable in their own right, and they also lead to the potential for economic benefit to the project in the form of grant funding. Grant funding programs administered by the U.S. Bureau of Reclamation and the State of California are available to help fund brackish groundwater demineralization projects specifically because these projects provide the types of non-cost benefits listed. As described further in the next section, the project team believes the project will fare very well in competition for grant funding, enough so that it is reasonable to assume grant funding will be awarded to fund at least **25 percent** of the project's capital costs.

3. Evaluation of Cost Factors

3.1. Cost Updates: The project team has prepared an updated estimate of project capital and operating costs.

OMWD commissioned the engineering firm TetraTech to prepare an update of the project's likely construction and operation costs. The update, completed in March of 2022, reflects construction industry inflation that had occurred subsequent to OMWD's previous estimate. The 2022 work also incorporated conservative estimates of subsequent inflation and price escalation up to an assumed construction date of FY 2027.

The cost estimate covers a range of project sizes, and indicates considerable economy of scale benefits of larger sized projects. Based on OMWD's most recent hydrogeologic investigations, the economic analysis now assumes the project would be sized at approximately **1.5 mgd**, up from the March 2022 assumed capacity of 1.3 mgd, which was up from the original concept size of 1.0 mgd. Accounting for planned plant maintenance shutdown windows and other downtime, the project would produce approximately **1,600 AF/yr of new potable water supply**.

The updated cost estimates are summarized in **Table 3-1**. For a project sized at 1.5 mgd, the total capital costs in 2027 dollars, exclusive of costs incurred to date, are approximately **\$54 million**.

TABLE 3-1: Project Capital Cost Summary in 2027 Dollars^{1, 2}

Project Costs Based on Current Supply Conditions			Selected Capacity
	Design Production Capacity		
	1.0 MGD	2.0 MGD	1.5 MGD
Annual Water Production (af/yr)	1,053 AF/yr	2,106 AF/yr	1,579 AF/yr
Capital Cost			
Final Planning and Environmental	\$2,500,000	\$2,750,000	\$2,625,000
Capital Construction	\$34,108,000	\$47,179,000	\$40,643,500
Wells	\$3,898,000	\$7,795,000	\$5,846,500
Treatment Plant	\$14,163,000	\$17,165,000	\$15,664,000
Pipelines	\$16,047,000	\$22,219,000	\$19,133,000
Brine Line	\$11,473,000	\$11,998,000	\$11,735,500
Supply and Delivery Pipelines	\$4,574,000	\$10,221,000	\$7,397,500
Supply Pipelines	\$1,313,000	\$1,970,000	\$1,641,500
Delivery Pipelines	\$3,261,000	\$8,251,000	\$5,756,000
Design, Administration Permitting & CM	\$9,164,000	\$10,940,000	\$10,052,000
Pre-Design / EIR Support	\$1,584,000	\$2,093,000	\$1,838,500
Final Design and Permitting	\$2,376,000	\$3,139,000	\$2,757,500
Construction Mngt. & Admin.	\$5,204,000	\$5,708,000	\$5,456,000
Property Acquisition	\$593,000	\$745,000	\$669,000
Total Capital Cost (rounded)	\$46,400,000	\$61,600,000	\$54,000,000

1. Costs exclusive of costs incurred to date, and exclusive of bond issuance costs
2. Text in blue designates line item additions or breakouts added by Gillingham Water. The only dollar amount changes we have made to the original March 2022 TetraTech estimate are 1) the addition of the Final Planning and Environmental line item, and 2) an increase in the product water Delivery Pipeline cost for the project at 2.0 mgd. The latter addition is necessary to deliver the increased production flows into more distant portions of the OMWD delivery system having sufficient demands to accept the flows.

Estimated project operating costs are summarized in **Table 3-2**. For a project sized at 1.5 mgd, operating costs in 2022 dollars total approximately **\$1.3 million** per year.

TABLE 3-2: Project Operating Cost Summary

Project Costs Based on Current Supply Conditions			Selected Capacity
	Design Production Capacity		1.5 MGD
	1.0 MGD	2.0 MGD	
Annual Water Production (af/yr)	1,053 AF/yr	2,106 AF/yr	1,579 AF/yr
O&M Costs (\$/yr)			
Sewer Outfall (SEJPA)	\$59,000	\$118,000	\$89,000
Power	\$321,000	\$619,000	\$470,000
Operations Staffing & Testing	\$258,000	\$325,000	\$292,000
Chemicals	\$77,000	\$154,000	\$116,000
Membrane & Filter Replacement	\$40,000	\$80,000	\$60,000
Major Equipment Replacement	\$99,000	\$120,000	\$110,000
Well Rehabilitation	\$50,000	\$100,000	\$75,000
Maintenance & Parts	\$35,000	\$60,000	\$48,000
Well and Environmental Monitoring	\$60,000	\$80,000	\$70,000
Other	\$0	\$0	\$0
Total Annual O&M Cost (\$/yr) (rounded)	\$1,000,000	\$1,660,000	\$1,330,000

In 2022 dollars. ENR CCI = 12,791

3.2. **Methodology: Economic feasibility can be assessed in different ways. A First-Year Unit Cost assessment is a standard starting point, but does not account for the differential escalation of costs and benefits over time.**

Project planners often begin an economic assessment with a First-Year Unit Cost analysis, a simplified snapshot of a project's unit costs that assumes all project costs and benefits occur in the immediate present. Such an analysis, for costs exclusive of any grant funding, is presented for the project in **Table 3-3**.

TABLE 3-3: First-Year Unit Cost Summary (in 2023 Dollars)

Production Capacity		▲ ▼ 1.5 MGD	Discounted Production		1,579 AF/yr		Melded Cost of Funds:		▲ ▼ 4.00%	Loan Term:	▲ ▼	30 Yrs
Cost Component (Present Worth in 2023 Dollars)												
	Capital Costs (\$)	Amortized Capital Costs (\$/yr)	O&M Costs (\$/yr)	Total Equivalent Annual Costs (\$/yr)	Unit cost per AF (\$/AF)	% of Capital Costs	% of O&M Costs	% of Total Unit Costs				
Construction (exlusive of Brine Line)	\$26,700,000	\$1,480,000		\$1,480,000	\$940	58%		38%				
Design/Admin./Permitting	\$7,500,000	\$420,000		\$420,000	\$270	16%		11%				
Property Acquisition	\$700,000	\$40,000		\$40,000	\$30	2%		1%				
Brine Line / Concentrate Disp.	\$10,800,000	\$600,000	\$90,000	\$690,000	\$440	24%	7%	18%				
Power			\$470,000	\$470,000	\$300		35%	12%				
Operator Staffing, Testing			\$290,000	\$290,000	\$180		22%	7%				
Other O&M + Relacement			\$480,000	\$480,000	\$300		36%	12%				
Totals (before grant funding)	\$45,700,000	\$2,540,000	\$1,330,000	\$3,870,000	\$2,450	100%	100%	100%				
Grant Funding 25%	\$11,500,000	\$640,000										
Totals w/ grant funding	\$34,200,000	\$1,900,000	\$1,330,000	\$3,230,000	\$2,040							

The table presents a projected first-year unit cost of the project of approximately **\$2,500/AF**, before grant funding, and approximately **\$2,000/AF with grant funding**. These costs are moderately higher than the average all-in cost for purchase of raw water from SDCWA and treatment at the McCollom plant, currently approximately **\$1,700/AF²**. (The unit cost does compare favorably with SDCWA's projected CY 2023 unit cost of Carlsbad Desal water of approximately **\$3,300/AF**, but as explained previously this is not our point of comparison.) The table also provides a useful indication of how different capital and operating costs contribute to the overall project cost, most notably showing the significant cost of the project's brine line and concentrate disposal.

However, as an assessment of project economic feasibility, the First-Year Unit Cost methodology in the case of the Project falls considerably short of ideal, failing to account for the differential escalation of costs and benefits over time. For that we need to look at an extended period of Net Present Value analysis.

3.3. Net Present Value Analysis: Costs and benefits are distributed over time, and escalate at different rates. NPV analysis captures this important detail.

NPV analysis entails the scheduling of costs and benefits over time, in this case 30 years or more, and then discounting those future costs and benefits to present value, in 2023 dollars. This allows for a more complete comparison of Project and No Project costs than provided by the First-Year Unit Cost analysis.

By far the largest direct cost benefit to the Project is that of avoiding purchasing 1,600 AF/yr of raw water from SDCWA over the course of 30 years or longer. Because SDCWA rates are set to escalate at rates greater than inflation for at least the next several years, the cost savings of those avoided purchases will increase. The NPV analysis accounts for this increased benefit.

On the cost side of the ledger, the Project's largest line item is the debt servicing of capital financed via 30-year bonds or other instruments. Assuming level financing, the bond payment remains fixed over time, while all other costs inflate. This means that when discounted to present value in 2023 dollars, the bond payment gradually declines over time, even while project benefits are increasing. The NPV analysis accounts for this important detail. Stay with us and we'll walk you through those inputs and results.

3.4. NPV Inputs: The NPV analysis accounts for four categories of input variables.

The results of the NPV analysis are sensitive to multiple inputs, from interest and discount rates, to SDCWA rate escalation assumptions, to grant funding assumptions, and more. These inputs are described below, with reference to the input screens from our spreadsheet economic model.

² SDCWA published All-In untreated water rate for CY2023 is \$1,579/AF. MWD pass-through charges add approximately \$60/AF, and OMWD variable costs for treatment at the McCollom plant add approximately \$90/AF. The total comes to \$1,729/AF, which we have rounded to \$1,700/AF for the above discussion.

Project Sizing and Production Capacity

- Production Capacity:** As noted previously, project costs exhibit very pronounced economies of scale. A project sized at 1.5 mgd is considerably more cost advantageous than one sized at 1.0 mgd, and conversely if the project could be sized even larger, at 2.0 mgd (2,600 AF/yr of groundwater pumping), the Project's advantage would be greater still. The default setting is 1.5 mgd.
- Plant Capacity Factor:** The preliminary engineering and cost assumptions assume the project will be operational approximately 94 percent of the time, allowing for approximately three weeks per year of shutdowns for maintenance and other planned and unplanned events. Operating experience from similar projects in southern California supports these assumptions. The Plant Capacity Factor setting can be used to test more conservative assumptions.
- Discounted Production Volume:** This is an information box, not a user input to the NPV model. At the specified production capacity and adjustment factors (see above), the project would produce approximately 1,600 AF/yr of treated water.
- Grooundwater Pumping:** This too is an information box, not a user input to the NPV model. At the specified inputs, the project would require a groundwater supply of approximately 2,000 AF/yr. This level of pumping is supported by OMWD's latest hydrogeologic investigations.

User Inputs	
Project Sizing and Production Capacity	
Production Capacity Plant design capacity	1.5 MGD
Plant Capacity Factor (On-line time) Default = 94%	94%
Production Volume at specified Plant Capacity Factor	1,580 AF/yr
Groundwater Pumping Pumping needed to support production volume	1,980 AF/yr

SDCWA Rate Escalation

- Escalation Scenario:** The model allows selection of SDCWA rate escalation at Low, Mid-Range, and High scenarios. SDCWA's new Long-Range Finance Plan, adopted in November 2021, projects rate increases through CY2031 for Low, Mid-Range, and High scenarios. The Low and High scenarios are presented in SDCWA's graphic below; the Mid-Range scenario is the mid-point between these.

User Inputs	
SDCWA Rate Escalation	
Escalation Scenario (See SDCWA worksheet)	Mid-Range ▼
Rate Cap (Raw) (2023 \$) (See SDCWA worksheet)	\$2,500/AF

"All-In" Rate Adjustments										
	CY '23	CY '24	CY '25	CY '26	CY '27	CY '28	CY '29	CY '30	CY '31	10 Yr CAGR
2D - High	11.3%	9.7%	10.3%	7.5%	6.4%	5.2%	4.8%	4.4%	4.4%	7.07%
2D - Low	5.9%	3.7%	5.3%	4.5%	3.0%	3.5%	2.6%	2.7%	4.1%	3.91%

The NPV model begins with SDCWA's draft projected CY2024 All-In raw water rate of \$1,784/AF, which if adopted by the SDCWA board later in June of this year would represent a 13 percent increase over the CY2023 rate. The model then uses the SDCWA Long-Range Finance Plan's projections for CY2025 through CY2031, and subsequently assumes only a

modest increase over and above the prevailing rate of water system inflation. The escalation inputs for the three scenarios are listed in **Table 3-4**. The default setting used in the NPV model is Mid-Range.

TABLE 3-4: SDCWA Rate Escalation Assumptions

Scenario	Annual Escalation Rate	
	Initial (CY2025 through CY2031)	Subsequent (above inflation)
High	6.1%	1.0%
Mid-Range	4.9%	0.5%
Low	3.7%	0.0%

- **Rate Cap:** The NPV also incorporates an upper limit to SDCWA rate escalation in the form of a rate cap. The rate cap is set in current 2023 dollars, and escalates at the specified rate of water system inflation. The default setting used in the NPV model is \$2,500/AF.

As SDCWA rates continue to increase relative to inflation, member agencies will have additional economic incentive to develop new increments of local water supply, reducing SDCWA demands. At some point SDCWA will have to limit increases to its variable rate by moving some of its cost recovery to unavoidable fixed charges.

For the Mid-Range and High escalation conditions, SDCWA treated All-In rates would escalate by 2040, **in constant 2023 dollar terms**, to approximately \$2,700/AF and \$3,100/AF respectively. We do not know exactly where the upper limit of variable rates lies, but we judge the projected rates for 2040 either at or very close to the limit. Even though the total All-In SDCWA rate will likely continue to increase beyond these projections, the variable component of those rates – the amount OMWD would offset through access to the Project’s local water supply – would need to be moderated through the implementation by SDCWA of unavoidable fixed charges.

At default settings, the cap has no effect on the Low scenario, and kicks modestly into play for the Mid-Range scenario. The cap has a significant limiting effect on the High scenario.

Project Funding Assistance

- **Grant Funding:** OMWD assesses the project to be very well positioned to receive substantial grand funding, and believes a reasonable mid-range assumption is the project will receive funding equal to 25 percent of project capital costs. Probable sources of grant funding include the U.S. Bureau of Reclamation Title XVI program. The default input to the NPV model is for \$13.5 million, which is approximately 25 percent of the project’s 2027 capital costs when sized at 1.5 mgd.

User Inputs	
Funding Assistance and Cost Adjustments	
Grant Funding 25% in 2027 \$ (start of construction)	\$13.5M
MWD LRP Local Projects Program funding	Mid-Range
Capital Cost Adjustment Adjustable -25% to +30%	0.0%
O&M Cost Adjustment Adjustable -25% to +30%	0.0%
Final Design PAYGO? or Financed?	PAYGO

- MWD Local Resources Program (LRP): The Metropolitan Water District of Southern California (MWD) provides funding assistance for local project development through its LRP. Projects are eligible for LRP funding to the extent they need assistance to remain cost competitive with benchmark rates established by MWD. Under the current terms of the LRP, the project would be eligible for annual funding assistance at the level of \$340/AF and lasting for 25 years. (Other LRP funding options include \$475/AF lasting 15 years, and up to \$305/AF for 25 years with no annual reassessment.)

The NPV model allows LRP funding to be set at three levels: Full, being the funding level described above; Mid-Range, in which the funding amount is reduced by half; and None. The default setting used in the NPV model is Mid-Range. This reflects a level of conservatism regarding the ability of MWD to continue funding the LRP given ongoing budget challenges.

- Capital Cost Adjustment: The model allows the capital cost to be adjusted upwards or downwards on a percentage basis. The default setting is no adjustment (0.00%).
- O&M Cost Adjustment: The model allows the annual operations and maintenance costs to be adjusted upwards or downwards on a percentage basis. The default setting is no adjustment (0.00%).
- Final Design PAYGO: The model allows the user to fund the costs for final design of the project as PAYGO or financed. The default setting is PAYGO.

Finance and NPV Terms

- NPV Term: The NPV term by default is set at 30 years of project operations, and is adjustable by the user. Accounting for an additional five years for project permitting, design, and construction, the total period of the NPV analysis is actually 35 years, beginning FY2024 and continuing through the end of FY2058.

The use of a 30 year operations term for NPV analysis is common but not etched in stone. The cost estimates for project O&M include sufficient budget for repair and replacement to keep the treatment plant and other project components in good working order well past 30 years. With capital debt then retired, the annual NPV benefits of the project increase, and every year beyond 30 accumulates substantial additional NPV benefit to the project.

- Finance Term: The term of an OMWD bond issue is set by default at 30 years and is adjustable by the user. Adjusting the term has little effect on the NPV comparison of Project vs. No Project costs.
- Discount, Interest, and Inflation Rates: These three inputs are linked, in that the discount and interest (Melded Cost of Funds) rates move up and down in anticipation of inflation.

User Inputs	
Finance and NPV Terms	
NPV Term -- Operations Operations period for NPV calcs	30 Yrs
Finance Term Bond or loan term	30 Yrs
District Discount Rate Discounts future cost to P.V.	3.50%
Melded Cost of Funds May include low-interest loans	4.00%
Water Sys. Base Inflation Escalates costs into future	3.75%

- **Discount Rate:** A capital project involves the upfront investment of funds in the expectation of returns later on. Upfront costs are relatively certain, whereas future benefits are subject to the unknowns of the future. To account for this uncertainty, we discount future benefits at a Discount Rate, as set in the User Inputs. A lower Discount rate reflects optimism about the future and a willingness to “Pay It Forward,” whereas a higher Discount rate reflects lower confidence in the future benefits and a desire for a shorter return-on-investment period.

The Discount Rate is also analogous to the OMWD minimum acceptable Rate of Return on invested capital. If the NPV analysis reports a cost advantage for the project, this means OMWD would be meeting its minimum rate of return, with a bonus benefit on top of that.

- **Melded Cost of Funds:** This is the anticipated interest rate of an OMWD borrowing used to fund the capital portion of the project, a mix of an OMWD bond issue and low-interest loans through the State Revolving Fund or the Federal WIFIA program. (This is sometimes termed the Weighted Average Cost of Capital, or WACC.)
- **Water System Base Inflation:** This is the anticipated annual rate of cost escalation for water system capital projects and project operations.

3.5. **Results Item No. 1: Using reasonable mid-range input assumptions, the project produces approximately \$31M in NPV cost advantage in comparison to the No Project Alternative.**

Using the inputs described in the previous subsection, the project has a significant NPV cost advantage in comparison to the No Project alternative. The results are summarized in **Table 3-5**.

TABLE 3-5: NPV Cost Summary – Project vs. No Project
(1.5 MGD Plant producing 1,600 AF/yr of treated water)

NPV Cost Summary -- Project vs. No Project, in 2023 Dollars			
PROJECT		NO PROJECT	
Cost Component	NPV	Cost Component	NPV
Capital Cost	\$51M	SDCWA Purchases (raw water)	\$105M
Grant Funding	-\$13M	Incremental Treatment Costs	\$5M
O&M Cost	\$44M		
LRP Funding	-\$4M		
TOTAL (Rounded)	\$78M	TOTAL (Rounded)	\$109M
			
Project Cost Advantage = \$31M			

Note: Values may not sum precisely due to rounding

A note about those incremental treatment costs:

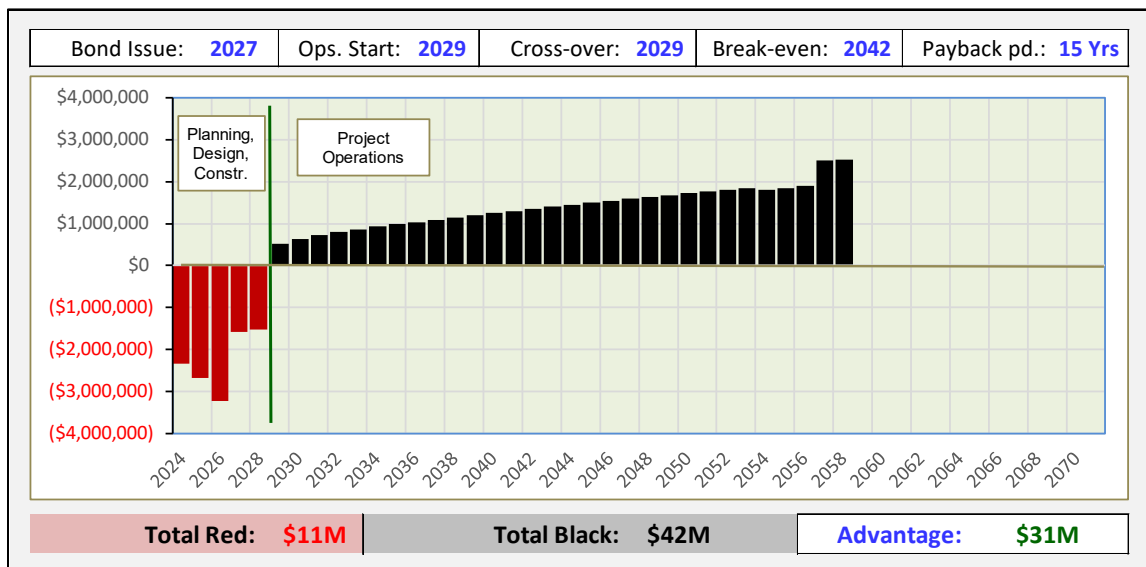
Costs for the No Project alternative arise primarily from the purchase of 1,600 AF/yr of raw water from SDCWA, at escalating prices. The No Project alternative also incurs a modest cost to treat the purchased water at OMWD's McCollom plant. The unit cost applied to this calculation is for only the variable component of plant costs, covering power, chemicals, and other lesser variable cost components, and excluding debt servicing, most labor, and other fixed cost line items. For FY2022, the variable cost of the plant was estimated by OMWD to be approximately \$90/AF.

Under the Project alternative, OMWD incurs all the costs for the project, but avoids the costs of the No Project Alternative. At the McCollom plant, OMWD would be treating less water and thereby be incurring lower costs, but with the savings being only for the variable components of plant costs. The plant would continue to incur the same level of fixed costs, and these will now be spread out across a smaller production volume, increasing the AVERAGE unit cost (\$/AF) of plant operations. Unit costs per acre-foot would increase, but total costs decrease, and it is total costs that go into the budget.

3.6. Results Item No. 2: Costs and benefits are distributed differently over time. Understanding the annual cash flow picture is instructive.

The same NPV results presented in Table 3-5 are presented below in **Figure 3-1**, but now in the form of red/black annual cashflow differential chart. Using the No Project alternative as the baseline of comparison, the figure displays the net annual cost or benefit of the Project alternative in 2023 dollars.

FIGURE 3-1: NPV Annual Cost Differential – Project vs. No Project
-- in 2023 dollars --



Costs for Total Red, Total Black, and Advantage may not sum precisely due to rounding.

The notes below describe the different areas of the figure:

- Red Bars: These are the additional costs OMWD would incur over the next four years to permit and design the project, plus payment of capital debt service during two years of project construction and ahead of the plant becoming operational. These costs are at risk, although the risk diminishes as the project advances and certainty of success increases.
- Black Bars: These are the NPV of benefits in excess of costs. The bars jump up the last two years of the 30-year NPV term because the debt service ends two years prior, having begun two years prior to the beginning of operations.
- Total Red / Total Black / Project Advantage: These indicate the cumulative total of the red and black bars, and the resulting NPV advantage of the Project in Comparison to the No Project alternative. As previously noted, capital projects entail the investment of ratepayer funds in anticipation of future benefits. The red bars and black bars together demonstrate how that plays out over time.
- Upper Bar Dates: The upper bar above the graph displays key dates in the NPV analysis. The Crossover date is the year when the annual cost difference of the Project vs. No Project alternative first moves from red to black. The Break-even date is the year in which all of the upfront red bar costs have been offset, in present value, by the accumulation of black bars.

Lastly, the Payback Period indicates the number of years between the issuance of bonds and the Breakeven point. If the discount rate used in the analysis accurately reflects OMWD's time preference for money, then the Payback Period is the date when all of the Project's upfront cost have been paid off, with interest, and all of the annual black-bar benefits subsequent to that are pure benefit.

3.7. Sensitivity Analysis Part 1: The project retains its NPV cost advantage even if key individual inputs are adjusted to pessimistic levels.

The Project vs. No Project cost comparisons presented in Subsections 3.5 and 3.6 utilize the Mid-Range estimates for all cost components and financing terms. The Mid-Range assumptions reflect the project team's best estimates and professional judgements; we think those are the best numbers to use for the current planning purposes. Nevertheless, we recognize that our estimates and assumptions about future conditions are imperfect, and that actual costs and actual future conditions could vary. Having demonstrated the economic advantage of the Project option using the Mid-Range estimates, it is prudent then to consider the sensitivity of that advantage to changes in the assumptions.

Table 3-6 summarizes the effects on the thirty-year NPV comparison of making one-at-a-time changes to key individual input assumptions. The table presents only changes made in the direction of advantaging the No Project option over the Project option. Keep in mind though that for every changed assumption presented in the direction of advantaging the No Project option, there is an equal and opposite change that would further advantage the Project option.

TABLE 3-6: Sensitivity Analysis for Changes Favoring No Project Option

Cost Variable	Assumption	Effect	Project Cost ¹ Advantage
Baseline Condition	Baseline costs using all Mid-Range assumptions		\$31M
1. Project Capacity	Project capacity is reduced from 1.5 mgd down to 1.3 mgd	Project costs decrease, but No Project costs decrease more, narrowing the Project's cost advantage	\$23M ↓ \$8M
2. SDCWA Rate Escalation	Reduce escalation rate from Mid-Range to Low, per Table 3.4	Reduces costs for the No Project option, narrowing the Project's cost advantage	\$17M ↓ \$14M
3. Project Costs	Increase project capital and annual costs by 20%	Increases costs for the Project option, narrowing its cost advantage	\$12M ↓ \$19M
4. Grant Funding	Assume grant funding is zero instead of 25%	Increases OMWD costs for the Project option, narrowing its cost advantage	\$18M ↓ \$13M
5. Discount Rate	Increase discount rate from 3.5% to 4.5%, reflecting preference for higher rate of return on investments	Present value of costs for Both Project and No Project alternatives decline; more so for No Project	\$23M ↓ \$8M

1. 30-Year NPV Costs in 2023 dollars

It is apparent from the table that the long-term cost advantages of the Project option are robust, in that changes to individual assumptions alone are not sufficient to eliminate its cost advantage over the No Project option. Multiple of the mid-range assumptions would need to be wrong, and wrong in the direction favoring the No Project option, before the Project option would lose its advantage.

3.8. Sensitivity Analysis Part 2: The project's NPV cost advantage increases further if key individual inputs are adjusted to optimistic levels.

The sensitivity analysis works in both direction. If we instead adjusted the sensitivity variables in the other direction, in favor of the Project alternative, the results would be as presented in the Table 3-7.

TABLE 3-7: Sensitivity Analysis for Changes Favoring Project Option

Cost Variable	Assumption	Effect	Project Cost ¹ Advantage
Baseline Condition	Baseline costs using all Mid-Range assumptions		\$31M
1. Project Capacity	Project capacity is <u>increased</u> from 1.5 mgd up to 1.8 mgd	Project costs increase, but No Project costs increase more, expanding the Project's cost advantage	\$42M ↑ \$11M
2. SDCWA Rate Escalation	Reduce escalation rate from Mid-Range to <u>High</u> , per Table 3.4	Increases costs for the No Project option, expanding the Project's cost advantage. (Cost increase is tempered by the Variable Rate Cap)	\$43M ↑ \$12M
3. Project Costs	Reduce project capital and annual costs by 15%	Reduces costs for the Project option, expanding its cost advantage	\$43M ↑ \$12M
4. Grant Funding	Assume grant funding is 40% instead of 25%	Reduces OMWD costs for the Project option, expanding its cost advantage	\$38M ↑ \$7M
5. Discount Rate	Decrease discount rate from 3.5% to 2.5%, reflecting preference advantaging future generations	Present value of costs for Both Project and No Project alternatives increase; more so for the Project option	\$42M ↑ \$11M

1. 30-Year NPV Costs in 2023 dollars

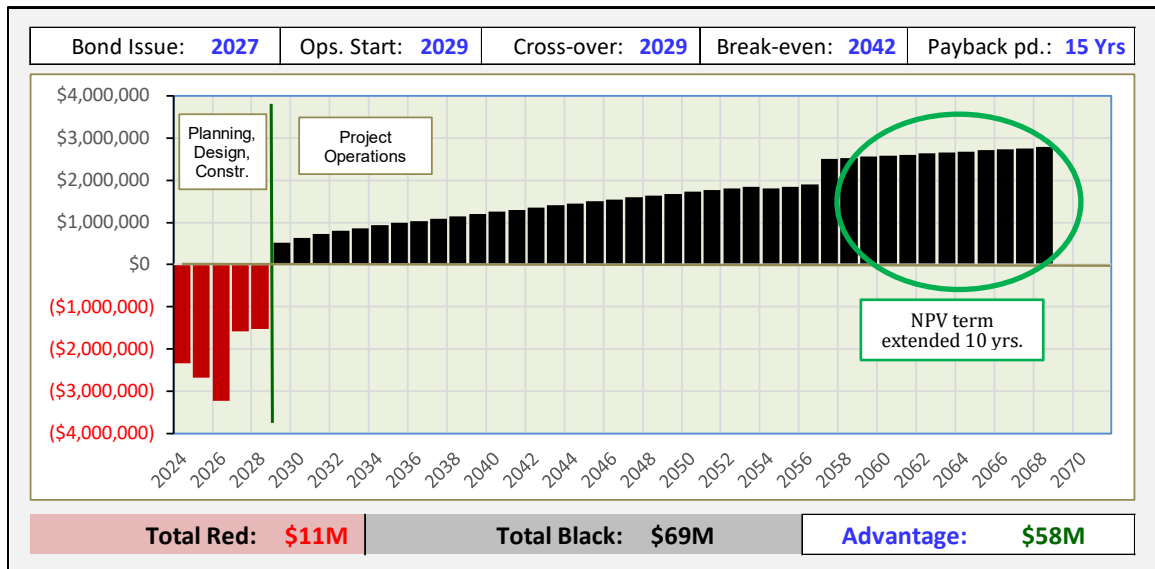
3.9. More Sensitivity Analysis: Longer NPV terms increase project benefits.

The term period of NPV analysis is commonly set at the same duration as for a project's capital financing, which for OMWD would typically be 30 years. This approach reflects in part an expectation that those paying for the project – ratepayers paying off the bonds through their water bills – should receive a reasonable return on their investment. As noted previously, 30 years is common, but not etched in stone.

Longer NPV terms produce greater NPV benefits. The Project budget for long-term operations, maintenance, replacement, and repair is designed to keep all of the project physical components in good working order well past 30 years, providing a reasonable expectation that project benefits will continue well past the date when the bonds used for capital financing are retired.

Figure 3-2 presents the same Project vs. No Project annual cashflow differential as in Figure 3-1, but with the NPV term extended from 30 years to 40. The additional 10 years of black bars add \$27 million in project benefits, increasing the Project's cost advantage over the No Project alternative to \$58 million.

FIGURE 3-2: NPV Annual Cost Differential with Extended NPV Term
-- in 2023 dollars --



Costs for Total Red, Total Black, and Advantage are rounded and may not sum precisely.

There is not a single correct answer as to the appropriate term of an NPV analysis. We tend to favor keeping the term at the more conservative 30 year duration, being cognizant of the uncertainty of the future, and adhering to the alignment of the NPV term with the finance term. If a project is cost preferred over a 30 year NPV term, then any additional benefits accruing after the end of the term are icing on the cake.

4. Findings and Recommendations

4.1. **Findings: The Project provides the opportunity for both cost and non-cost advantage in comparison to the No Project alternative.**

As an independent source of new local water supply, the Project provides OMWD with the non-cost advantages of supply reliability, local control, and environmental sustainability. And with reasonable assumptions as to SDCWA rate escalation, grant funding availability, and other inputs, the Project appears capable of providing significant net present value cost advantage as well when compared with the status quo of the No Project alternative.

4.2. **Recommendations: The potential project advantages warrant continued investment by OMWD in project development.**

OMWD's investigations to date have refined the hydrogeologic and water rights bases for the project, advanced conceptual level design, and developed planning-level cost estimates for the project. Based on that work to date, this report documents the economic feasibility of the project, and supports continued investment by OMWD in the next phase of project development.

The project is now ready to begin preliminary design and permitting, and to begin work on the regulatory and institutional, and legal frameworks that will be necessary to assure the certainty of the groundwater as a source of supply to the project over 30 years or longer, to fine-tune project cost estimates, and more. OMWD staff will report on a proposed workplan for consideration as part of the FY2024 budget review process.

December 19, 2024

Mr. Joseph Randall
Assistant General Manager
Olivenhain Municipal Water District
via e-mail

Dear Mr. Randall:

RE: San Dieguito Valley Groundwater Project – Supplemental Notes on Economic Feasibility

Per your request Gillingham Water has revised and updated the economic analysis for OMWD's proposed San Dieguito Groundwater Desalination project. In particular, we have developed improved evaluation tools and presentation concepts you can use to more clearly and effectively communicate project economic feasibility issues to your rate payers, project stakeholders, and your board of directors. This letter provides an overview of those improvements.

The updated analysis continues to indicate the project has favorable economics, i.e., that it generates an advantageous rate-of-return on investment for the District and its ratepayers. For the purposes of this letter however, that finding of economic feasibility is secondary. Rather, our primary emphasis here is on improved ways of understanding and communicating the sometimes arcane aspects of economic analysis to your various audiences. Our recommendations for improvement follow.

RECOMMENDATIONS

1) Explain that we discount future costs and benefits first for inflation, and then for the “real” discount rate.

The concept that we value future dollars less than we value present dollars might seem obvious, but the details of the discounting can come across as mysterious. To improve audience understanding of this issue, we suggest the presentation first show future dollars discounted only for inflation, and then introduce the concept of the “real” discount rate, over and above inflation, as the key measure of discounting. The revised economic model supports this approach by disaggregating the discount rate into Inflation and Real terms¹.

We can illustrate this storyline using a revised version of the red-black chart introduced in our previous presentations. In **Figure 1-1** below, we have reduced the real discount rate to zero, leaving only the Consumer Price Index (CPI) inflation component of the total discount rate. The result is that the black bars of future benefits are discounted to current 2024 dollars, but are not further discounted to reflect a preference for current dollars over future dollars. Absent this additional discounting, the total project Net Present Value (NPV) advantage is quite high.

In comparison, in **Figure 1-2** we have set the real discount rate at 2.00 percent, for a total discount rate inclusive of CPI of 4.75 percent. All other input settings are unchanged. The higher discount rate lowers (discounts) the height of the black bars, reducing the reported NPV advantage. The results are still in current 2024 dollars, the same as before, but now we have discounted the future benefits to account for what economists call the time-value of money. More on that coming up next.

¹ Disaggregation of the discount rate was first proposed to us by A+N Technical Services, as part of a quality control review of the economic model.

FIGURE 1-1: Sample Red-Black Chart with Real Discount Rate Set to Zero

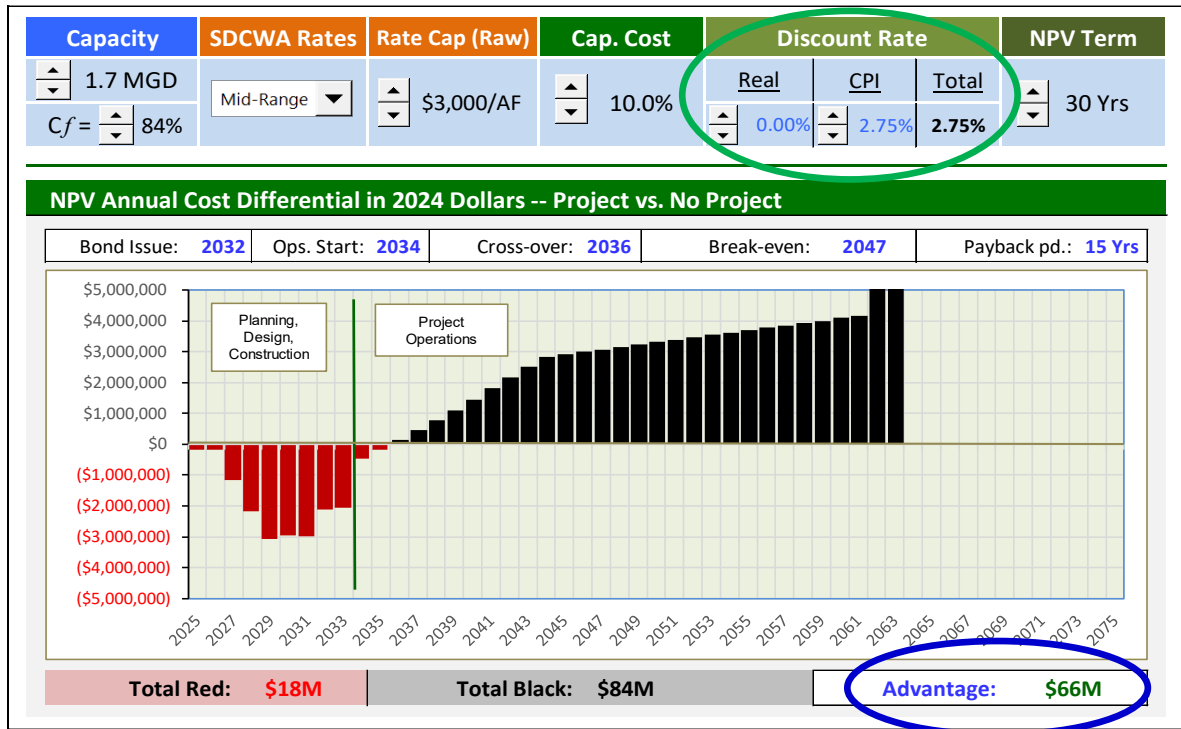
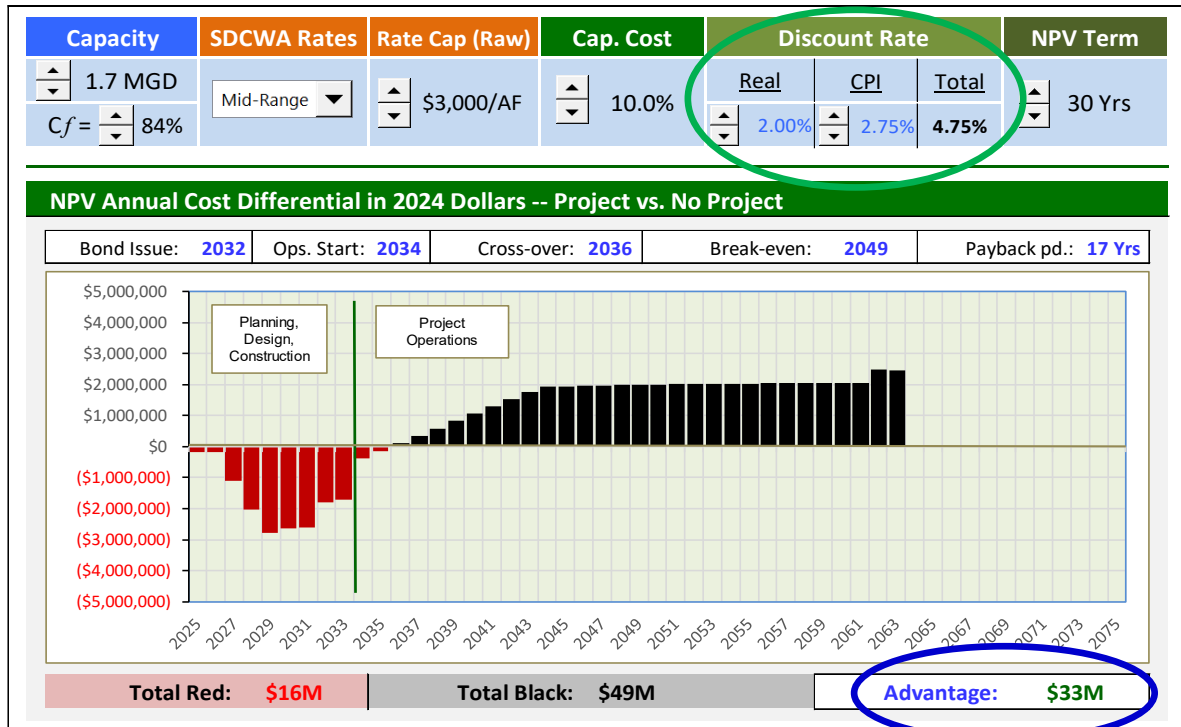


FIGURE 1-2: Sample Red-Black Chart with Real Discount Rate Restored



2) Dive a little deeper into the meaning and utility of the Discount Rate.

The discount rate is the measure of the time-value of money. It is used to discount the value of future dollars to present dollars, and is expressed as the annual percentage by which future dollars are discounted to present value.

Expected inflation is one component of the discount rate. Inflation causes future dollars to have lesser buying power than current dollars, so at a minimum the economic analysis needs to discount future dollars for inflation. This is the concept reviewed above.

But in addition to discounting future dollars for the effects of inflation, we also need to discount future dollars to account for the opportunity costs of money, along with other related concepts. The discount level over and above projected inflation is the “real” discount rate. The real discount rate encompasses the following considerations:

- a) Opportunity Cost: Because capital is finite, any investment of capital is inherently a competition between competing investments: a decision to invest in a project or program may preclude the opportunity to invest in another.
- b) Public Policy: The discount rate used by a public agency such as the District is a reflection of public investment policy. A lower discount rate reflects optimism about the future and a willingness to “Pay It Forward,” whereas a higher discount rate reflects lower confidence in the realization of future benefits and a desire for a shorter return-on-investment period.
- c) Risk Premium: A capital project involves the upfront investment of funds in the expectation of returns later on. Upfront costs are relatively certain, whereas future benefits may be subject to risks. Investments with higher risk therefore need to pay premium rates of return (be discounted at a higher rate) than those with lower risk; think junk bonds vs. U.S. Treasury bonds.
- d) Rate of Return on Investment: The discount rate is also analogous to the District’s minimum acceptable Rate of Return on invested capital. If the NPV analysis reports a cost advantage for the project, this means the District would be exceeding its minimum rate of return. (More on this coming up next.)

Real Discount Rate References

The selection of a real discount rate is part science and part policy. The following notes provide some references:

- White House Office of Management and Budget (OMB): In November 2023, OMB released revised guidance² calling for federal agencies to use a real discount rate of 2.0 percent in their economic evaluations of projects and policies.
- Treasury Inflation Protected Securities (TIPS): The U.S. Treasury Department issues long-term bonds that adjust their yield to offset for inflation. As of this writing 30-year TIPS bonds have a yield of 2.3 percent above inflation³.

² <https://www.whitehouse.gov/omb/briefing-room/2023/11/09/biden-harris-administration-releases-final-guidance-to-improve-regulatory-analysis/>

³ See <https://www.bloomberg.com/markets/rates-bonds/government-bonds/us>

Real Discount Rate Selection

For discussion, we suggest OMWD start with a real discount rate of 2.00 percent, which when combined with the long-term average CPI of 2.75 percent results in a total discount rate of 4.75 percent. From that point of beginning, OMWD could then decide to increase the real discount rate with a Risk Premium component if it judges potential project risks to outweigh potential project up-sides, or could decide to reduce the real discount rate if it were to embrace a Pay-It-Forward approach to capital investment. These are matters of policy; there is no one right answer.

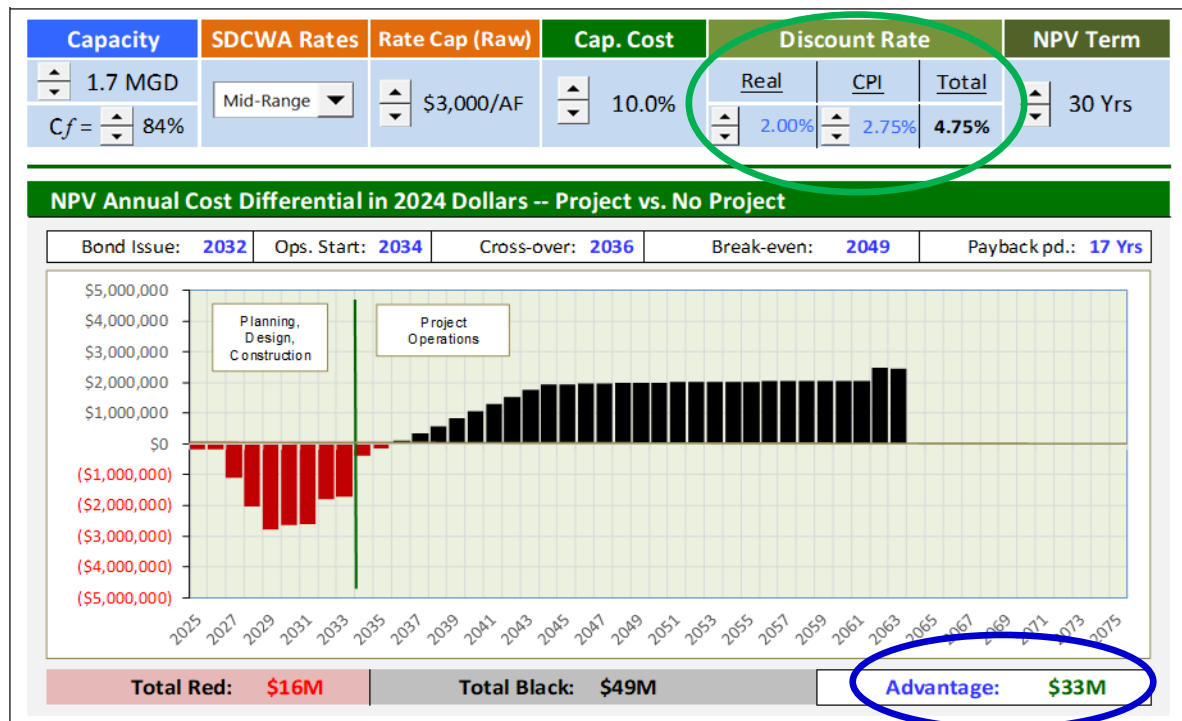
3) **Illustrate the effect of thinking about the Discount Rate as the District's minimum acceptable Rate-of-Return on investment.**

Our previous reports and presentations have discussed the importance of the discount rate in comparing the Net Present Value (NPV) of the Project and No Project alternatives, and have touched on but not elaborated on the relationship between the discount rate and the District's rate of return on investment.

For future reports and presentations, we suggest this discussion highlight the concept of the discount rate being a surrogate for the District's minimum acceptable Rate-of-Return on Investment. **The reported NPV Project Advantage can then be seen as representing the surplus remaining after the District has achieved its minimum acceptable rate-of-return.**

For example, **Figure 3-1** presents the red-black chart with the total discount rate set at a default value of 4.75 percent, as suggested previously. The occurrence of a positive project advantage, in this case \$35 million, indicates a surplus return over and above the District having achieved its minimum rate-of-return of 4.75 percent.

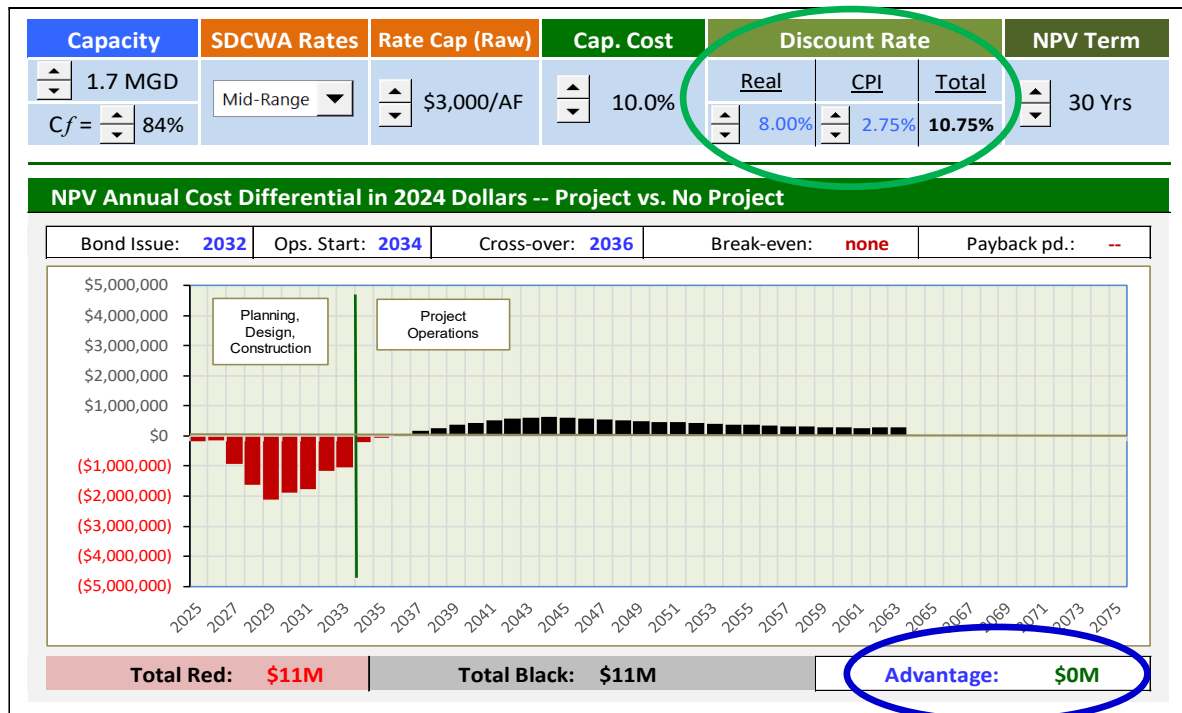
FIGURE 3-1: Sample Red-Black Chart with Discount Rate Set at Default Value



We can use the red-black chart to calculate the total rate-of-return on investment inclusive of the surplus reported above. To do this, we will dial up the real discount rate until the surplus project advantage reaches zero. This takes some getting used to visually, because we are used to equating the favorability of the project economics with the magnitude of the black bars, rather than seeing them as the surplus remaining AFTER achieving the rate-of-return dialed in by the discount rate.

The results of this exercise are presented in **Figure 3-2** below. For the mid-range inputs used for this example, **the project achieves a total annual rate-of-return on investment of 10.75 percent.**

FIGURE 3-2: Sample Red-Black Chart Showing Total Rate-of-Return on Investment

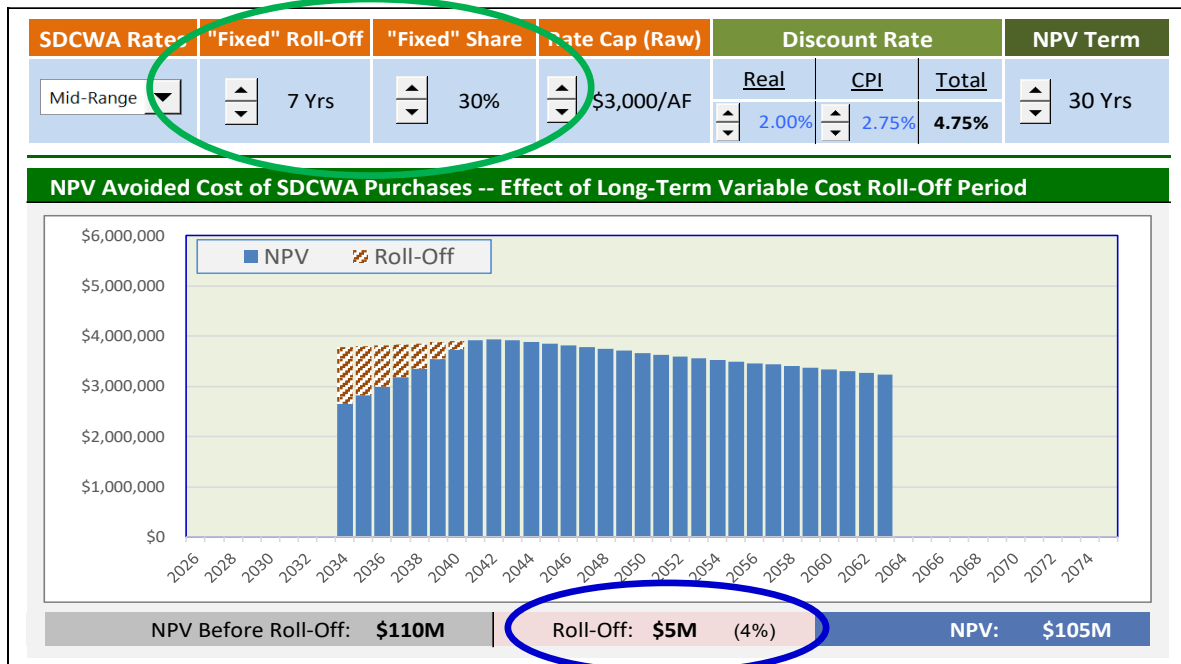


- 4) **Demonstrate that revisions to the SDCWA rate structure to increase the long-term variable rate components have very little effect on the NPV benefits of the project (and do little to reduce the incentive for SDCWA member agencies to develop their own local supplies).**

The economic model now provides for explicit measuring of the effects of current and possible future revisions to the SDCWA long-term variable rate structure components. SDCWA touts its recent increase of these components as a means of stabilizing its finances, and while it is true the changes help reduce year-to-year revenue volatility, they do little to reduce the avoided-cost incentive for member agencies to developing local water supplies.

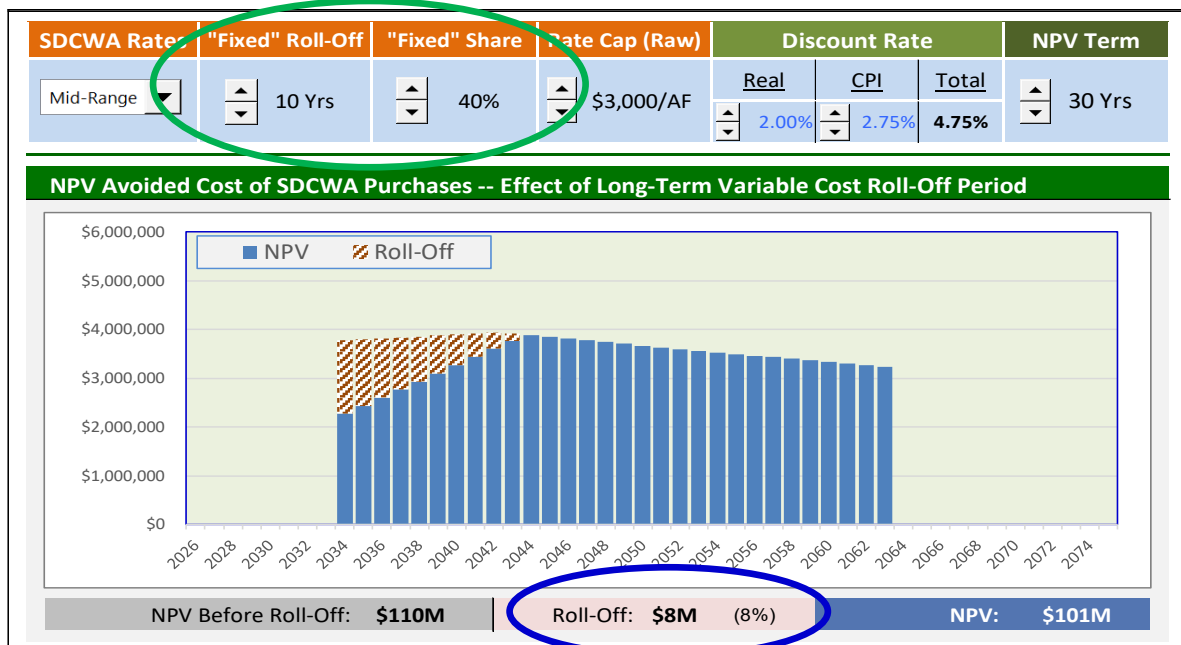
Figure 4-1 below illustrates the effect of current SDCWA rate structure policy on the 30-year NPV of the project's avoided SDCWA purchase costs. With the rate terms set at the proposed CY25 levels of a 7 year roll-off period, and with these components representing approximately 30 percent of the avoidable portion of the overall SDCWA rates, the roll-off reduces the 30 year NPV of the project's avoided SDCWA purchase costs by approximately 4 percent.

FIGURE 4-1: NPV Avoided Cost of SDCWA Purchases -- Current Roll-Off Policy



The model can also be used to evaluate possible future rate structure revisions. For example, in **Figure 4-2** we have increased the roll-off period to 10 years, and increased the share of these rate components to 40 percent. The roll-off now reduces the 30 year NPV by approximately 8 percent. CONCLUSION: These changes have only modest effects on project economics.

FIGURE 4-2: NPV Avoided Cost of SDCWA Purchases -- Possible Future Policy



5) The “Fixed Cost” language used by SDCWA to describe the Long-Term Variable cost components of its rate structure causes misunderstanding, and needs to be reformed.

We suggest a collective effort to reform the language to more clearly distinguish between rate structure components that are truly fixed and unavoidable, such as the Infrastructure Access Charge, and those that are avoidable over the long-term (and therefore not fixed), inclusive of the current Customer Service, Storage, Supply Reliability, and Transportation “fixed” charges.

SDCWA’s proposed draft rate structure for CY25 is summarized in Table 6-1 below.

TABLE 6-1: SDCWA Draft CY25 Rate Structure Detail

SDCWA Full-Service Adopted Rates for CY25 ¹				
VARIABLE COMPONENTS (COMMODITY)				
1	Supply Rate			\$1,410/AF
2	Transportation			\$141/AF
3	Treatment Rate			\$500/AF
4	Subtotal			<u>\$2,051/AF</u>
LONG-TERM VARIABLE COMPONENTS (AVOIDABLE)				
		Total Charge	Projected Sales ²	
5	Customer Service ³	\$30.00 M	314,000 AF	\$96/AF
6	Storage ⁴	\$65.00 M	297,342 AF	\$219/AF
7	Supply Reliability ⁵	\$50.93 M	297,342 AF	\$171/AF
8	Transportation Fixed ⁶	\$30.00 M	314,000 AF	\$96/AF
9	Subtotal	\$175.93 M	302,821 AF	\$581/AF
10	MWD RTS + Cap. Fee ⁷	Included ▼ \$21.87 M	314,000 AF	\$70/AF
11	Subtotal	\$197.80 M	304,018 AF	\$651/AF
12	Total Avoidable Rate -- Treated (4 + 11)			\$2,702/AF
13	Total Avoidable Rate -- Untreated (12 - 3)			\$2,202/AF
FIXED COMPONENTS (UNAVOIDABLE)				
14	Infrastructure Access Charge (IAC) ⁸	\$4.55/ME/mn.		
15	for ME count =	907,486		
16		\$49.58 M	314,000 AF	\$158/AF
17	TOTAL ALL-IN RATE -- TREATED (4 + 11 + 16)			\$2,860/AF
18	TOTAL ALL-IN RATE -- UNTREATED (17 - 3)			\$2,360/AF
Notes:				
1.	Per SDCWA Draft Proposed Rates for CY25 (Option 3 from July 2024 board packet)			
2.	Projected Sales per Cost of draft Budget and Service Study (June 2024 board packet) (Sales base for Storage and Supply Reliability charges excludes SAWR purchases)			
3.	Allocation is per a 7-year rolling average of past total purchases (was 3)			
4.	Allocation is per a 7-year rolling average (was 3) of past M&I purchases, excluding SAWR purchases			
5.	Allocation is per a 7-year rolling average (was 5) of past M&I purchases, excluding SAWR purchases			
6.	Allocation is by a 7-year rolling average of past total purchases			
7.	Allocation is by a 10-year rolling average of past total purchases. SDCWA considers the MWD charges to be pass-through charges, and excludes them from the calculation of "all-in" rates.			
8.	Per CY25 Cost of Service Study (June 2024 board packet)			

In the table, we have grouped the rate structure components into three groups as follows:

- Variable: These are the volumetric components of the rate structure, for Supply, Transportation, and for treated water purchases the Treatment rate. A member agency can avoid these charges immediately by purchasing less water.
- Long-Term Variable: This category consists of the Customer Service, Storage, Supply Reliability, and Transportation “fixed” charges. On an annual basis, these charges are in fact fixed, with the total charge (for example, the Customer Service total charge in Table 6-1 of \$30 million) allocated among the member agencies on the basis of their previous seven-year rolling-average of water purchases, and divided into twelve equal installments on their monthly bills. These charges provide SDCWA with a measure of year-to-year revenue stability, reducing revenue variability otherwise resulting from year-to-year variations in water sales.

The problem with the “fixed” terminology is that over the long-term, a member agency can avoid these charges by implementing projects and programs to reduce their reliance on purchased supplies from SDCWA. See **Figure 4-1** for an example of this “roll-off” opportunity. So while it is true the charges are fixed for the current year, over the long term they are variable and avoidable. The current terminology obscures this reality and should be reformed.

- Fixed: The only rate structure component that is truly fixed is the Infrastructure Access Charge (IAC). This charge is assessed on the basis of each member agency’s share of retail meter equivalencies, and is unavoidable regardless of each agency’s water purchases.

In addition to the IAC, SDCWA also obtains a modest amount of fixed revenue from its Water Availability Charge, an annual fee collected via the County’s property tax bills and assessed at a rate of \$10 per parcel or per acre, whichever is greater⁴.

- 6) The future design of the SDCWA rate structure, and perhaps the future of SDCWA itself, remain the most significant unknowns in the evaluation of project economic feasibility. OMWD’s pausing of the project schedule may provide an opportunity to develop a clearer outlook of that future, and thereby a clearer and more confident assessment of the groundwater project’s economic merits.**

Project economic feasibility hinges on the NPV of the 30 years (or more) of avoided SDCWA purchases that would be made possible by project implementation. In assessing project feasibility, OMWD needs to consider carefully the possible and likely range of future SDCWA rate structures to assess how much of the rate is avoidable via project implementation.

It seems probable that SDCWA will need to consider options for increasing its fixed revenues in the future. Whether the current governance structure and political will of SDCWA and its Board of Directors allow for these changes remains to be seen.

⁴ Annual property tax bills in the SDCWA service area also include an MWD Water Standby Charge of \$11.50 per parcel, and an MWD property tax currently set at 0.0035 percent of assessed valuation, and increasing in CY25 to 0.0070 percent.

Ideally OMWD's two-year pause of the project will provide time for SDCWA to develop a new long-range financial plan, one that evaluates the financial viability of the agency at historically low water sales volumes and that commits the agency to plan for rate structure revisions to meet those challenges. **OMWD should encourage SDCWA to undertake this type of planning with due haste.**

Technical Note – Project Capacity Sizing Adjustments

The graphics used in this report to illustrate the points made use updated assumptions regarding capacity sizing. The 2023 project Economic Feasibility Report assumed a project sized for a treated water production capacity of 1.5 million gallons per day (mgd). More specifically, the project was sized based on a documented sustainable groundwater supply of 2,000 acre-feet per year (AF/yr), and the treatment plant production capacity was derived from that amount using a reverse osmosis (RO) recovery factor of 80 percent, and an assumed Plant Capacity Factor (operational availability) of 94 percent.

Based on the results of OMWD's February 2024 Risk Review Workshop, we have subsequently adopted a much more conservative assessment of the Plant Capacity Factor. We have now set the factor at 84 percent, allowing for approximately 8 weeks per year of plant downtime. In order to reach the sustainable pumping level of 2,000 AF/yr with a treatment plant operating fewer weeks per year, we have increased the treated water production capacity to 1.7 mgd to offset the additional downtime. This increases the capital cost of the project by approximately \$3 million, but retains approximately \$8 million in 30-year NPV benefits that would otherwise be foregone if the treatment capacity remained at the prior 1.5 mgd notwithstanding the lowering of the Plant Capacity Factor.

Project sizing will be further refined by future studies.

Thank you for the opportunity to be of service to the District.

Sincerely,

GILLINGHAM WATER



Doug Gillingham, P.E.
Principal



SAN DIEGUITO VALLEY GROUNDWATER PROJECT UPDATE

November 19, 2025



Agenda

- Background
- San Dieguito Groundwater Basin
- Project Deceleration
- Community Project Funding
- La Valle Coastal Club & Resort (MRP)
- Grant-Funded Borehole and Pump Testing
- Economic Analysis/MWD Exchange Program
- Board Questions, Discussion, Input

Project Background

State of Water in California

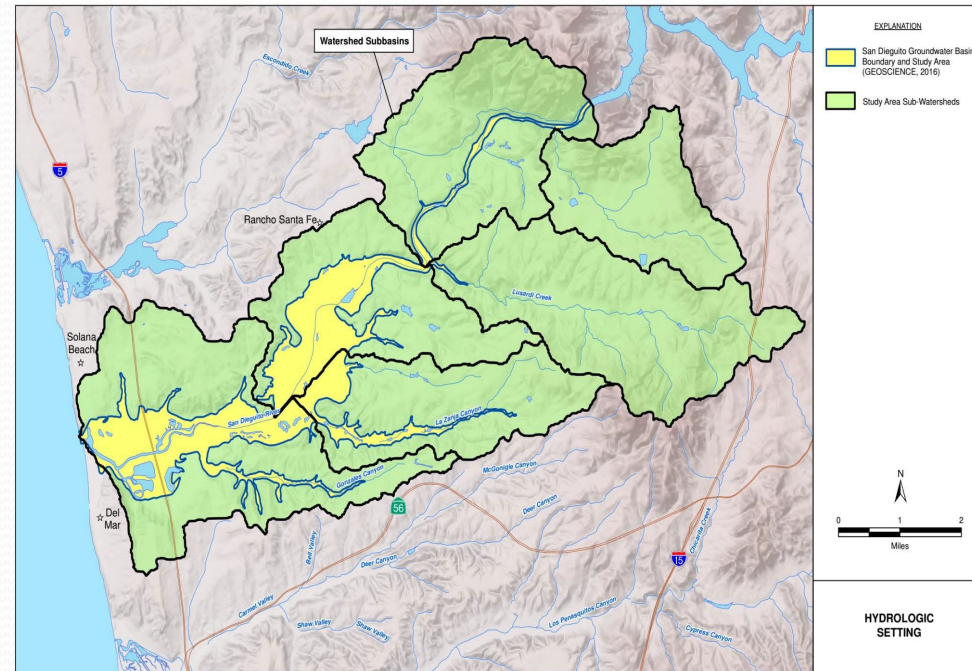
- OMWD reliant on imported water
- Imported water increasingly expensive
- Imported water more vulnerable
- OMWD goal (from 2008) – 1/3 local supply (recycled water included)
- Groundwater Drought-proof
 - Reliable
 - Cost-competitive
 - Local control
- OMWD 1 of 7 SD water agencies without local potable supplies



Project Background

2008 - 2016

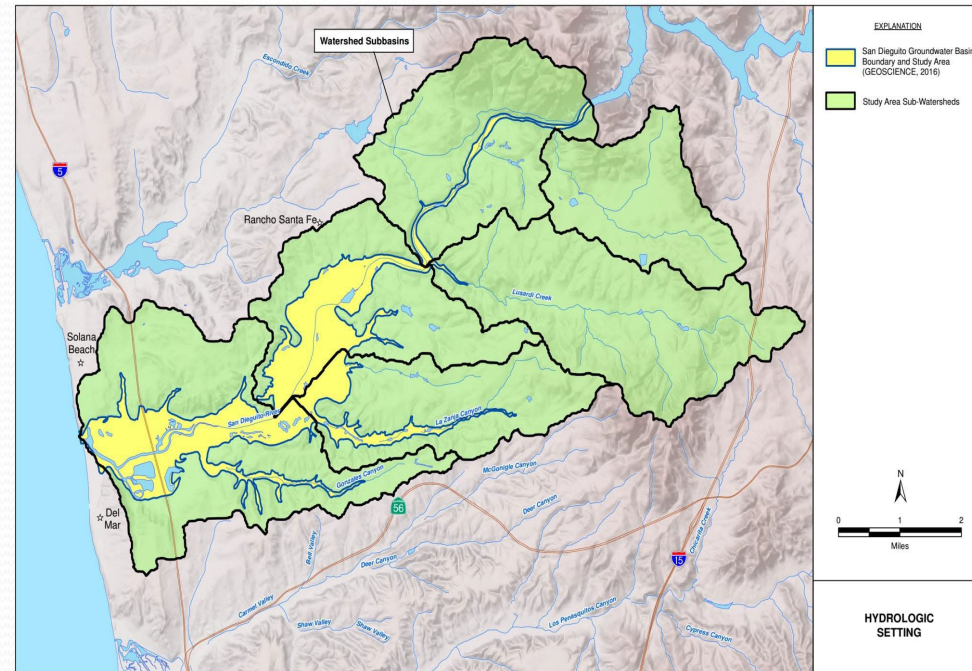
- 2008 board direction - brackish groundwater, rather than Carlsbad Desalination
- 2010 Opportunities & Constraints
 - San Elijo GW
 - San Dieguito GW
- 2016 San Elijo - potentially feasible (USBR funding)



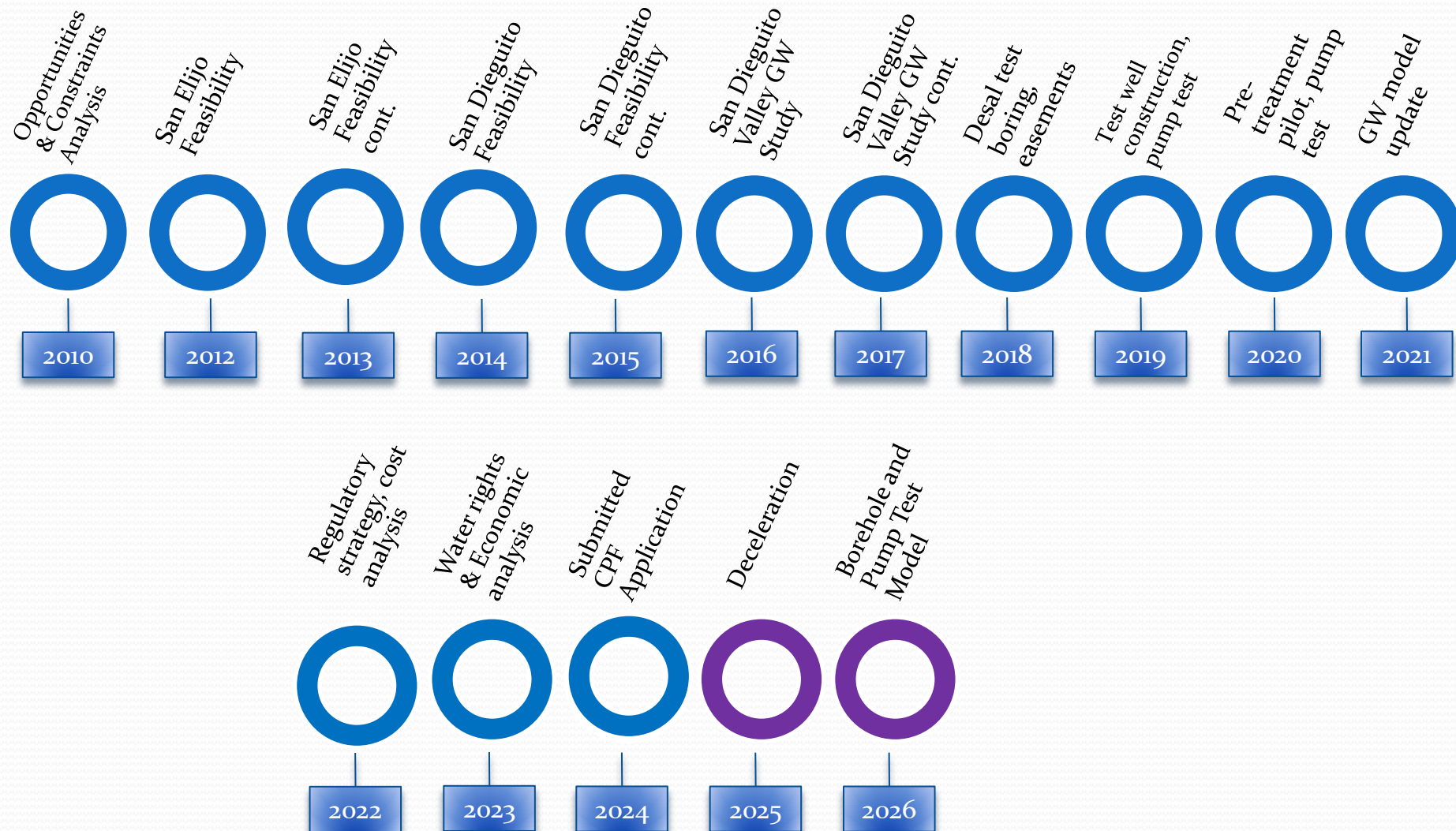
Project Background (San Dieguito Basin)

2017 - 2024

- Regulatory/Environmental
- clear path to approval
- Water Rights look
favorable
- Economic Analysis
continues to improve –
over \$30 million benefit for
30-year Project life



Project Timeline



Study Area



Water Rights

- Jeremy Jungreis, Rutan & Tucker / Alfred Smith, Nossaman
- Identified OMWD and Partner Rights
- Closed Session

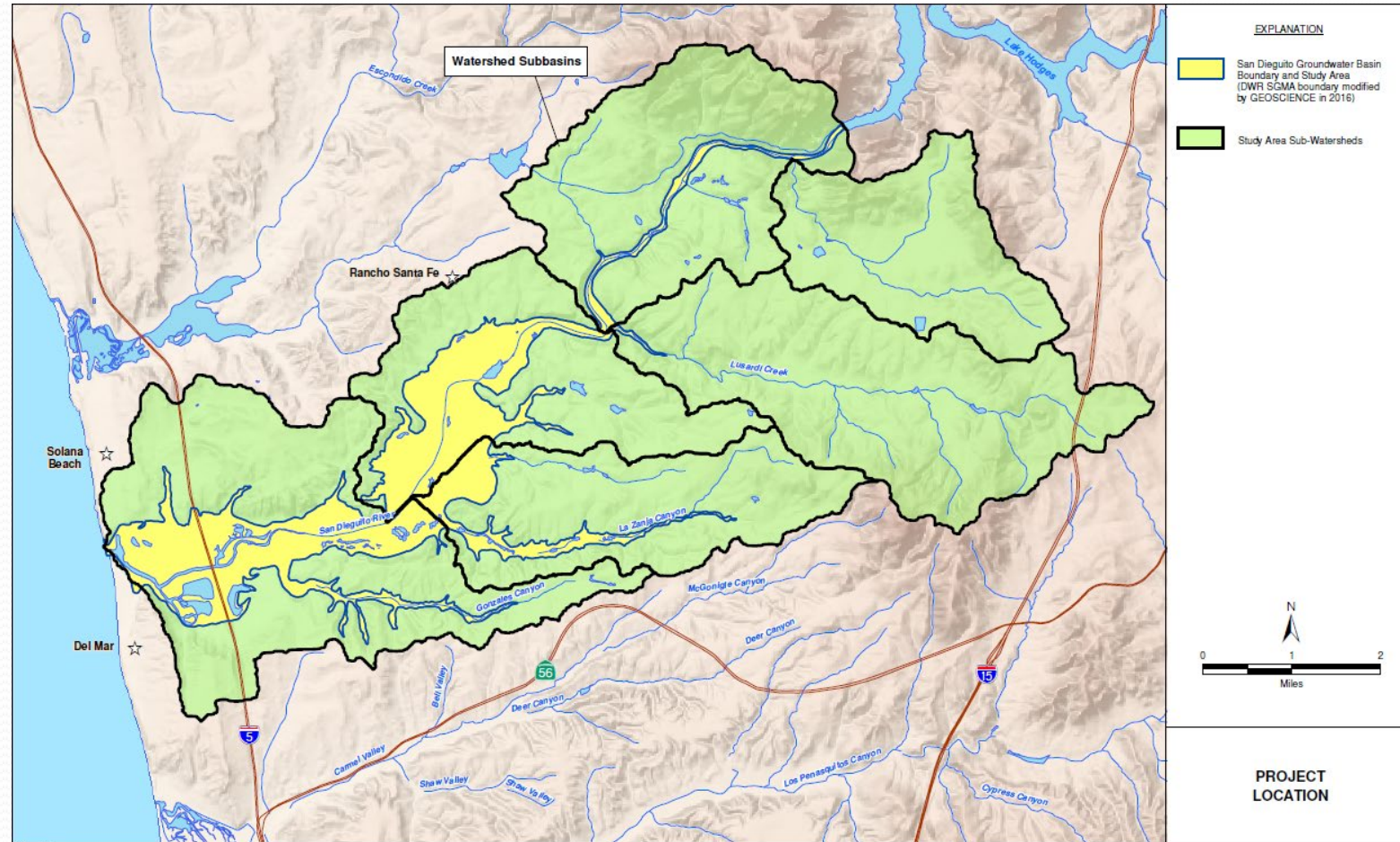
Community Outreach

- RSFFPD (3/16/2017) – Feasibility Study Outreach
- Solana Santa Fe Elementary (10/17/2017 + 12/4/2018) – Community Meeting & Public Workshop
- Del Mar City Council (4/1/2019) – Project Summary
- Whispering Palms CSD (10/8/2019) – Project Summary
- Public Webinar (4/27/2021) – Project Status Update
- Met WD Future Supply Actions Program (10/17/21) – Project Summary
- SD River JPA (3/4/2022) – Project Summary
- OMWD (3/30/2022) – Board of Directors Workshop
- SFID (7/21/2022) – Project Status



San Dieguito Valley Groundwater Basin Characteristics

2017 Feasibility Study

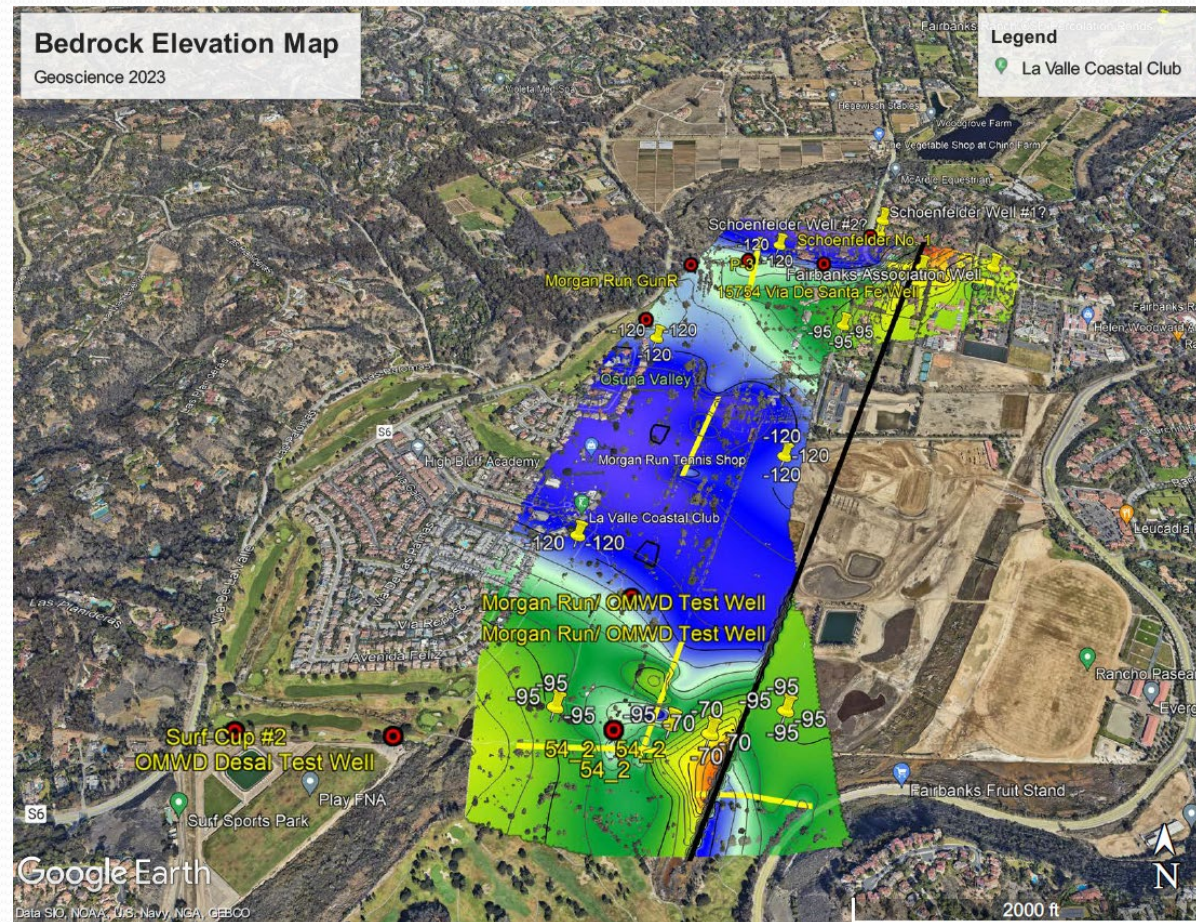


2021 DWR/ MWD San Dieguito Pump Test

- Briefed Board and Stakeholders April 2021
- Confirmed feasibility study results
- Minor impacts to basin storage
- Impacts to local wells—mitigable



2023 Geophysical Investigation



FY 2025 & 2026 Deceleration

FY 2025 and 2026 Deceleration

- Approved by Board in 2-Year Budget
- Reduced Scope to Just Ongoing Activities
- FY 2025 - \$417,000
- FY 2026 - \$344,000
- Potential Ramp-up in Project Activity & Spending FY 2027
- Delayed Construction Until FY 2032 and FY 2033

Grant Funding

Summary of Project Grant Funding

- 2017 Feasibility Study, \$250,000, CA DWR
- 2020 Test Well and 1-year Pump Test, \$825,000, CA DWR and MWD
- Exploratory Borehole and Pump Testing, \$959,752, Pending EPA Authorization

Federal Funding

- OMWD awarded \$959,752 Community Project Funding grant
 - Staff originally requested funding for the project through Rep. Scott Peters in early 2023
 - Rep. Peters selected our proposal for inclusion in Consolidated Appropriations Act of 2024
 - Staff now working with EPA to secure the funds; submitted formal application in early September 2024
 - After acceptance of the application, NEPA concurrence process will begin with US Fish & Wildlife
 - Covers 80% of eligible project costs; requires local match totaling at least 20% of project costs

CPF Grant Application

- **March 2023:** Community Project Funding application submitted to Congressman Peters' office (for \$2,500,000)
- **July 2023:** Senate Appropriations Committee approved partial funding of \$959,752
- **March 2024:** FY 2024 Consolidated Appropriations Act signed into law
- **April 2024:** Referred to EPA for grant administration
- **June 2024:** EPA provided direction regarding grant application
- **September 2024:** Submitted application (including workplan, biological & cultural reports, CEQA documentation, Section 106 SHPO authorization, Title VI Civil Rights Act compliance documentation, and procurement documentation)

CPF Grant Application

- **November 2024:** Submitted application including minor revisions requested by EPA
- **December 2024:** EPA began NEPA review (which EPA completed June 12, 2025)
- **January – March 2025:** EPA was furloughed at the direction of the new presidential administration
- **March 2025:** EPA confirmed National Historic Preservation Act compliance and Section 106 Authorization by engaging with Tribal Historic Preservation Officers
- **April 2025:** EPA informed OMWD of new requirements for grant applications to ensure they align with recent Executive Orders; EPA also indicated that Sac State's Environmental Finance Center would provide additional review to ensure EO alignment
- **May 2025:** Submitted application including the revisions requested by EPA
- **June 2025:** EPA provided comments; OMWD resubmitted application with required revisions
- **July 2025:** EPA notified OMWD of a recent update to guidance for procurement documentation

CPF Grant Application

- **August-September 2025:** EPA conducted procurement review of all contracts related to the project
- **September 2025:** EPA assured staff that confirming procurement methods is the final step in the application review; also confirmed that the project is prioritized for funding in 2025
- **September 2025:** EPA attorney recommended amending the grant application to formally request authorization for noncompetitive procurement method for Geoscience's contract
- **October 2025:** Submitted the procurement method request with supporting documentation, and submitted application including the revisions associated with procurement method request
- **October 2025:** OMWD's latest submittals are still under EPA's review; funding agreement still pending
- **October 2025:** Officially notified the Federal government shutdown has paused all processing of grants

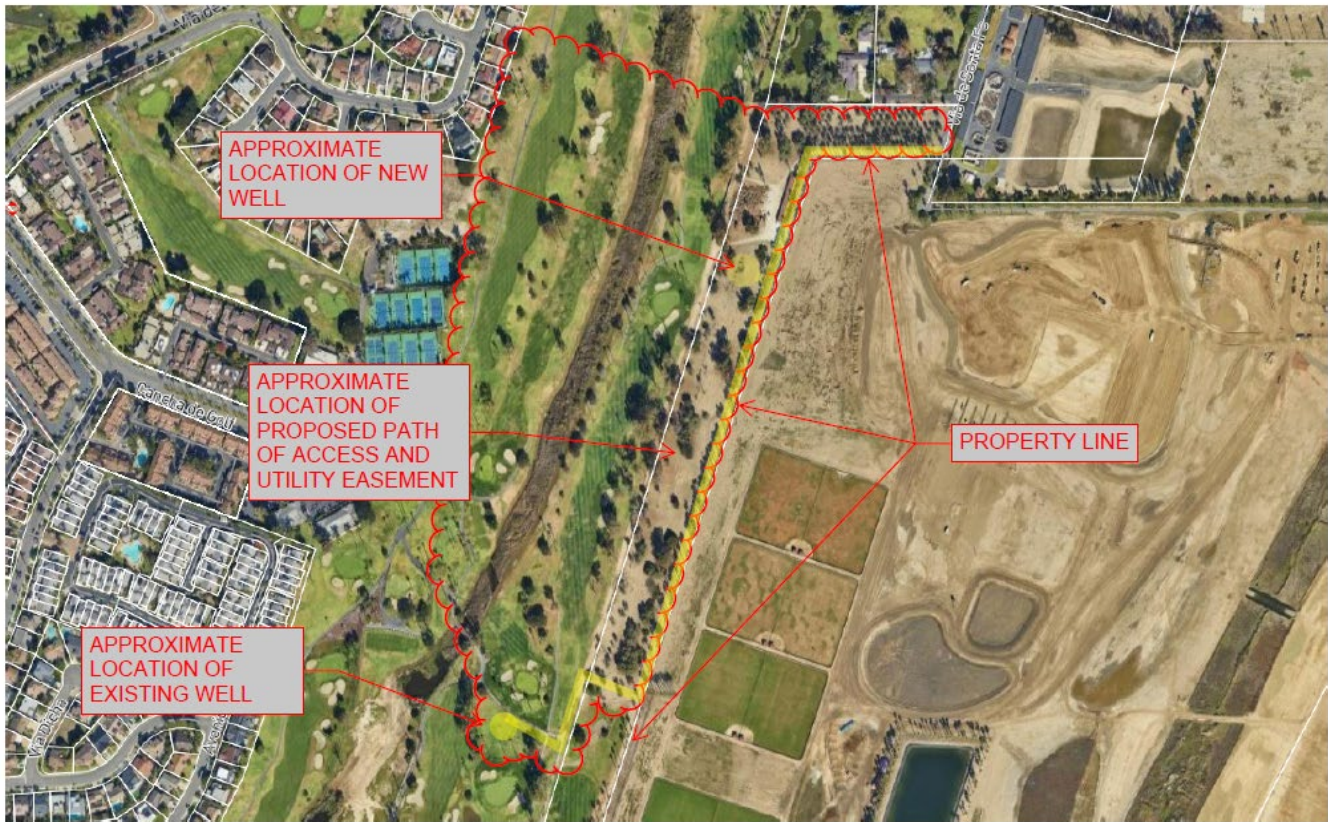
La Valle Coastal Club and Resort (MRP)

La Valle Coastal Club

- Geoscience has pinpointed the La Valle Coastal Club as the best option for test wells and future production wells
- MR PropCo, LLC recently purchased Morgan Run Golf Club and Renamed
- La Valle ownership interest in partnership
- Ongoing Renovations – provides unique opportunity to complete work while limiting impacts to golf course operations
- Easements Required – allows OMWD to control area around the wells and access for operation and maintenance
- Board approved Draft Principles of Understanding – October 2024
- Staff working on more specific Joint Use Agreement including indemnification provisions

Proposed Easement

Proposed Easement Overview



1" = 500 ft	Sub Title	08/15/2024	
This map may represents a visual display of related geographic information. Data provided here on is not guarantee of actual field conditions. To be sure of complete accuracy, please contact the responsible staff for most up-to-date information.			

Exploratory Borehole and Pump Testing

Purpose of Borehole and Pump Test

- Better define geology
- Determine bedrock contribution to supply
- Test the potential for future production wells
- Develop data to update and recalibrate the Project groundwater model

Scope of Work

- Pump Test an Existing OMWD Well on LaValle Property
- Drill 1 Exploratory Borehole
 - Log Geology
 - Pump Test Bedrock
 - Pump Test Alluvial Aquifer
 - If Successful, Construct Monitoring Well

Project Economics

Project Economic Analysis

- Gillingham Water, 2023, 2025
- \$31 Million Benefit Over 30 Years, When Compared to SDCWA
- Unit Cost \$ 2,450/AF (30 Years, No Grants),
\$2,040/ AF (30 Years, 25% Grant Funded) Considerably less than:
Carlsbad Desalinated Seawater (\$4,400/AF),
Pure Water Southern California (MWD) (\$2,800/AF, 100 Years)
- As CWA Rates Have Increased, Project Benefits Increase
- Project Costs Escalate with Time

MWD Local Supply Exchange Framework

- Approved August 2025 to Facilitate Exchange Among Member Agencies
- OMWD's San Dieguito Groundwater Project Qualifies
- MWD Rates Approx ½ of SDCWA, Exchanges Economically Unlikely
- A Similar SDCWA Framework would be Beneficial
- Partnerships to Share Upfront Costs and Risks Most Beneficial
 - Develop Maximum Sustainable Capacity
 - Economy of Scale Benefits

Summary & Next Steps

Review of Recent Board Actions (Sept/Oct '24)

Related to CPF Grant for Borehole and Pump Testing

- Increased the FY 2025 Project Appropriation by \$1,100,000
- Authorized the GM to Enter Into a PSA with Geoscience Support Services, Inc. for \$1,209,022
- Adopted a Resolution Making CEQA Findings and Ordering a Notice of Exemption be Filed
- Approved Principles of Understanding with MRP Propco, LLC, and the GM to Negotiate Easement Purchases Not to Exceed \$65,000

Next Steps

- Continue to pursue CPF grant for hydrogeologic investigation
- Will not move forward with work without grant funding secured
- Report to Board status of CPF grant and Project status in 2026

Board Questions, Discussion, Input



Memo

Date: November 19, 2025

To: Olivenhain Municipal Water District Board of Directors

From: Steven Weddle, Engineering Services Supervisor

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER APPROVAL OF CONSTRUCTION CHANGE ORDERS 4 AND 5 WITH J.R. FILANC CONSTRUCTION COMPANY, INC. TO THE GARDENDALE AND VILLAGE PARK WEST PRESSURE REDUCING STATION REPLACEMENT PROJECT IN THE COMBINED AMOUNT OF \$224,742 FOR ADDITIONAL WORK ON MOUNTAIN VISTA AT OVERLAND AND ADDITIONAL WORK AT THE VILLAGE PARK WEST PRS, TRANSFER \$233,000 FROM OTHER CIP PROJECTS TO THE VALVE REPLACEMENT PROJECT, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider approval of construction change orders 4 (CCO4) and 5 (CCO5) with J.R. Filanc Construction Company, Inc. (Filanc) for a combined amount of \$224,742 for additional urgent valve replacements near the intersection of Overland and Mountain Vista (CCO4), and for additional piping work at the Village Park West Pressure Reducing Station (PRS) at Wandering Road (CCO5), to support construction of the Gardendale and Village Park West PRS Replacement Project (Project), transfer \$233,000 from other CIP projects to the Valve Replacement Project, and authorize the General Manager to sign on behalf of the Olivenhain Municipal Water District (OMWD).

Recommendation

Staff recommends approval of CCO4 and CCO5 to Filanc for the combined amount of \$224,742, transfer \$233,000 from externally driven CIP projects to the Valve Replacement Project, and authorize the General Manager to sign on behalf of OMWD. This will reset the General Manager's change order authority.

Alternative(s)

The Board could elect to:

- Direct staff to further negotiate; or
- Proceed in a manner as otherwise directed by the Board.

Background

The Gardendale and Village Park West PRS replacements are located in Director Division 3 (Guerin) and Director Division 2 (Maloni), respectively. To continue providing reliable water service, the Project is replacing the existing pressure reducing stations, which were originally constructed in the 1970's and are approaching the end of their useful service life.

The existing underground PRS stations will be replaced with pre-assembled units manufactured by EFI Solutions Inc. (EFI), that are owner-furnished to the contractor, consistent with previous PRS replacements. OMWD has utilized pre-assembled pressure reducing stations manufactured by EFI since the mid-1990's to standardize OMWD's infrastructure and facilitate effective operation and maintenance. Additionally, pre-assembled units significantly reduce installation time and help minimize water service disruptions to customers during replacement.

The OMWD Board awarded the contract to Filanc in August 2024 for \$1,899,728. The Notice to Proceed was issued in December 2024 to begin work on the Project. Gardendale PRS replacement has been completed, and Filanc has been working on the urgent valve replacements to support the Project and has started the Village Park West PRS portion of the Project.

Fiscal Impact

The Project is included in FY 26 budget under the Gardendale PRS Replacement (D120105) and Village Park West PRS Replacement (D120104). Both project budgets are cumulatively presented in the fiscal table below.

CCO5 is proposed to be billed to the PRS Project budget (D120104) where sufficient funds are available.

Is this a Multi Fiscal Year Project? **Yes**

In which FY did this capital project first appear in the CIP budget? **2021**

Total Project Budget: **\$2,937,000**

Current Fiscal Year Appropriation: **\$1,363,775**

To Date Approved Appropriations: **\$2,937,000**

Target Project Completion Date: **Late 2025 or early 2026**

Expenditures and Encumbrances as of November 3, 2025: **\$2,874,185**

Is CCO 4 within the appropriation of this fiscal year? **No; see below**

Is CCO 5 within the appropriation of this fiscal year? **Yes**

If this change order is outside of the appropriation, Source of Fund: **As CCO4 is outside the Valve Replacement Project (D120075) appropriation, CCO4 will require the proposed budget transfer from externally driven CIP projects.**

CCO4 is proposed to be billed to the recurring Valve Replacement Project (D120075) annual budget, as it is associated with urgent valve replacements on Mountain Vista Road at the intersection with Overland Road. However, there are not sufficient funds available in the Valve Replacement Project to support this. The Valve Replacement Project also needs some additional budget for the remainder of FY 26. Therefore, staff recommends transferring \$233,000 from two externally driven CIP projects to the Valve Replacement Project. Staff is intentionally selecting these two CIP projects that are driven by external entities to preserve capital reserves if an emergency or urgent repair is required. For both of these externally driven CIP, OMWD will have a role once sufficient progress is made, but both are moving slower than originally anticipated by

the other entity and unlikely to have significant progress in FY 26. Both projects will be re-assessed with FY 27 and 28 budget cycle.

CIP Project		FY 26 Budget Available	Proposed Transfer to Valve Replacement	Notes
D120150	Rancho La Cima	\$100,000	-\$100,000	Project driven by County stormwater improvement and is not progressing at the pace originally anticipated; do not anticipate significant progress in FY 26; will reassess with FY 27&28 budgeting
D120184	Golem Pipeline Replacement	\$133,000	-\$133,000	Project driven by developer and is not progressing at the pace originally anticipated; do not anticipate significant progress on this element of the developer's project in FY 26; will re-assess with FY 27&28 budgeting
Total Proposed Transfer to D120175 Valve Replacement			-\$233,000	

Discussion

Prior to the contractor's construction start at the Gardendale PRS location, OMWD crews were delayed in the completion of valve replacements that were required to facilitate replacement of the PRS, which caused delays to the contractor. Additional soil over-excavation and stabilization was also required at the site due to heavily saturated soil. These unforeseen issues resulted in a cost of \$45,509 and 27 days accounted for in CCO1, approved by the General Manager in June 2025.

The Village Park PRS replacement location also had valves along Mountain Vista that needed to be replaced prior to replacing that PRS. These valves were at the end of their useful life and not functioning properly. CCO2 was approved by the Board in July 2025 to complete these valve replacements.

In the process of completing the valves from CCO2 in August, an additional 16" system valve along the transmission mainline in Mountain Vista broke in the closed position, placing several neighborhoods in a lower pressure scenario. To minimize the duration of lower pressure, OMWD staff back fed the neighborhoods through an emergency interconnection with San Dieguito Water District (SDWD) and began procuring parts and

coordinating with Filanc to have Filanc urgently replace this valve cluster. CCO3 was approved by the Board in September 2025 with an estimate of \$250,000, while work was performed on a T&M basis. The General Manager executed CCO3 for \$226,093 in October 2025 for this valve cluster once the work was completed.

During the course of replacing the failed 16" valve cluster on Mountain Vista related to CCO3, it became apparent additional work was required on the existing 8" ACP connected distribution line to Overland Avenue to keep customers in service. OMWD crews were originally going to do this work on the 8", but staff had to be diverted to the Cadencia/Azahar response. As the work on Overland was of urgent nature, OMWD requested that Filanc expand their efforts under T&M to also complete the additional 8" work as quickly and efficiently as possible. An additional isolation valve was required to keep the affected customers in service and preserve and protect the existing 8" ACP distribution system in the neighborhood. Challenging groundwater conditions, conflicting utilities, previously unknown ACP piping bend systems, unstable soils made trenching difficult and required construction shutdowns. Additionally, the City of Encinitas required de-mob/re-mob due to the City's Octoberfest celebrations which also slowed the progress. Final T&M costs for this completed work under CCO4 total \$154,708, for Board consideration and approval.

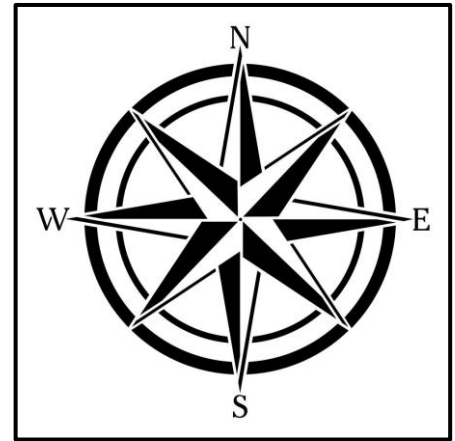
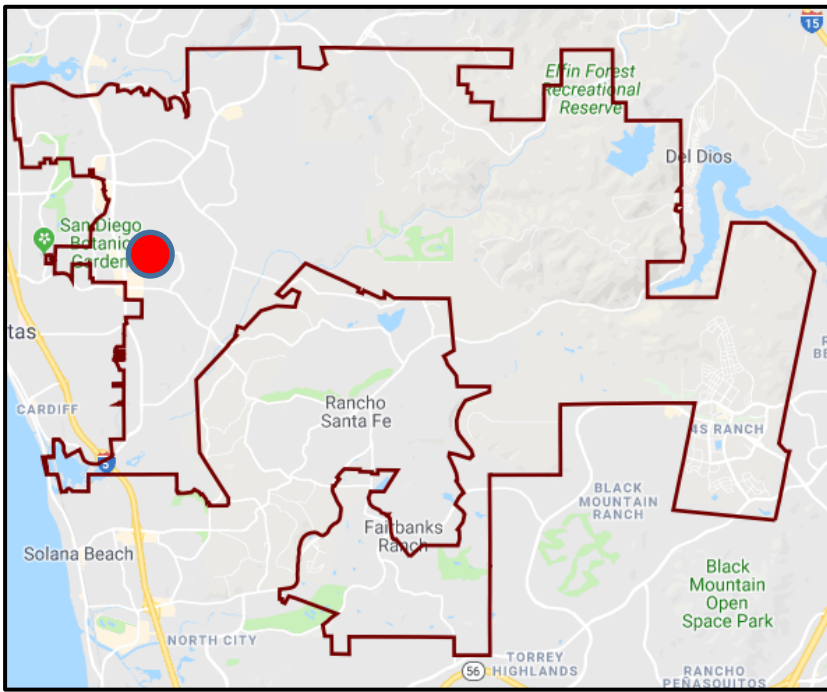
In returning to normal contract work for the PRS installation at Wandering Road (Village Park PRS), potholing found conditions differing from the plans at the connection point to the existing ACP piping system. This resulted in a re-design of the connection point to extend the removal of the existing ACP pipe to make a reliable connection. Additionally, since new valves had already been installed with connecting PVC piping in preparation for this work, the resulting new connection point is nearing the previous work and needs to extend to the new PVC to eliminate a small island of ACP trapped between new segments of PVC causing system reliability concerns and excessive connection couplings. The cost of this lump sum work is \$70,033 for Board consideration and approval under CCO5.

The following table shows the breakdown of CCOs that comprise executed and proposed change orders to date:

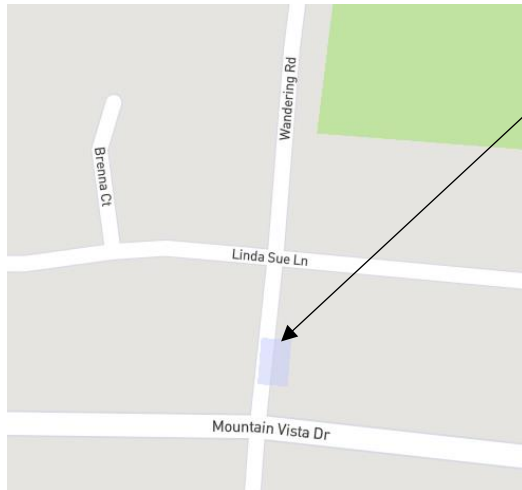
Authorization	Date	Authorized by	Value	Time (Consecutive Calendar Days)
Original Contract	Aug.2024	Board	\$1,899,728	340
CCO 1	June 2025	General Manager	\$45,509	27
CCO 2	July 2025	Board	\$105,132	14
CCO3	Sept. 2025	Board	\$226,093	21
CCO4	Nov. 2025	Pending Board Approval	\$154,708	22
CCO5	Nov. 2025	Pending Board Approval	\$70,033	5
Total Previous Approved CCOs	--	--	\$376,734	62
Total CCOs to Date (if approved)	--	--	\$601,475	89
New Contract Value (if approved)	--	--	\$2,501,203	429

Staff recommends approval of CCO4 and CCO5 in the combined amount of \$224,742, and 27 additional contract days, which will also reset the General Manager's change order authority. Staff also recommends approving the budget transfers to support this work. Staff is available to answer questions.

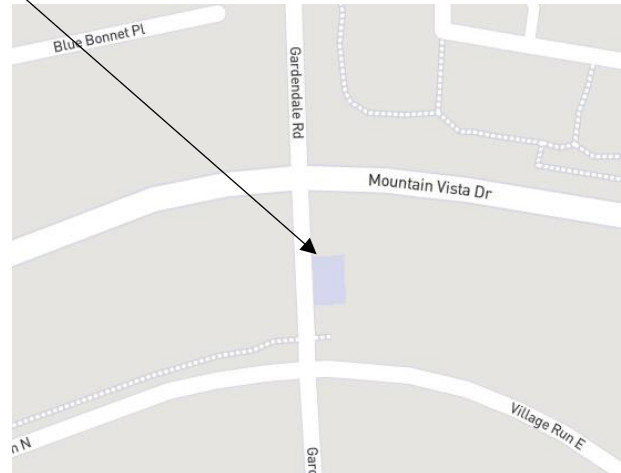
*Attachment(s):
Location Map
Proposed CCO4
Proposed CCO5*



PRS LOCATIONS



SITE 1
VILLAGE PARK WEST PRS



SITE 2
GARDENDALE PRS

LOCATION MAP

VILLAGE PARK WEST AND GARDENDALE PRESSURE REDUCING STATION REPLACEMENT PROJECT

DISTRICT PROJECT NOs. D120104 & D120105

CONTRACT CHANGE ORDER

Owner: **OLIVENHAIN MUNICIPAL WATER DISTRICT**
Project Name: The Gardendale and Village Park West Pressure
Reducing Station Replacements
Contractor: Filanc

OMWD PN: D120104 and D120105

CONTRACT CHANGE ORDER NO. 04

Date: October 23, 2025

The Contractor is hereby authorized and directed to make the herein described changes from the Plans and Specifications or do the following work not included in the Plans and Specifications for the construction of this project. Payment to the contractor for these change order items shall provide full compensation for all equipment, materials, labor, field and home office overhead, indirect and consequential costs, mark-ups and profit necessary to complete the work. By executing this contract change order, the contractor agrees to proceed with this work as a change order per the contract documents and waives any rights to additional compensation arising out of work listed in this change order, including without limitation, any claims relating to any cumulative effect of change orders, delays, productivity impact or interruption.

DESCRIPTION OF CHANGE:

1. The District requested the contractor to perform emergency repair work at Overland and Wandering for the replacement of a broken 16-inch valve cluster. The work was performed between 9/20/25 and 10/13/25 on a time and materials basis and verified by OMWD's inspector. Additional replacement of 8" connection piping and a new 8" RWGV were needed to restore system function related to the 16" valve cluster replacement. The cost of this work is \$154,708.49. Twenty-two (22) calendar days are added to the contract. See PCO #6.1 for details

Original Contract Amount: \$1,899,728.00

Total Previous Change Orders (Through CCO #3): \$376,733.32

Total This Change Order: \$154,708.49

Revised Contract Amount: \$2,431,169.81

Original Contract Duration: 340 Calendar Days

Original Contract Completion Date: November 7, 2025

Total Calendar Days Added from Previous Change Orders (Through CCO #3): 62

Total Calendar Days Added This Change Order: 22

Revised Contract Duration: 424 Calendar Days

Revised Contract Completion Date: January 30, 2026

TOTAL COST for this CHANGE ORDER is ONE-HUNDRED FIFTY-FOUR THOUSAND, SEVEN HUNDRED EIGHT Dollars and FORTY-NINE cents INCREASE.

It is agreed that 22 consecutive calendar day(s) extension of time will be allowed by reason of this change. The original completion date was 11/7/25 and the revised completion date is 1/30/26 (including weather delays and previously approved CCO's).

Prepared by Project Manager



Accepted by CONTRACTOR



By: _____

Date: 10/24/25

Approved by OWNER

By: _____

Date: _____

NOTE: Attention is called to the sections in the General Provisions on Scope of Work and Estimates and Payments.

☒ THIS CHANGE ORDER IS NOT EFFECTIVE UNTIL APPROVED BY OWNER.

☐ IF ACCEPTABLE TO THE CONTRACTOR, THIS CHANGE ORDER IS EFFECTIVE IMMEDIATELY.

Distribution: ☐ Owner ☐ Contractor ☐ Engineer ☐ Finance

CONTRACT CHANGE ORDER

Owner: **OLIVENHAIN MUNICIPAL WATER DISTRICT**
Project Name: The Gardendale and Village Park West Pressure
Reducing Station Replacements
Contractor: Filanc

OMWD PN: D120104 and D120105

CONTRACT CHANGE ORDER NO. 05

Date: October 23, 2025

The Contractor is hereby authorized and directed to make the herein described changes from the Plans and Specifications or do the following work not included in the Plans and Specifications for the construction of this project. Payment to the contractor for these change order items shall provide full compensation for all equipment, materials, labor, field and home office overhead, indirect and consequential costs, mark-ups and profit necessary to complete the work. By executing this contract change order, the contractor agrees to proceed with this work as a change order per the contract documents and waives any rights to additional compensation arising out of work listed in this change order, including without limitation, any claims relating to any cumulative effect of change orders, delays, productivity impact or interruption.

DESCRIPTION OF CHANGE:

1. The existing ACP pipeline for connection to the new Wandering Road PRS was found during construction to be located at lower elevation and different angle than shown on the construction plans and as-built drawings. This requires the connection point to be extended to the valve cluster on the south side of Mountain Vista Drive, to mitigate the elevation and angle changes, ensuring reliable future service. The cost of this work is \$70,033.30. Five (5) calendar days are added to the contract. See PCO #7 for details

Original Contract Amount: \$1,899,728.00
Total Previous Change Orders (Through CCO #4): \$531,441.81
Total This Change Order: \$70,033.30
Revised Contract Amount: \$2,501,203.11

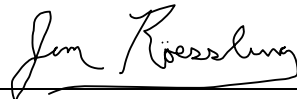
Original Contract Duration: 340 Calendar Days
Original Contract Completion Date: November 7, 2025
Total Calendar Days Added from Previous Change Orders (Through CCO #4): 84
Total Calendar Days Added This Change Order: 5
Revised Contract Duration: 429 Calendar Days
Revised Contract Completion Date: February 4, 2026
TOTAL COST for this CHANGE ORDER is SEVENTY THOUSAND, THIRTY-THREE Dollars and THIRTY cents INCREASE.

It is agreed that 5 consecutive calendar day(s) extension of time will be allowed by reason of this change. The original completion date was 11/7/25 and the revised completion date is 2/4/26 (including weather delays and previously approved CCO's).

Prepared by Project Manager



Accepted by CONTRACTOR

By: 

Date: 10/23/25

Approved by OWNER

By: _____

Date: _____

NOTE: Attention is called to the sections in the General Provisions on Scope of Work and Estimates and Payments.

☒ THIS CHANGE ORDER IS NOT EFFECTIVE UNTIL APPROVED BY OWNER.

☐ IF ACCEPTABLE TO THE CONTRACTOR, THIS CHANGE ORDER IS EFFECTIVE IMMEDIATELY.

Distribution: ☐ Owner ☐ Contractor ☐ Engineer ☐ Finance

Memo

Date: November 19, 2025
To: Olivenhain Municipal Water District Board of Directors
From: Lindsey Stephenson, Engineering Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPROVAL OF AMENDMENT NO. 3 TO THE PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS WITH ASPEN GROWTH PROPERTIES, INC. AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider authorizing the General Manager to enter into Amendment No. 3 to the Purchase and Sale Agreement and Escrow Instructions. The proposed amendment has been reviewed by the General Counsel and the Facilities Committee (Guerin and Maloni).

Recommendation

Staff recommends authorizing the General Manager to enter into Amendment No. 3 to the Purchase and Sale Agreement and Escrow Instructions.

Alternative(s)

The Board could elect to:

- Direct staff to not sign the amendment and explore other alternatives; or
- Proceed in a manner as otherwise directed by the Board.

Background

Staff has been working to complete a lot line adjustment to preserve OMWD's ownership of land underlying the Thornton Pump Station before closing on the balance of the original parcel (APN 257-401-11-00) through the sale. However, research has determined that the Wiegand Parcel was actually a single lot with two separate tax assessor parcel numbers (APNs 257-401-11-00 and 257-09-00), rather than two legal parcels. The two tax assessor parcels had been combined by a Certificate of Compliance approved by the City of Encinitas and recorded on October 30, 1998 with the San Diego County Recorder. At the time the Certificate of Compliance was recorded, the County did not assign a new tax assessor parcel number for the newly created lot, but kept the original two tax assessor parcel numbers, which was not traditionally the case. This single lot includes both the tank and the original parcel currently being considered for sale. For OMWD to sell the Wiegand Parcel, a Tentative Map process needs to be completed with the City of Encinitas to create two separate lots. Staff explored the process with the City of Encinitas, and the Tentative Map process would likely require a Conditional Use Permit for the Wiegand Reservoir and would be subject to current City standards, including setbacks, which could impact and delay Aspen's development plans.

Alternatively, Aspen has agreed to be the lead on the Tentative Map process with no additional cost to OMWD, as Aspen is already processing a Tentative Map with the City for the development. Aspen is also likely to receive setbacks and exemptions because of their affordable housing element. At the end of the tentative mapping process, OMWD will deed the two properties in escrow to Aspen for the development, while retaining the Thornton Pump Station and the Wiegand Reservoir site, as well as an easement to the east of the Reservoir.

Staff provided the Facilities Committee (Guerin and Maloni) with background on the situation on September 9, 2025.

Fiscal Impact

Since Aspen has agreed to perform the tentative mapping process at no additional cost to OMWD, there is no additional outlay of OMWD funds for this process. The fiscal impact to OMWD is that escrow cannot close until the mapping is complete, although OMWD has already received the funds.

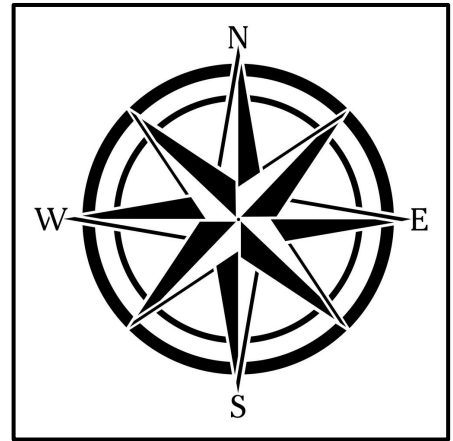
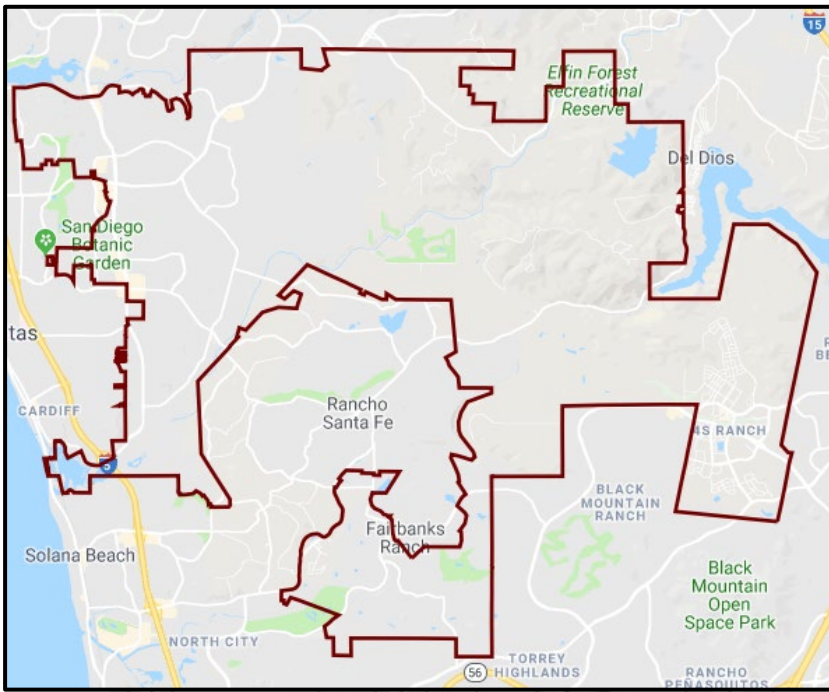
Discussion

Staff recommend proceeding with Aspen to prepare the Tentative Map and is available to answer any questions.

Attachments:

Location Map

Amendment 3



LOCATION MAP

AMENDMENT NO. 3 TO THE PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

**AMENDMENT NUMBER THREE
TO PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS**

This AMENDMENT NUMBER THREE TO PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (this "Amendment") is entered into as of _____, 20__, between OLIVENHAIN MUNICIPAL WATER DISTRICT ("Seller") and ASPEN GROWTH PROPERTY LLC, a California limited liability company ("Buyer").

A. Buyer (as successor-in-interest to Aspen Growth Properties, Inc.) and Seller are parties to that certain Purchase and Sale Agreement and Escrow Instructions dated as of February 14, 2019, as amended by Amendment Number One dated May 23, 2019 and by Amendment Number Two dated September 25, 2024 (collectively, the "Purchase Agreement").

B. As used herein, the "**Property**" is as defined in Section 1.1 of the Purchase and Sale Agreement and as amended by Amendment 2 and is depicted on Exhibit A hereto which is to be acquired by Buyer and labeled as such. The "**Remainder Parcel**" is to be retained by the Seller and is as defined in Amendment 1 and is depicted in Exhibit A.

C. The parties have determined that a portion of the **Property** which is to be acquired by Buyer (portions of APN 257-401-11-00), while a separate APN, is not a separate legal parcel from the portion of the **Property** to be retained by the Seller for the water reservoir.

D. In order to create separate legal lots, Buyer (as the applicant) shall process a subdivision map for the **Property**, creating separate residential lots and creating a legal parcel for the Seller's retained parcel (**Remainder Parcel**), at which time the closing of the **Property** shall take place. The Seller shall retain legal title until such legal lots are created through the subdivision map.

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, Buyer and Seller hereby amend the Purchase Agreement as follows:

1. Conflict. In the event any provision of this Amendment conflicts with any other provision of the Purchase Agreement, the provisions in this Amendment shall supersede and control and prevail.
2. Closing and Processing.
 - a) Buyer shall process its application for approval of a residential subdivision for the subject parcel. Seller agrees to provide letters of approval in favor of the Buyer, as applicant, as may be needed (including, but not limited to, execution of the final subdivision map when ready for recordation).
 - b) As part of processing such approvals, Buyer shall create the subdivided lots. Once completed, the **Property** shall be deeded to Buyer at Closing, while the **Remainder Parcel** will be retained by the Seller.
 - c) The Closing shall take place substantially concurrently with the recordation of the final map.

3. Miscellaneous. This Amendment may be executed in one or more counterparts, each of which together shall constitute one and the same instrument.

SELLER:

BUYER:

OLIVENHAIN MUNICIPAL WATER DISTRICT,
a municipal water district organized and operating
pursuant to Water Code §71000 et seq.

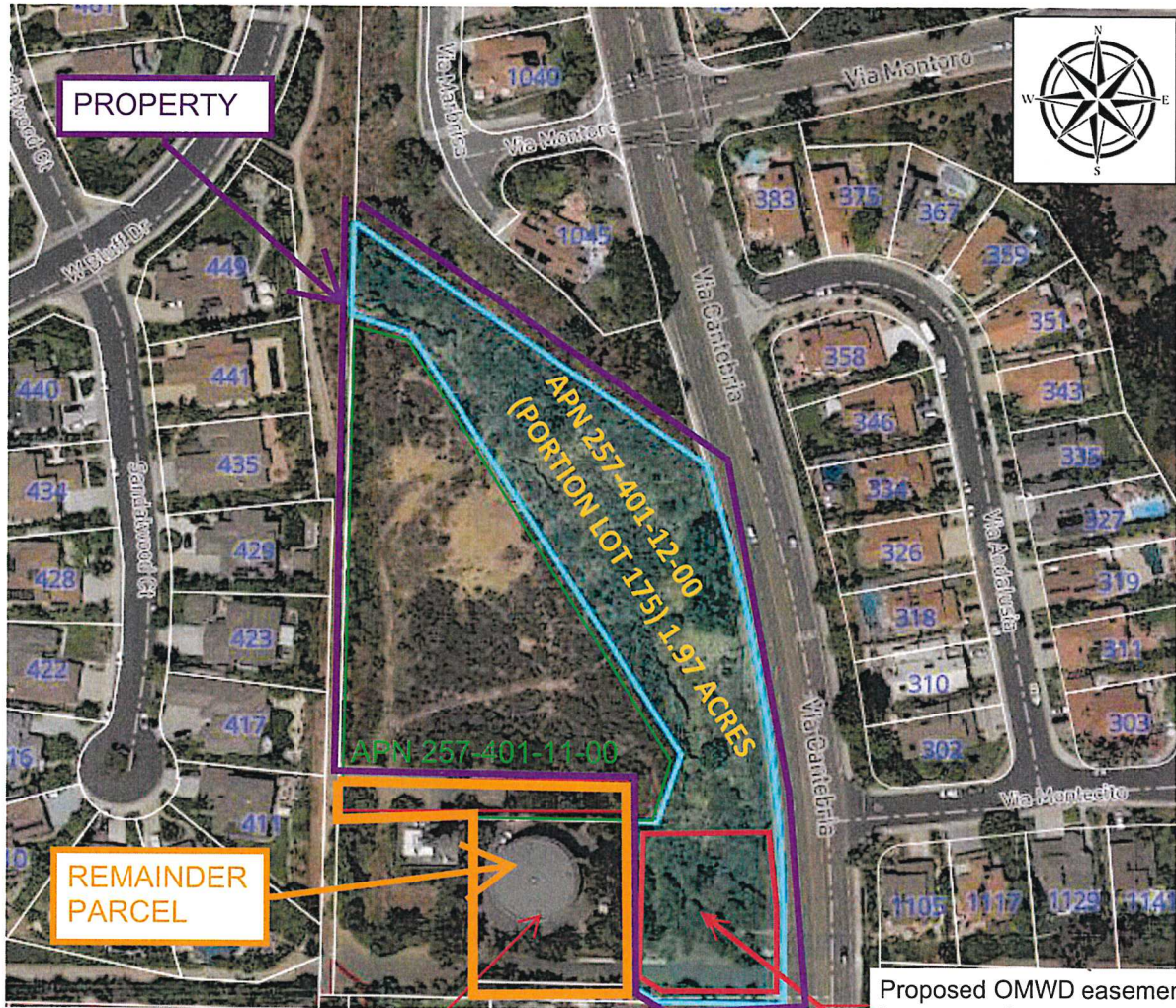
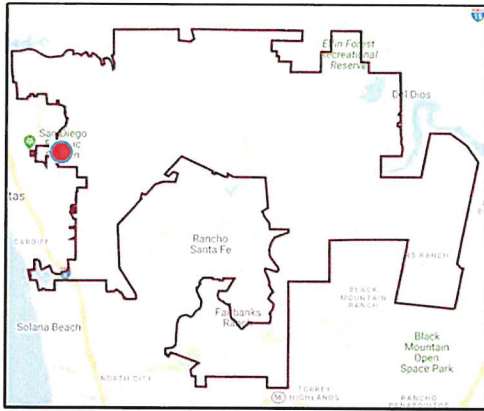
ASPEN GROWTH PROPERTY LLC,
a California limited liability company

By: _____
Name: Kimberly A. Thorner
Its: General Manager

By: _____
Name: Jon P. Rodrigue
Its: Manager

Exhibit A

Property and Remainder Parcel
[Attached]



Wiegand Reservoir
257-401-09-00

Proposed OMWD easement to be reserved

EXHIBIT A

AMENDMENT NO. 3 TO THE PURCHASE AGREEMENT WITH ASPEN

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.

November 19, 2025

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
October 2025:

Operations & Maintenance	October 2025	September 2025
David C. McCollom Water Treatment Plant (DCMWTP)	546.2 million gallons	654.1 million gallons
DCMWTP Average Daily Production	17.6 million gallons	21.8 million gallons
DCMWTP Peak Day Production	23.1 million gallons	28.0 million gallons
Source Water Blend (% State Project Water)	38%	42%
Total Deliveries to Vallecitos Water District	240.16 AF 78.25 million gallons	339.67 acre feet 110.68 million gallons
4S and Rancho Cielo Sewer Systems Total Inflow	38.75 million gallons	38.7
4S and Rancho Cielo Sewer Systems Average Daily Inflow	1,250,034 gallons	1,292,409 gallons
4S and Rancho Cielo Sewer Systems Peak Day Inflow	1,300,887 gallons	1,387,342 gallons
4S and Rancho Cielo Sewer Systems Low Day Inflow	1,196,195 gallons	1,212,369 gallons
4S Water Reclamation Facility (4SWRF) Average Daily Production	610,480 gallons	869,993 gallons
4SWRF Peak Day Production	887,333 gallons	1,295,860 gallons
4SWRF Total to Recycled Water Distribution System	18.92 million gallons	26.1 million gallons
4S Recycled Water Storage Pond Volume	8 acre feet	4 acre feet
Repaired Potable Water Main Leak(s)	0	1
Repaired Potable Water Service Lateral Assembly Leak(s)	2	3
Repaired Recycled Water Main Leak(s)	0	0
Repaired Recycled Water Service Lateral Leak(s)	0	0
Repaired Hit Fire Hydrant Lateral Assembly Leak(s)	1	0
Replaced Valve(s) Monthly Total	2	15
Replaced Valve(s) Calendar Year to Date	36	34
Recycled Water Use Site Inspections & Visits	10	6
Recycled Water Use Site Cross Connection Tests	2	0
Cross Connection Site Surveys	3	1
Backflow Inspections & Testing (New)	18	10
IT Help Requests	23	24
Customer Services	October 2025	September 2025
Customer Calls and Inquiries	1,930	2,003
Total Monthly Bills Issued	23,022	23,013
Service Orders	518	519
New Potable Meters	0	0
New Fire Meters	1	0
New Recycled Water Meters	0	0

Advanced Metering Infrastructure (AMI) Troubleshooting Investigations	137	161
Customer Services - Continued	October 2025	September 2025
Stopped/Underperforming Meters Replaced	179	156
Meter Accuracy Tests Performed	15	10
Water Use Evaluations	21	16
Water Use Violation Reports	2	5
Workshops, Events, and Tours	3	1
High-Efficiency Clothes Washer Rebate Applications	3	3
Weather-Based Irrigation Controller Rebate Applications	8	7
Hose Irrigation Controller Rebate Applications	0	0
High-Efficiency Rotating Nozzle Rebate Applications	0	0
High-Efficiency Toilet Rebate Applications	0	0
Rain Barrel Rebate Applications	1	0
Flow Monitor Device Rebate Applications	2	0
Turf Removal Project Rebate Applications	1	0
Social Media Posts	14	17
News Releases/Media Advisories	1	1
EFRR	October 2025	September 2025
Special Use/Event Permits	6	2
Parking Notices	42	35
Incident Reports	10	3
Vehicle Count	4,044	3,338
Trail Use Count	9,521	7,236
Days Closed Due to Rain/Red Flag	0	0
Days Interpretive Center (IC) Open	14	16
Number of IC Visitors	392	216
Volunteer Trail Patrol Shifts	6	5
Volunteer Docent Hours	78	76
Total Number of Docents	65	65
Finance	October 2025	September 2025
Infosend Payments (ACH and Credit Card)	15,277	15,888
California Bank & Trust Lockbox Payments	1,633	2,147
Over the Counter Payments	402	344
Check-free, Metavante and Chase	3,769	3,593
Finance Calls and Walk-ins	37	31
Service Orders/New Meters Processed	4	6
Service Orders Closed Out	3	4
Purchase Orders	20	9
Inventory Items Received	2,842	554
Invoices Processed	595	562
Payroll Direct Deposits Processed	252	247
Payments to Vendors	266	230

ENGINEERING DEPARTMENT

Engineering Manager Lindsey Stephenson Highlights for October 2025:

The construction of the DCMWTP 4th Stage Plant Improvement Project has been completed and NOC was filed following October Board meeting. Gardendale and Village Park West Pressure Reducing Stations Replacement Project construction has transitioned to the Village Park West PRS site. The Reservoirs Safety Improvements Project is underway. The 4S Ranch Water Reclamation Facility (4S WRF) Headworks Screening System, Off-Specification and Wet Weather Diversion, and Strainer Improvements Project continued through the submittal review phase. The OMWD Cathodic Protection Improvements Project FY 2026 continued through the submittal review phase. Staff continued planning and design efforts on multiple CIP projects, leak responses, supported developer projects, continued to assist other departments with engineering-related work, and continued to manage OMWD's facilities, cathodic systems, cell sites, and right of ways.

HUMAN RESOURCES DEPARTMENT

Human Resources Manager Jennifer Joslin Highlights for October 2025:

Human Resources staff hosted the annual Health and Wellness Expo event with multiple benefits representatives on-site. Assisted with the Water Career Day workforce development event for students as well as military veterans held at San Elijo JPA. Represented OMWD at the Palomar College Trade and Industry job fair. Held a Human Resources/Employee Association (HEART) Committee meeting to discuss staffing. Hosted the monthly employee forum. Participated in Lincoln 457(b) and 401(a) plan design update meetings and document review. Participated in Advanced Fair Labor Standards Act (FLSA) training presented by Liebert Cassidy Whitmore. Attended the Water for People annual lunch fundraising event hosted by General Manager Thorner. Safety staff provided safety orientations for the new Customer Services Representative, one new temporary worker for the Cathodic Protection Program, and a new SDCWA intern. Worked with an outside consultant to review the Risk and Resiliency Assessment. Devoted time on various liability and property damage claims.

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

<u>Requestor</u>	<u>Documents Requested</u>
Civic IQ	Purchase Records Report from 1/1/22 to Present
LandGraphics	Current contract for landscape maintenance services
Records Retrieval Solutions	Enterprise Resource Planning (ERP) contracts and agreements from 1/01/22 - 9/30/2025 with Harris Computing

OPERATIONS & MAINTENANCE

Operations Manager Jesse Bartlett-May Highlights for October 2025:

Operations staff supported Career Day at San Elijo Joint Powers Authority. David C. McCollom Water Treatment Plant staff conducted in-house self-led training on water quality analyzer maintenance, repaired a large leak on an 8" gate valve, provided plant shutdown and startup

support for the OTP-1 Emergency Leak Repair Project with Construction and System Operations, and constructed an acid cleaning system for the onsite chlorine generation system. Staff collected 4th quarter polyfluoroalkyl substances (PFAS) samples, conducted a public tour, and concluded the hosting of the 1st quarter SDCWA intern. The 4S Water Reclamation Facility Headworks Screening System, Off-Specification and Wet Weather Diversion, and Strainer Improvements Project, which begins with pot holing and trenching, is underway. Plant operators are working closely with Engineering and the contractor – GSE – to maintain normal day-to-day operations and ensure safety. The Programmable Logic Controllers (PLC) Replacement Project is moving forward with Phase 1b Distribution sites, which will continue through November. IT staff continue to keep updates current on switches and firewalls. System Operators aided with the replacement of the 16” butterfly valve on Mountain Vista and the Azahar, Cadencia, Romeria Streets, and Aldea Place Emergency Leak Repair Project. System Operators continued with the re-piping and installation of a 2 ½’ cla valve at the Crosby #3 Pressure Reducing Station (PRS), replaced Polyvinyl Chloride (PVC) vent tubes at the Farms PRS, prep work for the Highlands #1 and Lusardi #1 PRS new communications installation as part of the SCADA Project, and continued to provide support to Engineering on the Palms I & II Reservoirs Project and IT with the PLC Project. Construction replaced 5 poly service laterals with new 1” copper lines in Encinitas, repaired Highlands #1 PRS vault leak, replaced 24 old flair nut curbstops on Azahar Street, and assisted Field Services Technicians with the 27 meter tie-ins on Azahar for the Azahar, Cadencia, Romeria Streets, and Aldea Place Emergency Leak Repair Project.

CUSTOMER SERVICES DEPARTMENT

Customer Services Manager John Carnegie Highlights for October 2025:

Maintained regular communication with customers impacted by the Azahar/Cadencia Emergency project; provided construction timeline notification to residents near the PRS replacement project off Wandering Road; published October issue of *Watching Water* newsletter; held a public tour of OMWD facilities; exhibited at Rancho Santa Fe Fire Protection District’s open house and fire fair; produced videos to assist customers in reading their water meters, detecting leaks, and setting up My Water Use alerts; participated in State Water Resources Control Board training regarding the FY 25 Annual Urban Water Use Objective; met with Association of California Water Agencies, Nossaman, and Padre Dam Municipal Water District to discuss Low Income Rate Assistance legislation strategies for 2026; and submitted a letter requesting the governor's signature on Senate Bill 72 regarding California Water for All initiative.

At EFRR, held eight “Habitat” field trips for Escondido Unified School District students; began interpretive center trim replacement; hosted free talk on interpreting animal tracks at interpretive center in partnership with Escondido Creek Conservancy; hosted EFRR booth at the Escondido Creek Conservancy’s outdoor educational event.

FINANCE DEPARTMENT

Finance Manager Leo Mendez Highlights for October 2025:

Finalized year-end audit for FY 2025; completed draft FY 25 Annual Comprehensive Financial Report; presented proposed calendar year 2026 water rates and charges to Board for adoption;

participated in Lincoln 457(b) and 401(a) plan design update meetings and completed action items for platform transition for lower fees; continued to work on payroll tax planning items for IRS compliance and presented upcoming changes to employees; worked on District's application controls review in response to hosting services outage; completed SDCWA's Permanent Special Agricultural Water Rate annual assessment; worked with CalPERS actuary on OMWD's 2025 pension funding plan; completed annual investment policy review; completed SDRMA payroll projections for workers' comp insurance renewal questionnaire; completed 3-month review for new staff and 6-months expectations for new Supervisor; attended Member Agency Finance Officers Long Range Financial Plan meetings; attended HEART committee meeting; attended Water for People Luncheon, attended Health and Wellness Expo; attended quarterly CIP meeting; Accounting Supervisor attended Advanced Fair Labor Standards Act (FLSA) and Supervisor training presented by Liebert Cassidy Whitmore.

ASSISTANT GENERAL MANAGER:

The Assistant General Manager reports the following for October 2025:

Attended Water Career Day at San Elijo Water Campus and Water for People Luncheon. Attended several Water Career Day planning and preparation meetings. Review and preparation of upcoming projects including EPA grant procurement requirements, North San Diego Water Reuse Coalition coordination and Electric Vehicle compliance. Significant time dedicated to emergency response, personnel matters, Integrated Regional Water Management Prop 1 Round 2 Local Project Participant Agreement Amendment coordination with Coalition partners and claims management.

GENERAL MANAGER:

The General Manager reports the following for October 2025:

General Manager Thorner attended the SDCWA Long Range Financial Plan Workshop #3, held a GM Staff meeting, hosted a Health & Wellness Expo, served on City of San Diego RFP panel, performed Oaths of Office for new hires, attended the Member Agency Managers Meeting, attended an IT Controls kickoff meeting, chaired the LAFCO Special Districts Advisory Committee Meeting, attended the Rancho Santa Fe Fire Wildfire Fair and Open House event, met with DLM Engineering, held a Human Resources/Employee Association Team Committee Meeting, attended a presented at the 2025 Water Career Day at San Elijo Joint Powers Authority, met with Armanino consulting, held a Staff Leadership Meeting, attended the SDCWA Member Agency Managers Business Model Meeting, co-emceed the Water for People Luncheon, hosted a Halloween luncheon for employees, dedicated significant time to reviewing OMWD's Lincoln plan documents, coordinating the Water for People Luncheon, reviewing public records requests, reviewing City of San Diego Request for Proposals, meeting and coordinating the Azahar/Cadencia/Romeria/Aldea Emergency project, recycled water agreements, preparing and discussing SDCWA board comments, negotiation new recycled water contracts with City of San Diego, Vallecitos, and Carlsbad, and legal and personnel matters.

Memo

C

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CONSULTING ENGINEER

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

MEMORANDUM

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

From: Don MacFarlane, Consulting Engineer

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

Date: October 28 and November 17, 18, 2025

This is a report on the Subcommittee on Imported Water meeting held on October 28, 2025, and the Finance, Affordability, Asset Management, and Efficiency Committee, the One Water and Adaptation Committee, and the Engineering, Operations, and Technology Committee meetings held on November 17, 18, 2025. This report is based on the Board webcast, presentations and reports.

October 28, 2025 Subcommittee on Imported Water

Staff provided reports on Colorado River Negotiations and Protection of MWD's Water Rights, and the Sites Reservoir Project Plan of Finance Summary and Overview of Agreements. The presentations are summarized below, and are good resource documents. Board Secretary Kaufmann can provide copies upon request.

1. Colorado River – This presentation included a summary of the 1922 Colorado River Compact (Law of the River) and Perfected Rights, which are primarily in California. The presentation noted that:
 - a. There are disagreements between Upper and Lower Basin States on the meanings of certain parts of the Compact. Interpretations of these will directly affect MWD's supply reliability.
 - b. There has been no progress amongst the seven basin states regarding negotiation of new operating guidelines. Subsequently, the states did not meet the November 11, 2025 deadline for consensus, and it was extended. (See also item 4. in the One Water and Adaptation Committee report below)
 - c. The "structural deficit" between releases from Lake Powell and obligations to the Lower Basin States, Mexico, and net system losses is approximately 1.25 MAF. The Lower Basin States and Mexico have made a proposal to reduce demands by 1.5 MAF to resolve the deficit.
 - d. The proposal helps balance overall supplies and demands and promotes average reliability. Staff also addressed potentially larger supply – demand imbalances.

MEMORANDUM

Metropolitan Water District of Southern California

November 17, 18, 2025 Committee Meetings

Page 2

11/18/2025

2. Sites Reservoir – This presentation included an overview of the Project with maps, the decision-making structure, key funding sources, and the Project timeline. The presentation noted that:
 - a. The Reservoir capacity is 1.5 MAF of off-stream storage.
 - b. There are 180 miles of conveyance systems planned, 160 miles of which are existing.
 - c. The estimated construction cost is \$6.8B.
 - d. Releases will be primarily in dry and critical years, and the water will be conveyed through the Delta. The Project is not reliant on the DCP.
 - e. 24 agencies share the storage including the State of California and USBR. MWD's share is approximately 300 TAF or 20 percent.
 - f. There is a waiting list of 16 agencies collectively requesting 72 TAF.
 - g. A balanced decision-making structure includes a Sites Project Authority Joint Powers Authority and a Reservoir Management Board.
 - h. Investor commitment starts in March 2026.
 - i. Financing is planned to be 75 percent participant, 15 percent State, and 10 percent Federal WINN Act. Participant financing is mostly from a WIFIA Loan with some bonds, cash, and a US Department of Agriculture loan.
 - j. Permitting and water rights are planned for completion in early 2026, final design by 2030, and construction by 2033.

Finance, Affordability, Asset Management, and Efficiency Committee

1. FY 2025-26 Quarterly Financial Report Through September 2025 –
 - a. Water transactions are approximately on budget and are forecast at year-end to be 65 TAF less than budget. Transactions the last two years were the lowest in 12 years.
 - b. Dry-year storage for end-of-calendar year 2025 is forecast at 3.8 MAF, a record level, and unchanged from last year.
 - c. FY 2025-26 revenues are forecast to be \$67.3 million below budget and expenditures are forecast to be \$132.9 million below budget. Unrestricted reserves are forecast to increase by approximately \$53 million, to near target levels.
 - d. The current biennial budget included \$60 million per year in unidentified revenue. In the first year, \$143 million was generated, mostly from the Reverse Cyclic Program. Second year unidentified revenues are forecast to exceed \$60 million.

One Water and Adaptation Committee –

1. LA County Department of Public Works Stormwater Pilot Program – This is a joint pilot program between LACDPW and MWD, introduced in May 2025, that combines

MEMORANDUM

Metropolitan Water District of Southern California

November 17, 18, 2025 Committee Meetings

Page 3

11/18/2025

commercial and residential turf replacement with a prescriptive stormwater feature to enhance infiltration. Staff reported on discussions with LACDPW on project details and the possible use of a third-party vendor for administration. Committee members had many comments including the location of the pilot projects, the cost, which agency pays, equity, meeting MWD supply objectives, the program complexity and the time it is taking to develop the program. Staff will continue to develop the details and return to the Board in January 2026.

2. Extension of the Yuba Accord Long-Term Water Transfer Program – The existing program expires at the end of 2025 and MWD staff presented a proposed extension. Since 2008, MWD has obtained 253 TAF from the program, at costs ranging from \$64 to \$447 per acre-foot, for dry year supplies. Staff proposed an extension to 2050 with reasonable annual increases in cost. This will be an action item at the December Board Meeting.
3. DCP, Delta Plan Certification of Consistency – On October 3, 2025, DWR posted the certification of consistency for DCP on its website for a required 10-day public review period. Following the initial review period, DWR officially submitted the DCP certification of consistency to the Delta Stewardship Council (DSC) on October 17, 2025. Any appeals to DWR's certification of consistency must be filed with the DSC by November 17, 2025.

Once the 30-day appeal period expires, the DSC must hold a hearing on the appeals within 60 days, after which it has 60 days to adopt a written determination granting or denying the appeals. The DSC will review the certification to determine if DWR's consistency findings are supported by substantial evidence in the administrative record. Appellants bear the burden of proving that there is no substantial evidence to support DWR's findings.

If the DSC denies all appeals, DWR would be permitted to initiate implementation, although it would not start construction until it secures other major permits and State Water Project contractors have agreed to participate in and fund the construction and operation of the project. However, if the DSC grants any appeals, it will remand the certification to DWR, and DWR would need to prepare and submit a revised certification of consistency addressing the DSC's remand, after which opponents would have another opportunity to appeal.

4. Update on Colorado River Negotiations and Protection of MWD's Water Rights – As mentioned previously, the seven-basin states did not reach consensus on new operating guidelines by the deadline of November 11, 2025. However the USBR concluded that there was substantial progress made and that the pieces were there for agreement, so the deadline was extended to February 14, 2026. The State of Arizona sent a letter to the other basin

MEMORANDUM

Metropolitan Water District of Southern California

November 17, 18, 2025 Committee Meetings

Page 4

11/18/2025

states regarding the potential for litigation. The Committee then went into closed session to discuss litigation. No action was taken and there was no report on the closed session discussion.

Engineering, Operations, and Technology Committee –

1. October 2025 Demands – 120 TAF, approximately 17 TAF less than in 2024.
2. Target Percentage of SWP Water Delivered to the Skinner Water Treatment Plant (and OMWD Raw Water Supply) – 75 percent.
3. SWP Allocation – 50 percent.
4. Power Cost Exposure with Lower Lake Mead Storage/ Water Levels
 - a. MWD is the largest Hoover Dam power contractor using 25 percent of the output. MWD also uses 50 percent of the Parker Dam power.
 - b. Hoover has 12 turbines that may experience significant cavitation at water levels below elevation 1035 feet, and cannot be operated. 5 turbines can operate between 1035 and 950 feet.
 - c. Replacing the 5 of the 12 turbines would cost 10 to \$13 million and take 4 to 5 years.
 - d. Funding options include:
 - i. Borrowing from post-retirement benefit accounts.
 - ii. Recovery through energy rates, and
 - iii. Congressional appropriation.
 - e. At 1035 feet, reducing from 17 to 5 turbines drops the power output from 1,304 to 382 megawatts (MW). At 950 feet, the output drops to 117 MW.
 - f. According to the October 2025 USBR minimum probable forecast, the Lake Mead water level could drop below 1035 feet as early as May 2027.
 - g. There will be no impacts to MWD water operations as MWD can buy power from the California Independent System Operator (CAISO) market.
 - h. The loss of capacity and power from Hoover impacts system flexibility, the ability to maximize revenues, and minimize costs. The estimated cost impact in 2027 would be between \$60 and \$140 million.
 - i. Potential short- and long-term mitigation strategies include fixed-price contracts and power purchase agreements, new generation, bulk storage, or transmission capacity, and turbine replacement. A related presentation noted that there are many large-capacity solar projects planned for the California desert areas that will supply CAISO and potentially MWD.
 - j. MWD staff will complete additional analysis and return to the Board of Directors.

MEMORANDUM

Metropolitan Water District of Southern California

November 17, 18, 2025 Committee Meetings

Page 5

11/18/2025

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: November 19, 2025

RE: Attorney Report: Brown Act Update
150152-0005

I. INTRODUCTION.

This attorney report provides an update on the Brown Act. Senate Bill 707, signed into law on October 3, 2025, implements a number of changes to the Brown Act. Notably, SB 707 extends the ability of directors to attend meetings remotely – without stating the director’s location on the agenda – provided there is “just cause” or an “emergency circumstance.”

In its original form, Senate Bill 707 would have imposed a number of additional Brown Act requirements on local agencies. However, after significant opposition by the local agency community, the bill was substantially revised such that the major changes only apply to very large cities, counties, joint powers authorities and special districts.

II. REMOTE ATTENDANCE BY DIRECTORS.

The Brown Act contains a number of requirements for remote/teleconference meetings. For directors attending remotely, the traditional Brown Act rules require that (1) local agencies post on the agenda the physical location of each director’s teleconference location; (2) each teleconference location be accessible to the public; (3) members of the public be allowed to address the agency at each teleconference location; (4) the legislative body post an agenda at each teleconference location; and (5) at least a quorum of the directors participate in-person from locations within the boundaries of the agency’s jurisdiction.

During the COVID-19 pandemic, new laws were passed to facilitate the ability of board members to remotely participate in board meetings. One such law includes Assembly Bill 2449. Among other things, Assembly Bill 2449 allows board members to remotely participate in board meetings in two situations:

- For “just cause,” defined as the need to provide care to a child or close relation, having a contagious illness, needs related to a physical or mental disability, or being on official travel for the agency; or

- “Emergency circumstances,” which include physical or family emergencies that prevent a member from attending.

The right to appear remotely in these circumstances is limited. AB 2449 originally provided that board members may not appear remotely for a period of more than three consecutive months or for 20% of the year’s regular meetings. (If an agency meets fewer than ten times a year, a member may only appear remotely twice during the year.)

AB 2449 was subsequently amended by Assembly Bill 2302. Pursuant to these amendments, a Board member may attend remotely no more than:

- Two times per year if the agency regularly meets once per month or less;
- Five times per year if the agency regularly meets twice per month; or
- Seven times per year if the agency regularly meets three or more times per month.

Senate Bill 707 allows the original Brown Act remote attendance rules to apply, such that directors may still attend meetings remotely, provided the remote location is identified on the agenda and the public is provided access to the remote location. The traditional Brown Act rules do not limit the number of times a director may appear remotely. A majority of directors must still attend the meeting in person.

Senate Bill 707 also gives directors a second option for remote attendance. SB 707 extends Assembly Bill 2449, which due to its sunset provision, would have expired on December 31, 2025. This allows directors to continue attending meetings remotely - without providing their location on the agenda and without allowing the public access to the remote location when there is just cause or an emergency circumstance. Senate Bill 707 requires the meeting minutes to identify the specific provision of law relied upon by a director to participate remotely. A majority of directors must still attend the meeting in person.

III. OTHER CHANGES APPLICABLE TO ALL AGENCIES.

Senate Bill 707 imposes other additional changes on all public agencies. Effective January 1, 2026, notable changes all agencies will be required to observe include:

- Agencies are required to provide all directors with a copy of the Brown Act.
- Agencies are required to identify and make available to all directors a list of one or more meeting locations that may be available for use by the agency to conduct meetings.

- Prior to taking final action, agencies are required to orally report during a public meeting a summary of a recommendation for action on the salaries, salary schedules, or compensation paid in the form of fringe benefits to department heads and similar administrative officers of the local agency.

IV. AMENDMENTS APPLICABLE ONLY TO LARGER AGENCIES.

Many of the new requirements imposed by Senate Bill 707 only apply to very large cities, counties and special districts. Senate Bill 707 creates a new definition for “eligible legislative bodies.” A special district is an “eligible legislative body” if it has an internet website and meets any of the following conditions:

- The boundaries of the special district include the entirety of a county with a population of 600,000 or more, and the special district has over 200 full-time equivalent employees.
- The special district has over 1,000 full-time equivalent employees.
- The special district has annual revenues, based on the most recent Financial Transaction Report data published by the California State Controller, that exceed four hundred million dollars (\$400,000,000), adjusted annually for inflation commencing January 1, 2027, as measured by the percentage change in the California Consumer Price Index from January 1 of the prior year to January 1 of the current year, and the special district employs over 200 full-time equivalent employees.

For those special districts that qualify as an “eligible legislative body,” the Brown Act now requires that those agencies:

- Provide two-way remote access with captioning and call-in options;
- Translate agendas into “applicable languages,” defined as a language spoken by 20% or more of the agency’s population;
- Maintain a dedicated public meetings webpage - which includes an explanation of the public meeting process, the procedure for providing in-person or remote public comment, a calendar of public meeting dates, a link to the online agenda for each meeting, and a prominent link to this webpage;
- Adopt in a noticed public meeting a policy regarding disruption of telephonic or internet services occurring during meetings, with a mandate to recess for at least one hour to make a good faith attempt to restore service; and
- Expand outreach to community and media organizations.

V. CONCLUSION.

Senate Bill 707 contains a number of amendments to the Brown Act. After significant opposition by CSDA, ACWA, the California State Association of Counties and

others due to the significant administrative burden, cost and staff time, SB 707 was substantially revised so that most amendments only apply to very large agencies.

Senate Bill 707 is significant because it continues the ability of directors to meet remotely under both the traditional Brown Act and Assembly Bill 2449. Under the traditional Brown Act, directors may attend board meetings remotely, provided the directors place their location on the agenda and allow public access to the remote location. Alternatively, under Assembly Bill 2449, directors may remotely attend meetings without stating their location on the agenda, if the directors meet the “just cause” or “emergency circumstances” criteria discussed above. Assembly Bill 2449 places limits on the number of times a director may appear remotely in a calendar year; these limits do not apply if the traditional Brown Act remote meeting procedures are followed.

Under both the traditional Brown Act and Assembly Bill 2449, a majority of directors must still attend board meetings in person.

If Senate Bill 707 was not signed into law earlier this month, AB 2449 would expire at the end of this year, thereby eliminating the option for directors to virtually attend board meetings without stating their location on the agenda.

AES

Memo

E

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE

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



**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
OCTOBER 23, 2025**

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report
2. Establish 2026 Board meeting dates.
The Board approved March regular Board meeting date of March 19, 2026, combined the November and December Board meeting dates to November 19, 2026, and approved the 2026 Board meeting dates calendar.
3. Amendment to extend the agreement with Industrial Scientific Corporation for Lease of Air Monitoring Equipment System.
The Board amended the agreement with Industrial Scientific Corporation for continued services to the Water Authority through December 31, 2027 by \$171,227.48 for a period of 24 additional months; increasing total contract funding to an amount not to exceed \$246,820.58.
4. Professional Services Contract Amendments for pool of Financial Advisors for as-needed financial advisor services.
The Board authorized the General Manager to execute amendments to the professional services contracts for Acacia Financial Group, Inc., in the amount of \$38,651; Clean Energy Capital Securities, LLC, in the amount of \$36,076; and Montague DeRose and Associates, LLC, in the amount of \$114,123; and to extend the agreement term for each contract an additional two years, for continued as-needed financial advisor services.
5. Proposed 2026 Legislative Policy Guidelines.
The Board approved the proposed 2026 Legislative Policy Guidelines.
6. Amendment with Trane U.S. Inc, dba Southern California Trane for heating, ventilation, and air conditioning maintenance, inspection, and monitoring services.
The Board approved Amendment 3, with such non-material modifications as approved by the General Manager or General Counsel, to the services contract with Trane U.S. Inc, dba Southern California Trane (Trane) for heating, ventilation, and air conditioning (HVAC) maintenance and monitoring services for a not-to-exceed amount of \$150,000, increasing the authorized cumulative amount from \$150,000 to \$300,000, extending the termination date through November 30, 2026, and authorized the General Manager, or designee, to execute the amendment.
7. Amendment with Rancho Santa Fe Security Systems, Inc. for mobile solar security surveillance trailers with 24/7 monitoring and dispatch services.
The Board approved Amendment 2, with such non-material modifications as approved by the General Manager or General Counsel, to the services contract with Rancho Santa Fe Security Systems, Inc. for mobile solar security surveillance trailers with 24/7 monitoring and dispatch services for a not-to-exceed amount of \$150,000, increasing the authorized cumulative amount



from \$149,000 to \$299,000, and authorized the General Manager, or designee, to execute the amendment.

8. Adopt position on various bills.
The Board adopted a position of Support on H.R. 4733 (Sorenson), Low-Income Household Water Assistance Program (LIHWAP) Establishment Act.
9. The Board approved the minutes of the Formal Board of Directors' meeting of July 24, 2025.
10. Director Retirement Resolution.
The Board adopted Resolution No. 2025-18, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Gary Croucher upon his retirement from the Board of Directors.
11. General Counsel Contract Amendment.
The Board approved a five percent COLA increase to salary for October 3, 2025 through October 2, 2026, and a one-time performance award equivalent to three percent of the base salary effective October 3, 2025.

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
Jennifer Capitolo, Jennifer M. Capitolo and Associates LLC
DATE: November 5, 2025
RE: November 2025 Public Policy Report

State Legislative Updates:

Status of the Legislature: The legislature will reconvene for the second year of the session on January 5, 2026. Throughout the fall, the Assembly and Senate have been and will continue to host informational and oversight committee hearings on various topics. Should there be anything relevant to OMWD, we will monitor and report on those hearings.

Additionally, the California State Constitution requires that the governor submit a budget proposal to the legislature annually by January 10. The Director of Finance, as chief financial advisor to the governor, leads this effort and issues instructions and guidelines for budget preparation to agencies and departments. Therefore, planning for the 2026 budget is already underway and will continue through the fall and winter.

Legislation: Currently, there are no active bills before the legislature. See below the final status of OMWD's priority bills after the first year of session. Two-year bills have been highlighted and each includes a note detailing the next deadline should the bill's author resume pushing it forward. In general, bills that did not pass through the first house during the first year of the session will have a few weeks in January to remain active. On the other hand, bills that have already passed through the first house will have more time to move through the process.

Measure	Author	Topic	Position	Status	Notes
AB 259	Rubio, Blanca, D	Open meetings: local agencies: teleconferences.	Support	2-year bill	This bill will not move forward in its current form. It was merged into SB 707.
AB 339	Ortega, D	Local public employee organizations: notice requirements.	Oppose	Signed	

Measure	Author	Topic	Position	Status	Notes
AB 514	Petrie-Norris, D	Water: emergency water supplies.	Support	2-year bill	This bill did not pass the first house and was held in Assembly Appropriations in the Suspense File. For this bill to move forward, it would need to pass the Assembly to the Senate by January 31, 2026.
SB 31	McNerney, D	Water quality: recycled water.	Support	Signed	
SB 72	Caballero, D	The California Water Plan: long-term supply targets.	Support	Signed	
SB 224	Hurtado, D	Department of Water Resources: water supply forecasting.	Support	Vetoed	
SB 350	Durazo, D	Water Rate Assistance Program.	Oppose Unless Amended	2-year bill	This bill did not pass the first house and was held in Senate Appropriations in the Suspense File. For this bill to move forward, it would need to pass the Senate to the Assembly by January 31, 2026.
SB 375	Grove, R	Wildfire prevention activities: Endangered Species Act: California Environmental Quality Act: California Coastal Act of 1973.	Support	2-year bill	This bill did not pass the first house and was held in the Senate Natural Resources and Water Committee. For this bill to move forward, it would need to pass the committee by January 16, 2026 and move to the Assembly by January 31, 2026.
SB 454	McNerney, D	State Water Resources Control Board: PFAS Mitigation Program.	Support	Vetoed	
SB 496	Hurtado, D	Advanced Clean Fleets Regulation: appeals advisory committee: exemptions.	Support	2-year bill	This bill did not pass the first house and was held in Senate Appropriations in the Suspense File. For this bill to move forward, it would need to pass the Senate to the Assembly by January 31, 2026.
SB 682	Allen, D	Environmental health: product safety: perfluoroalkyl and polyfluoroalkyl substances.	Support	Vetoed	

Measure	Author	Topic	Position	Status	Notes
SB 707	Durazo, M	Open meetings: meeting and teleconference requirements.	Watch	Signed	This bill modifies existing laws related to public meetings of legislative bodies in local agencies. California Special Districts Association successfully negotiated amendments favorable to districts of OMWD's size regarding this bill. Although the bill did extend the sunset clause for teleconferencing provisions, which are set to expire on January 1, 2026, it also introduces additional requirements for language accessibility and disability accommodations. Key changes: • Traditional teleconferencing rules remain, requiring agendas at each location and public access to every remote site. • Alternative pandemic-era teleconferencing rules extended and modified into a new framework. • New categories of legislative bodies covered under alternative teleconferencing rules (i.e., Joint Powers Authorities and citizens advisory committees) and obligations for defined "Eligible Legislative Bodies."

Furthermore, we have been engaged in the development of two supplementary legislative items during the legislature's recess. These items include:

- **SB 350 (Durazo) LIRA Follow-Up:** Although this bill did not advance to the governor's desk this year, in anticipation of Senator Durazo picking this up again next year, we met with ACWA to discuss various options, including funding possibilities and suggesting amendments. ACWA mentioned that they may even sponsor their own bill. LIRA is expected to be included in ACWA's November 7th State Legislative Committee as an agenda item. We will continue discussions and provide updates as they become available.

- **Proposition 4 – Climate Bond:** During the last days of session, the legislature allocated funds for Proposition 4 in the current fiscal year. In SB 105, they appropriated \$3.3 billion from the bond to fund conservancies throughout the state, water quality programs, continued development of the California Water Plan, wildfire mitigation initiatives, biodiversity conservation programs, and various local assistance grants, among other things. We attended a webinar with the California Natural Resources Agency and learned that funding agencies will be developing guidelines and subsequent solicitations in the next few months. We will monitor and advise OMWD on all relevant opportunities.

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.

- October 13 - Governor Newsom ordered additional specialized equipment and highly trained personnel to protect communities in Los Angeles, Ventura, Orange, and Santa Barbara Counties.
- October 10 - Governor Newsom signed a bipartisan package of bills to support the ongoing wildfire rebuilding and recovery efforts in Los Angeles.
- October 9 - Governor Newsom approved the repositioning of fire and rescue resources in Imperial and San Bernardino Counties in response to extreme weather conditions forecast to impact the areas.
- October 6 - Governor Newsom announced the deployment of multiple personnel to Arizona and Puerto Rico in response to multiple hazards.

Regulatory Updates:

Urban Water Management Plan Guidebook

Department of Water Resources will hold a public meeting on the release of the public review Draft 2025 UWMP Guidebook. This meeting aims to inform water suppliers and interested parties about updates to the UWMP Guidebook since the last reporting cycle. A public meeting will be held on November 17 at 10:00 am. 2025 UWMPs are due July 1, 2026.

Water Technical Access Portal

On October 29, State Water Resources Control Board held a public webinar to discuss efforts to modernize drinking water data through the creation of WaterTAP. WaterTAP is anticipated to go live by late 2027 with an Advisory Committee expected to be established by spring 2026.

New and Revised Notification and Response Levels for PFOA, PFOS, PFHxS, PFHxA

On October 29, State Water Resources Control Board issued new and revised Drinking Water Notification and Response Levels for perfluorooctanoic acid (PFOA) to 4 parts per trillion, perfluorooctanesulfonic acid (PFOS) to 4 parts per trillion, perfluorohexane sulfonic acid (PFHxS) to 10 parts per trillion, and perfluorohexanoic acid (PFHxA) to 1 part per billion.

Proposed Public Health Goal Update – 1,4-Dioxane

On September 26, Office of Environmental Health Hazard Assessment issued a draft proposed PHG for 1,4-dioxane in drinking water of 0.04 parts per billion. PHGs published by OEHA are considered by State Water Resources Control Board in setting drinking water standards for California. Written comments are due November 25. A public workshop will be held on November 13.

Clean Transportation Incentive Policies Workshop

On October 14, California Air Resources Board announced a hybrid workshop to discuss the next phase of the clean transportation incentive policies initiative, Drive Forward. This initiative aims to invest in clean technologies to protect public health, meet mandated air quality targets, and fulfill state goals. The public workshop will be held on November 13.

Zero Emission Vehicle Report

On October 23, CARB staff provided an informational update on its Zero Emission Vehicle Report in response to Executive Order N-27-25. The ZEV Report directs several state agencies, including CARB, to develop recommendations for expanding the deployment of ZEV across all vehicle classes through additional regulations that will: reduce emissions from diverse vehicle types, maintain lists of partnering manufacturers and fleets adhering to state standards, and enhance prior collaborative efforts with manufacturers. The ZEV Report is attached.

REPORT TO THE GOVERNOR IN RESPONSE TO

Executive Order N-27-25 on Zero-Emission Vehicle Deployment



Introduction

California Reaffirms Commitment to Clean Transportation

In response to federal actions threatening to overturn California's authority to cut vehicle pollution, Governor Gavin Newsom signed Executive Order N-27-25 on June 12, 2025. This order strengthens the state's commitment to reduce harmful air pollution from transportation and protect public health.

It directs several state agencies – including the California Air Resources Board (CARB), California Energy Commission (CEC), Governor's Office of Business and Economic Development (GO-Biz), California State Transportation Agency (CalSTA), and Department of Consumer Affairs (DCA) – to recommend ways to expand the use of zero-emission vehicles (ZEVs) across all vehicle types. The goal is to make clean transportation more affordable, reliable, and accessible.

This order builds on previous efforts including:

- Executive Order N-79-20 (2020): Accelerates ZEV deployment to improve air quality and reduce greenhouse gas emissions.
- Assembly Bill 1279 (2022): Sets a goal for carbon neutrality by 2045.

Despite decades of progress, recent illegal federal efforts to revoke California's clean air waivers threaten the state's ability to meet clean air and climate goals. To keep momentum, state agencies held public sessions to help shape recommendations that support public health, climate action, and economic resilience, especially in communities most affected by pollution, within existing legal authorities.

California's Longstanding Leadership

Since the Clean Air Act was adopted in 1970, the U.S. Environmental Protection Agency has granted California more than 100 waivers for its clean air and climate efforts. California has consistently shown that these standards are achievable and that manufacturers have enough lead time to develop the technology to meet them.

From groundbreaking emissions control devices like the catalytic converter to zero-emission technology, California's rules have driven major innovations that have helped reduce vehicle emissions worldwide. Thanks to these efforts, today's average new car produces over 99% less smog-forming pollution than cars from the 1970s.

California's support for clean cars is unmatched and today the state is home to a thriving ZEV market.

- Around one in five new cars sold in California are ZEVs with the state hitting its goal of two million ZEVs ahead of schedule.
- 56 ZEV and ZEV-related manufacturers are operating in California – leading the nation in ZEV manufacturing jobs.

- 178,000 public or shared private electric vehicle chargers have been installed throughout California – nearly 50% more chargers than gas pumps.

California's efforts are strengthened through collaboration with many partners who also recognize the value of clean transportation technology. Across the nation, 17 other states and the District of Columbia have chosen to adopt at least part of California's vehicle standards because they also need the benefits of cleaner transportation. California does not stand alone, and its efforts are meaningful. The demand in these states for clean transportation collectively represents 40% of the nation's new light-duty vehicle market and 25% of the nation's new heavy-duty vehicle market, and 3-4 times that of California alone. In addition, three of these states have established complementary regulations similar to California's Low Carbon Fuel Standard (LCFS) to further advance the clean vehicle market.

Why California Must Continue Cutting Vehicle Emissions

California has made major progress on air quality, but its geography and persistent pollution challenges mean the work isn't over. The state must continue reducing vehicle emissions to meet national air quality standards, fulfill state goals, and fight climate change.

- Five of the 10 most polluted cities in the U.S. are in California.
- 10 million Californians in the San Joaquin Valley and Los Angeles live in areas with "severe nonattainment" for ozone – meaning the air is dangerously polluted.
- These communities face higher rates of asthma and heart and lung disease, which contribute to shorter life expectancy.

ZEVs are essential to protecting public health and meeting clean air goals.

Charting the Road Ahead

Meaningful involvement is foundational to ensure that all communities, especially low-income communities of color that may face historical barriers, can inform the recommendations in this report. In advance of developing the report, state agencies launched a series of public sessions throughout the state to hear from communities, industry experts, tribes, fleet operators, and others on ways to increase adoption of ZEVs across California.

- Three in-person and webcast sessions were held in Fresno, Sacramento, and Long Beach in July 2025.
- A fourth online-only community evening session allowed more people to participate and share input.
- Attendees included community members, tribal representatives, environmental leaders, industry experts, and fleet operators.

Participants were asked four key questions about how California can:

1. Keep momentum in the ZEV market despite federal changes
2. Create programs to meet air quality and climate goals
3. Use non-financial incentives to support ZEV adoption
4. Design inclusive programs that serve all Californians

Participants could respond publicly or anonymously using an online tool. CARB also opened a public docket for written comments.

These activities helped build ongoing communication between the public and state agencies, ensuring clean transportation solutions reflect community needs. As the state moves towards implementation, it will be critical to continue its engagement, especially with low-income communities of color that continue to face historical barriers, to ensure all communities realize the benefits from these recommendations.

Priority Recommended Actions

CARB, CEC, GO-Biz, CalSTA, DCA, and the California Public Utilities Commission (CPUC) have collectively identified the following recommended actions to further light-, medium-, and heavy-duty ZEV adoption in the state.

These actions bring together the agencies' shared goals of advancing affordable and reliable clean transportation options

The recommendations are organized into six categories – private investment, incentives, infrastructure, fuel pricing, regulations, and procurement – and reflect near-term actions that will have a significant impact on maintaining momentum and accelerating progress towards widespread ZEV adoption within existing state authorities.

Private Investment

Attracting private investment through the LCFS is a critical component to supporting accelerated ZEV adoption and moving away from fossil fuels. This program is bringing \$4 billion of private investment annually to support low-carbon fuels and zero-emission technologies to meet consumer demand in California –investments that create jobs, spur technology development, and help companies maintain a competitive edge in a global market headed towards zero-emission.

- **Sustain the LCFS program to ensure private investment continues to support the ZEV market.** With over 200 private companies participating in the LCFS, this program is effectively attracting investment from clean fuel producers (electricity, hydrogen, renewable diesel) and fueling infrastructure companies to generate credits that help subsidize clean fuels used in ZEVs, slashing ZEV ownership costs. Utilities also generate credits that can be used to fund the deployment of ZEVs in their service territories, with credit value going towards equity projects and further deployment.

Local governments benefit too, earning credits for clean public transit and expansion— over \$300 million in LCFS credit value to-date has gone to transit agencies. Traditional fuel suppliers are also generating credits by transitioning some of their in-state assets to cleaner alternatives for gasoline and diesel, and by diversifying their fuels production to include fuels such as sustainable aviation fuel and hydrogen.

Incentives

Incentives are an important component of the state's ZEV strategy that crosscuts the need to address both the affordability of vehicles and infrastructure and to support market expansion. These options, contingent upon available resources, would provide multi-year certainty for the ZEV market and have direct benefits for consumers that impact purchasing decisions.

- **Backfill the federal tax credits.** Federal clean vehicle tax credits will end after September 30, 2025. Subject to available resources and scaled to match our resources and policy goals, funding could provide point-of-sale rebates, vouchers, or other credits to keep new vehicle sales robust and expand the availability of used ZEVs on the secondary market. Incentives should support new and used vehicle purchases and leases and be available for individual vehicle purchases as well as bulk purchases by fleet operators.
- **Support ZEV market deployment incentive and rebate programs.** Reliable and consistent funding to CARB and CEC for the state's ZEV deployment and infrastructure incentive programs supports the expansion of existing and emerging light-, medium-, and heavy-duty markets (including transit), and increases access to ZEVs for low-income consumers and small businesses.
- **Create an education pipeline for good paying jobs.** The California Labor and Workforce Development Agency, in consultation with CARB, CEC, DCA, GO-Biz, and CalSTA, should develop additional educational pathways and ensure equitable access to apprenticeships, college courses, and certification programs in the clean transportation industry.
- **Explore options to retain high-occupancy vehicle (HOV) access.** CalSTA, in partnership with CARB, should investigate opportunities to reinstate HOV lane access for ZEVs after the federal highway program providing for that access expires on September 30, 2025, as well as opportunities for providing ZEVs with free or reduced fee access to Express Lanes, in compliance with applicable federal laws. Access to HOV lanes is a well-established, non-monetary incentive that is a critical element in purchasing decisions made by consumers in areas of the state with high congestion.

Infrastructure

The availability of reliable infrastructure remains one of the largest barriers to ZEV adoption for both private use and commercial deployments. Consumers need to feel comfortable that there is not only enough fueling capacity in the state, but that the fueling is accessible,

properly placed to serve charging and fueling demand, and in working order when accessed. Moving forward on the actions identified below will have an immediate impact on making progress towards this endpoint.

- **Collaborative build-out of infrastructure.** Prioritize the build out and funding of electric vehicle charging and hydrogen infrastructure along major corridors, in collaboration with West Coast partners and in line with recommendations in the [Clean Freight Corridor Efficiency Assessment](#) required by Senate Bill 671, the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) [Transportation White Paper](#), the Pacific Coast Collaborative's [West Coast Electric Highway](#), and the Joint Office of Energy and Transportation's [National Zero-Emission Freight Corridor Strategy](#).
- **Increase electric vehicle (EV) charger reliability and access.**
 - Advance efforts to increase EV charger reliability through pending regulations, by providing enforcement authority, data sharing, and reporting.
 - Ensure regulations provide consistent compliance approaches and timelines across all currently installed chargers and enable timely commissioning and repair of EV charging stations.
 - Provide flexibility to payment methods at public chargers, accelerate Plug and Charge implementation, and ensure transparent charger price and navigation data access.
 - Expand support to at-residence charging installation, both single family and multi-family properties.
- **Accelerate zero-emission infrastructure build-out.** Advance strategies to accelerate zero-emission infrastructure development to eliminate delays impeding EV charging installation. Strategies may include permit streamlining, faster utility energization processes, flexible service connections, and other methods.
- **Maximize use of existing transportation funding programs to support ZEVs and infrastructure.**
 - Increase utilization of conventional funding programs such as the Trade Corridor Enhancement Program to support ZEV infrastructure needs.
 - Utilize qualifying federal funds for ZEVs and supporting infrastructure when possible.

Fuel Pricing

Strategies that reduce the cost of fueling a ZEV will provide long-term support for the ZEV market. Fueling costs have a direct impact on the total cost of ownership of a ZEV and by reducing and stabilizing these ongoing costs the state can play a significant role in reducing the overall price gap between a ZEV and conventionally fueled vehicle. The identified actions will lower overall grid energy and hydrogen transportation fuel costs.

- **Explore options to utilize the California Climate Credit to support more affordable ZEV charging.** Incorporate into the CPUC's recently opened rulemaking to improve the distribution of the California Climate Credit.

- **Expand regional power markets.** Pursue efforts that enable the California Independent System Operator (CAISO) to partner with an independent regional organization to manage and govern regional power markets. As evidenced in the [CEC's latest studies](#), these markets can lower energy costs, improve grid supply reliability and reduce grid emissions, which would make electrification more affordable.
- **Leverage private investments to bring down the cost of hydrogen.** Explore opportunities for state-connected projects to buy hydrogen fuel facilitated through ARCHES (for use cases in buses, trucks, rail, ports, power sector) with the goal of providing demand certainty for hydrogen producers and infrastructure providers and driving down fuel costs.
- **Unlock beneficial Vehicle-Grid Integration (VGI) technology.** Continue to improve the energization process to enable vehicles to power homes, business and/or export power back to the grid during peak demand and periods of stress. Develop dynamic rates that align EV charging and discharging with grid needs, delivering benefits to ratepayers and EV owners. Establish incentives to reward automakers who manufacture vehicles that can provide backup power. Set standards for chargers to enable the use of VGI technology.

Regulations

The agencies are recommending two new regulatory programs that will address consumer protection and ensure overburdened communities see the benefits of reduced emissions within their community. These recommended actions may require direction from the Legislature to clarify agency authority.

- **Advance ZEV consumer assurance measures.** The DCA or CalSTA should explore options for, and implement if feasible, consumer protection actions that bolster ZEV buyer confidence by ensuring ZEVs are equally as reliable and repairable as conventional vehicles. This would include actions such as battery warranty, vehicle durability, and battery state of health data requirements.
- **Advance statewide indirect source rule.** CARB should collaborate with local air districts to develop and implement a statewide indirect source rule. This program would reduce emissions from mobile sources that frequent indirect sources such as large warehouses, ports, airports, and railyards.

Procurement

The state has the ability to use its purchasing power as a market participant to put the state on the leading edge of ZEV deployments and support local governments in their efforts to go zero-emission. These recommended actions will put the state in the position to lead by example, expand the ZEV market, and align the procurements with the state's clean vehicle goals.

- **Prioritize use of ZEVs in state procurement.**
 - Ensure that state procurement procedures include a ZEV-first policy. This action should prioritize the use of ZEVs in state contracted services (including delivery services and rental contracts) and require the state to procure ZEVs and supporting infrastructure where feasible.
 - Ensure that state properties/facilities prioritize installation of EV charging infrastructure.
 - CARB should explore opportunities for development of voluntary programs for fleets to identify that they are operating ZEVs to be prioritized in the state procurement process.
- **Support local government fleet electrification.**
 - Update funding guidelines for state programs supporting local government and transit vehicle procurement to require or incentivize ZEV purchases.
 - Develop statewide cooperative purchasing strategies to aid local government agencies in procuring ZEVs at the lowest cost.



Olivenhain Legislative Report 2025-26

Report as of 11/5/2025

Oppose

AB 339 (Ortega, D) Local public employee organizations: notice requirements.

Current Text: 10/13/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 01/28/2025

Last Amended: 08/29/2025

Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 687, Statutes of 2025.

Summary: The Meyers-Milias-Brown Act contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Current law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Current law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions. This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 45 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization, subject to certain exceptions. The bill would require the notice to include specified information, including the anticipated duration of the contract. (Based on 10/13/2025 text)

Position: Oppose

Notes:

7/9/25 - Signed onto a coalition with CSDA

Oppose Unless Amended

SB 350 (Durazo, D) Water Rate Assistance Program.

Current Text: 05/07/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/12/2025

Last Amended: 05/07/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/12/2025)(May be acted upon Jan 2026)

Summary: 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 both residential water and wastewater 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 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 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. By expanding the crime of perjury, the bill would impose a state-mandated local program. The bill would require the state board to take various actions in administering the program, including, but not limited to, providing guidance, oversight, and funding for low-income rate assistance for residential ratepayers of eligible systems. The bill would authorize the Attorney General, at the request of the state board, to bring an action in state court to restrain the use of any method, act, or practice in violation of these provisions, except as provided. The bill would make the implementation of all of these provisions contingent upon an appropriation by the Legislature. (Based on 05/07/2025 text)

Position: Oppose Unless Amended

Notes:

3/13/25 - ACWA Coalition letter.
4/14/25 - ACWA Coalition letter to Senate EUC Committee.
4/21/25 - Letter sent to Dan Denham at SDCWD detailing opposition.

Support

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

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

Introduced: 01/16/2025

Last Amended: 04/21/2025

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

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

Position: Support

Notes:

2/25/25 filed letter of support and shared with all cc's.
3/5/25 - signed on to CSDA coalition letter of support.
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 514 (Petrie-Norris, D) Water: emergency water supplies.

Current Text: 05/01/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/10/2025

Last Amended: 05/01/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/14/2025)(May be acted upon Jan 2026)

Summary: Would declare that it is the established policy of the state to encourage, but not mandate, the development of emergency water supplies by both local and regional water suppliers, as defined, and to support their use during times of drought or unplanned service or supply disruption, as provided. (Based on 05/01/2025 text)

Position: Support

Notes:

3/4/25 - Signed on to IRWD coalition letter of support.
4/17/25 - Coalition Letter to Assembly WPW Committee.
4/24/25 - ACWA has a Support Position.

SB 31 (McNerney, D) Water quality: recycled water.

Current Text: 10/13/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 12/02/2024

Last Amended: 06/09/2025

Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 736, Statutes of 2025.

Summary: The Water Recycling Law generally provides for the use of recycled water. Current law requires any person who, without regard to intent or negligence, causes or permits an unauthorized discharge of 50,000 gallons or more of recycled water in or on any waters of the state to immediately notify the appropriate regional water board. This bill would, for the purposes of the above provision, redefine "recycled water" and provide that water discharged from a decorative body of water during storm events is not to be considered an unauthorized discharge if recycled water was used to restore levels due to evaporation. (Based on 10/13/2025 text)

Position: Support

Notes:

4.28.25 - Letter of Support filed.

6/20/2025 Letter of Support Filed Assembly WP and W, Appropriations, sent to cc's

7/24/2025 Letter of Support files - Assembly Appropriations

9/12/2025 Request for Signature sent to Governor

SB 72

(Caballero, D) The California Water Plan: long-term supply targets.

Current Text: 10/01/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 01/15/2025

Last Amended: 04/10/2025

Status: 10/01/2025 - Chaptered by Secretary of State - Chapter 210, Statutes of 2025

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, and water transfers, that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to expand the membership of the advisory committee to include, among others, tribes, labor, and environmental justice interests. The bill would require the department, as part of the 2033 update to the plan, to update the interim planning target for 2050, as provided. The bill would require the target to consider the identified and future water needs for all beneficial uses, including, but not limited to, urban uses, agricultural uses, tribal uses, and the environment, and ensure safe drinking water for all Californians, among other things. The bill would require the plan to include specified components, including a discussion of the estimated costs, benefits, and impacts of any project type or action that is recommended by the department within the plan that could help achieve the water supply targets. (Based on 10/01/2025 text)

Position: Support

Notes:

2/11/25 letter of support submitted to portal and shared with delegates.

4/23/25 letter of support submitted to Senate Appropriations Committee.

4/24/25 - CSAC is the sponsor of this bill and ACWA has a support position.

6/20/2025 Letter of Support Filed Assembly Water, Parks and Wildlife Committee, Appropriations, sent to cc's

7/24/2025 Letter of Support files - Assembly Appropriations

9/12/2025 Request for Signature sent to Governor

SB 224

(Hurtado, D) Department of Water Resources: water supply forecasting.

Current Text: 10/03/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 01/27/2025

Last Amended: 09/02/2025

Status: 10/03/2025 - Vetoed by the Governor. In Senate. Consideration of Governor's veto pending.

Summary: Current law requires the Department of Water Resources to gather and correlate information and data pertinent to an annual forecast of seasonal water crop. Current law also requires the department to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." This bill would require the department, on or before January 1, 2027, to update its water supply forecasting models and procedures to address the effects of climate change and implement a formal policy and procedures for documenting the department's operational plans and the department's rationale for its operating procedures, including the department's rationale for water releases from reservoirs. The bill would also require the department to establish, and publish on the department's internet website, the specific criteria that it will employ to determine when its updated water supply forecasting model has demonstrated sufficient predictive capability to be ready for use in each of the watersheds. The bill would require the department, on or before January 1, 2028, and annually thereafter, to prepare and submit to the Legislature a report on its progress toward implementing the new forecasting model and to post the report on the department's internet website. (Based on 09/13/2025 text)

Position: Support

Notes:

5/7/25 - Letter of Support filed.

7/1/2025 Letter of Support filed - Assembly Water, Parks & Wildlife

7/24/2025 Letter of Support files - Assembly Appropriations\

9/12/2025 Request for Signature sent to Governor

SB 375 (Grove, R) Wildfire prevention activities: Endangered Species Act: California Environmental Quality Act: California Coastal Act of 1973.

Current Text: 02/13/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/13/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was N.R. & W. on 2/26/2025)(May be acted upon Jan 2026)

Summary: Would authorize a city, county, city and county, special district, or other local agency to submit to the Department of Fish and Wildlife a wildfire preparedness plan to conduct wildfire preparedness activities on land designated as a fire hazard severity zone, as defined, that minimizes impacts to wildlife and habitat for candidate, threatened, and endangered species. The bill would require the wildfire preparedness plan to include, among other things, a brief description of the planned wildfire preparedness activities, the approximate dates for the activities, and a description of the candidate, endangered, and threatened species within the plan area. The bill would require the department, if sufficient information is included in the wildfire preparedness plan for the department to determine if an incidental take permit is required, to notify the local agency within 90 days of receipt of the wildfire preparedness plan if an incidental take permit or other permit is needed, or if there are other considerations, exemptions, or streamlined pathways that the wildfire preparedness activities qualify for, including, but not limited to, the State Board of Forestry and Fire Protection's California Vegetation Treatment Program. The bill would require the department to provide the local agency, in its notification, with guidance that includes, among other things, a description of the candidate, endangered, and threatened species within the plan area and measures to avoid, minimize, and fully mitigate the take of the candidate, threatened, and endangered species, as provided. The bill would require the department, on or before July 1, 2026, to make a standard wildfire preparedness plan submission form publicly available on its internet website. The bill also would require the department, commencing January 1, 2027, to annually post on its internet website a summary of the wildfire preparedness plans submitted and include specified information in that summary. (Based on 02/13/2025 text)

Position: Support

Notes:

4/7/25 - Letter of Support filed.

SB 454 (McNerney, D) State Water Resources Control Board: PFAS Mitigation Program.

Current Text: 10/01/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 09/02/2025

Status: 10/01/2025 - Vetoed by the Governor. In Senate. Consideration of Governor's veto pending.

Summary: Current law designates the State Water Resources Control Board as the agency responsible for administering specific programs related to drinking water, including, among others, the California Safe Drinking Water Act and the Emerging Contaminants for Small or Disadvantaged Communities Funding Program. This bill, which would become operative upon an appropriation by the Legislature, would enact a perfluoroalkyl and polyfluoroalkyl substances (PFAS) mitigation program. As part of that program, the bill would create the PFAS Mitigation Fund in the State Treasury and would authorize certain moneys in the fund to be expended by the state board, upon appropriation by the Legislature, for specified purposes. The bill would authorize the state board to seek out nonstate, federal, and private funds designated for PFAS remediation and treatment and deposit the funds into the PFAS Mitigation Fund. The bill would continuously appropriate these funds to the state board for specified purposes. The bill would authorize the state board to establish accounts within the PFAS Mitigation Fund. The bill would authorize the state board to expend moneys from the fund in the form of a grant, loan, or contract, or to provide assistance services to water suppliers and sewer system providers, as those terms are defined, for multiple purposes, including, among other things, to cover or reduce the costs for water suppliers associated with treating drinking water to meet the applicable state and federal maximum PFAS contaminant levels. (Based on 09/12/2025 text)

Position: Support

Notes:

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

4/7/25 - Letter of Support from OMWD filed.

6/20/2025 Letter of Support filed Assembly Env Safety & Toxic Materials, Appropriations, sent to cc's

9/12/2025 Request for Signature sent to Governor

SB 496 (Hurtado, D) Advanced Clean Fleets Regulation: appeals advisory committee: exemptions.

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

Introduced: 02/19/2025

Last Amended: 04/07/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/5/2025)(May be acted upon Jan 2026)

Summary: The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases and requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from those sources. Pursuant to its authority, the state board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would require the state board to establish the Advanced Clean Fleets Regulation Appeals Advisory Committee by an unspecified date for purposes of reviewing appeals of denied requests for exemptions from the requirements of the Advanced Clean Fleets Regulation. The bill would require the committee to include representatives of specified governmental and nongovernmental entities. The bill would require the committee to meet monthly and would require recordings of its meetings to be made publicly available on the state board's internet website. The bill would require the committee to consider, and make a recommendation on, an appeal of an exemption request denial no later than 60 days after the appeal is made. The bill would require specified information relating to the committee's consideration of an appeal to be made publicly available on the state board's internet website. (Based on 04/07/2025 text)

Position: Support

Notes:

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

4/2/2025, OMWD GM, in-person testimony in support of the bill in state capital.

4/24/25 - ACWA is sponsor of this bill.

SB 682 (Allen, D) Environmental health: product safety: perfluoroalkyl and polyfluoroalkyl substances.

Current Text: 10/13/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 09/09/2025

Status: 10/13/2025 - Vetoed by the Governor. In Senate. Consideration of Governor's veto pending.

Summary: Would, on and after January 1, 2028, prohibit a person from distributing, selling, or offering for sale a cleaning product, dental floss, juvenile product, food packaging, or ski wax, as provided, that contains intentionally added perfluoroalkyl and polyfluoroalkyl substances (PFAS), as defined, except for previously used products and as otherwise preempted by federal law. The bill would, until January 1, 2031, exempt certain components of a cleaning product from this prohibition, as specified. The bill would clarify that, on and after January 1, 2028, a cleaning product is required to comply with certain regulations adopted by the California Air Resources Board regarding volatile organic compounds in consumer products and would prohibit the use of a regulatory variance to comply with those regulations, as specified. The bill would, on and after January 1, 2030, prohibit a person from distributing, selling, or offering for sale cookware that contains intentionally added PFAS, except for previously used products and as otherwise preempted by federal law. The bill would authorize the department, on or before January 1, 2029, to adopt regulations to carry out these provisions. (Based on 09/18/2025 text)

Position: Support

Notes:

5/14/25 - OMWD signed a CASA coalition letter in support.

Watch

AB 24 (DeMaio, R) San Diego Association of Governments: board of directors.

Current Text: 04/08/2025 - Amended [HTML](#) [PDF](#)

Introduced: 12/02/2024

Last Amended: 04/08/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 3/24/2025)(May be acted upon Jan 2026)

Summary: The San Diego Regional Transportation Consolidation Act reorganizes the transportation responsibilities in the San Diego region by consolidating the San Diego Association of Governments and the transit operations of 2 specified transit boards. Current law establishes a 21-member board of directors to govern the consolidated agency that includes, among others, 2 members of the Board of Supervisors of San Diego County. This bill, the Give San Diego Rural Communities a Voice Act, would instead require the board of directors to include, among others, one member of the Board of Supervisors of San Diego County from an unincorporated area of the county and one representative from the Association of Planning Groups - San Diego County to be selected by their respective governing bodies. (Based on 04/08/2025 text)

Position: Watch

AB 43 **(Schultz, D) Wild and scenic rivers.**

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

Introduced: 12/02/2024

Status: 10/07/2025 - Chaptered by Secretary of State - Chapter 431, Statutes of 2025

Summary: Current law requires the Secretary of the Natural Resources Agency to take specified actions relating to the addition of rivers or segments of rivers to the state's wild and scenic rivers system if, among other things, the federal government enacts a statute that, upon enactment, would require the removal or delisting of any river or segment of a river in the state that was included in the national wild and scenic rivers system and not in the state wild and scenic rivers system. Current law authorizes, only until December 31, 2025, the secretary to take action under these provisions to add a river or segment of a river to the state wild and scenic rivers system. Current law requires those actions to remain in effect until December 31, 2025, except as otherwise provided. This bill would indefinitely extend the date by which the secretary is authorized to take the specified actions relating to the addition of rivers or segments of rivers to the state's wild and scenic rivers system, as described above. (Based on 10/07/2025 text)

Position: Watch

AB 93 **(Papan, D) Water resources: data centers.**

Current Text: 10/11/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 01/07/2025

Last Amended: 09/05/2025

Status: 10/11/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Summary: Would require a person who owns or operates a data center, prior to applying to a city or a county for an initial business license, equivalent instrument, or permit, to provide its water supplier, under penalty of perjury, an estimate of the expected water use. When applying to a city or county for an initial business license, the bill would require a person who owns or operates a data center to self-certify, under penalty of perjury, on the application that the person has provided its water supplier an estimate of the expected water use. When applying to a city or county for a renewal of a business license, equivalent instrument, or permit, the bill would require a person who owns or operates a data center to self-certify, under penalty of perjury, on the application, that they have provided the data center's water supplier with a report of the annual water use. By expanding the crime of perjury, the bill would impose a state-mandated local program. The bill would authorize the Department of Water Resources, as part of any efficiency standard adopted under a specified provision of law, to identify different tiers of data centers, based on factors affecting water consumption, and appropriate standards for each data tier. (Based on 09/15/2025 text)

Position: Watch

AB 267 **(Macedo, R) Greenhouse Gas Reduction Fund: high-speed rail: water infrastructure and wildfire prevention.**

Current Text: 01/17/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 01/17/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 2/18/2025)(May be acted upon Jan 2026)

Summary: Would suspend the appropriation to the High-Speed Rail Authority for the 2026–27 and 2027–28 fiscal years and would instead require those amounts from moneys collected by the State Air Resources Board to be transferred to the General Fund. The bill would specify that the transferred amounts shall be available, upon appropriation by the Legislature, to augment funding for water infrastructure and wildfire prevention. (Based on 01/17/2025 text)

Position: Watch

AB 293 **(Bennett, D) Groundwater sustainability agency: transparency.**

Current Text: 10/06/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 01/22/2025

Status: 10/06/2025 - Chaptered by Secretary of State - Chapter 359, Statutes of 2025

Summary: Current law requires a groundwater sustainability plan to be developed and implemented for each medium- or high-priority basin by a groundwater sustainability agency. Current law authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin, as provided. Current law requires members of the board of directors and the executive, as defined, of a groundwater sustainability agency to file statements of economic interests with the Fair Political Practices Commission using the commission's online system for filing statements of economic interests. This bill would require each groundwater sustainability agency to publish the membership of its board of directors on its internet website, or on the local agency's internet website, as provided. The bill would also require each

groundwater sustainability agency to publish a link on its internet website or its local agency's internet website to the location on the Fair Political Practices Commission's internet website where the statements of economic interests, filed by the members of the board and executives of the agency, can be viewed. (Based on 10/06/2025 text)

Position: Watch

AB 295 (Macedo, R) California Environmental Quality Act: environmental leadership development projects: water storage, water conveyance, and groundwater recharge projects: streamlined review.

Current Text: 01/23/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 01/23/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 2/10/2025)(May be acted upon Jan 2026)

Summary: The Jobs and Economic Improvement Through Environmental Leadership Act of 2021 authorizes the Governor, until January 1, 2032, to certify environmental leadership development projects that meet specified requirements for certain streamlining benefits related to the California Environmental Quality Act (CEQA). The act, among other things, requires a lead agency to prepare the record of proceedings for an environmental leadership development project, as provided, and to provide a specified notice within 10 days of the Governor certifying the project. The act is repealed by its own term on January 1, 2034. This bill would extend the application of the act to water storage projects, water conveyance projects, and groundwater recharge projects that provide public benefits and drought preparedness. Because a lead agency would be required to prepare the record of proceedings for water storage projects, water conveyance projects, and groundwater recharge projects pursuant to the act, this bill would impose a state-mandated local program. (Based on 01/23/2025 text)

Position: Watch

AB 307 (Petrie-Norris, D) Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Department of Forestry and Fire Protection: fire camera mapping system.

Current Text: 01/23/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 01/23/2025

Status: 05/01/2025 - CORRECTION: Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. On 2/10/2025)(May be acted upon Jan 2026)

Summary: The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 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. Of these funds, the act makes available \$1,500,000,000, upon appropriation by the Legislature, for wildfire prevention, including, among other things, by making \$25,000,000 available, upon appropriation by the Legislature, to the Department of Forestry and Fire Protection for technologies that improve detection and assessment of new fire ignitions. This bill would require, of the \$25,000,000 made available to the department, \$10,000,000 be allocated for purposes of the ALERTCalifornia fire camera mapping system. (Based on 01/23/2025 text)

Position: Watch

AB 367 (Bennett, D) Water: County of Ventura: fire suppression.

Current Text: 10/13/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/03/2025

Last Amended: 09/03/2025

Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 690, Statutes of 2025.

Summary: Would, beginning July 1, 2030, require 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. The bill would require the water supplier to take various actions, including annually inspecting critical fire suppression infrastructure and backup energy sources and notifying the Ventura County Office of Emergency Services within 3 business days of any reduction in its water delivery capacity that could substantially hinder firefighting operations or significantly delay the replenishment of reservoirs. The bill would require, 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. By

levying new requirements on the Ventura County Fire Department, this bill would create a state-mandated local program. (Based on 10/13/2025 text)

Position: Watch

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

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

Introduced: 02/03/2025

Last Amended: 08/29/2025

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

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

Position: Watch

AB 428 (Rubio, Blanca, D) Joint powers agreements: water corporations.

Current Text: 10/01/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/05/2025

Last Amended: 03/28/2025

Status: 10/01/2025 - Chaptered by Secretary of State - Chapter 151, Statutes of 2025

Summary: The Joint Exercise of Powers Act authorizes 2 or more public agencies, if authorized by their governing bodies, by agreement to jointly exercise any power common to the contracting parties. Current law authorizes 2 or more local public entities, or a mutual water company, as defined, and a public agency, to provide insurance, as specified, by a joint powers agreement. Current law authorizes a mutual water company and a public agency to enter into a joint powers agreement for the purposes of risk pooling, as specified. This bill would authorize a water corporation, as defined, a mutual water company, and one or more public agencies to provide insurance, as specified, by a joint powers agreement. The bill would also authorize a water corporation, a mutual water company, and one or more public agencies to enter into a joint powers agreement for the purposes of risk pooling, as specified. The bill would prohibit the Public Utilities Commission from allowing a water corporation to join a joint powers agency for insurance coverage if there are no greater benefits to the customers of the water corporation than are provided by the water corporation's current insurance policy. (Based on 10/01/2025 text)

Position: Watch

AB 430 (Alanis, R) State Water Resources Control Board: emergency regulations.

Current Text: 05/01/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/05/2025

Last Amended: 05/01/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/14/2025)(May be acted upon Jan 2026)

Summary: Current law provides that an emergency regulation adopted by the State Water Resources Control Board following a Governor's proclamation of a state of emergency based on drought conditions, for which the board makes specified findings, may remain in effect for up to one year, as provided, and may be renewed if the board determines that specified conditions relating to precipitation are still in effect. This bill would require the board, within 180 days following a finding by the board that a nonfee emergency regulation is no longer necessary, as provided, to conduct a comprehensive economic study assessing the impacts of the regulation, as specified. (Based on 05/01/2025 text)

Position: Watch

AB 465 **(Zbur, D)** **Local public employees: memoranda of understanding.**

Current Text: 03/13/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/06/2025

Last Amended: 03/13/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/23/2025)(May be acted upon Jan 2026)

Summary: The Meyers-Milias-Brown Act authorizes local public employees, as defined, to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of labor relations and defines various terms for these purposes. The act prohibits a public agency from, among other things, refusing or failing to meet and negotiate in good faith with a recognized employee organization. Current law states that the Legislature finds and declares that the duties and responsibilities of local agency employer representatives under the act are substantially similar to the duties and responsibilities required under existing collective bargaining enforcement procedures and therefore the costs incurred by the local agency employer representatives in performing those duties and responsibilities under that act are not reimbursable as state-mandated costs. This bill would require, on or after January 1, 2026, a memorandum of understanding between a public agency and a recognized employee organization to include specified provisions including, among other things, a provision providing for a system of progressive discipline that grants due process to an employee when they are disciplined, upon the request of the recognized employee organization. The bill would define "progressive discipline" and "due process" for this purpose. (Based on 03/13/2025 text)

Position: Watch

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

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

Introduced: 02/11/2025

Last Amended: 07/17/2025

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

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

Position: Watch

AB 614 **(Lee, D)** **Claims against public entities.**

Current Text: 03/27/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/13/2025

Last Amended: 03/27/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/7/2025)(May be acted upon Jan 2026)

Summary: The Government Claims Act establishes the liability and immunity of a public entity for its acts or omissions that cause harm to persons and requires that a claim against a public entity relating to a cause of action for death or for injury to person, personal property, or growing crops be presented not later than 6 months after accrual of the cause of action. Under current law, claims relating to any other cause of action are required to be presented no later than one year after the accrual of the cause of action. This bill would remove the provisions requiring a claim against a public entity relating to a cause of action for death or for injury to person, personal property, or growing crops to be presented not later than 6 months after accrual of the cause of action and would instead require a claim relating to any cause of action to be presented not later than one year after accrual of the cause of action, unless otherwise specified by law. (Based on 03/27/2025 text)

Position: Watch

AB 620 **(Jackson, D)** **Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program: rental vehicles.**

Current Text: 10/03/2025 - Vetoes [HTML](#) [PDF](#)

Introduced: 02/13/2025

Status: 10/03/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Summary: Current law establishes the Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program (program) within the Air Quality Improvement Program to make financing tools and nonfinancial supports available to operators of medium- and heavy-duty vehicle fleets to enable those operators to transition their fleets to zero-emission vehicles. This bill, for any regulation adopted to develop or implement the program, or other regulations that are regarding the procurement or use of medium- and heavy-duty zero-emission vehicles by a public or private fleet, would require the state board to consider specified things, including, among other things, the environmental and supply chain benefits of renting medium- and heavy-duty zero-emission vehicles compared to procuring them. (Based on 09/08/2025 text)

Position: Watch

AB 623 (Dixon, R) Fire prevention projects: California Environmental Quality Act: coastal development permits: exemptions.

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

Introduced: 02/13/2025

Last Amended: 04/21/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/3/2025)(May be acted upon Jan 2026)

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would exempt a fuel modification project to maintain defensible space of 500 feet from each side and from the front and rear of a building or structure and a fuel reduction project to prevent and contain the spread of wildfires from the requirements of CEQA. The bill would also exempt an electrical grid resilience or hardening project from the requirements of CEQA. Because a lead agency would be required to determine whether a project qualifies for these exemptions, the bill would impose a state-mandated local program. (Based on 04/21/2025 text)

Position: Watch

AB 624 (Dixon, R) Office of Emergency Services: federal grant funding; Community Relief Act.

Current Text: 02/13/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/13/2025

Status: 04/28/2025 - In committee: Set, second hearing. Hearing canceled at the request of author.

Summary: The California Emergency Services Act establishes the Office of Emergency Services (OES) within the office of the Governor and sets forth its powers and duties relating to addressing natural, technological, or manmade disasters and emergencies, including responsibility for activities necessary to prevent, respond to, recover from, and mitigate the effects of emergencies and disasters to people and property. This bill would require the OES, to the extent permitted by federal law, to provide to local operational areas and urban areas the maximum local share of federal grant funding administered by the office from the Emergency Management Performance Grant Program. The bill would also require the OES, to the extent permitted by federal law, to provide specified legislative committees with copies of agreements entered into with local governments to spend the state share of federal grant funding administered by the office from specified federal grant programs, including the State Homeland Security Grant Program. (Based on 02/13/2025 text)

Position: Watch

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

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

Introduced: 02/13/2025

Last Amended: 07/03/2025

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

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

Position: Watch

AB 717 (Aguiar-Curry, D) Water rights: appropriation: small restoration use.

Current Text: 03/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/14/2025

Last Amended: 03/10/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/30/2025)(May be acted upon Jan 2026)

Summary: The Water Rights Permitting Reform Act of 1988 authorizes any person to obtain a right to appropriate water for a small domestic, small irrigation, or livestock stockpond use, as defined, upon registering the use with the State Water Resources Control Board, as prescribed, payment of a registration fee, and application of the water to reasonable and beneficial use with due diligence. Current law requires a person, in registering their water use to the board, to set forth a certification that the registrant has contacted the Department of Fish and Wildlife and to include a copy of any conditions required by the department. This bill would authorize any person to also obtain a right to appropriate water for a small restoration use, as defined. The bill would also authorize a person to apply for a restoration management permit from the Department of Fish and Wildlife, as provided, and if the permit is issued, the person would be required to include a copy of any conditions required by the restoration management permit with the required certification. (Based on 03/10/2025 text)

Position: Watch

AB 794 (Gabriel, D) California Safe Drinking Water Act: emergency regulations.

Current Text: 04/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/18/2025

Last Amended: 04/10/2025

Status: 09/12/2025 - Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 6/12/2025)(May be acted upon Jan 2026)

Summary: The California Safe Drinking Water Act (state act) requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The state board's duties include, but are not limited to, enforcing the federal Safe Drinking Water Act (federal act) and adopting and enforcing regulations. Current law authorizes the state board to adopt as an emergency regulation, a regulation that is not more stringent than, and is not materially different in substance and effect than, the requirements of a regulation promulgated under the federal act, with a specified exception. This bill would provide that the authority of the state board to adopt an emergency regulation pursuant to these provisions includes the authority to adopt requirements of a specified federal regulation that was in effect on January 19, 2025, regardless of whether the requirements were repealed or amended to be less stringent. The bill would prohibit an emergency regulation adopted pursuant to these provisions from implementing less stringent drinking water standards, as provided, and would authorize the regulation to include monitoring requirements that are more stringent than the requirements of the federal regulation. The bill would prohibit maximum contaminant levels and compliance dates for maximum contaminant levels adopted as part of an emergency regulation from being more stringent than the maximum contaminant levels and compliance dates of a regulation promulgated pursuant to the federal act. (Based on 04/10/2025 text)

Position: Watch

AB 807 (Dixon, R) Conservation and mitigation bank: marine artificial reefs.

Current Text: 02/18/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/18/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was W.,P. & W. on 3/10/2025)(May be acted upon Jan 2026)

Summary: Current law provides that mitigation banks and conservation banks provide for the conservation of important habitats and habitat linkages, take advantage of economies of scale that are often not available to individualized mitigation projects, and simplify the state regulatory compliance process while achieving conservation goals. Current law provides that no conservation bank, mitigation bank, or conservation and mitigation bank is operative, vested, or final, nor bank credits issued, until the Department of Fish and Wildlife has approved in writing and a conservation easement has been recorded on the site. Current law authorizes banks to issue and sell bank credits to private and public entities. Current law defines "conservation bank" and "mitigation bank" for these purposes. This bill would expand the definition of "conservation bank" and "mitigation bank" to include marine artificial reefs. The bill would authorize a person to, after completion of a full environmental review in compliance with applicable California and federal laws and regulations, create a marine artificial reef for purposes of establishing a mitigation or conservation bank. (Based on 02/18/2025 text)

Position: Watch

AB 810 **(Irwin, D) Local government: internet websites and email addresses.**

Current Text: 04/10/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 04/10/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/7/2025)(May be acted upon Jan 2026)

Summary: Current law requires that a local agency that maintains an internet website for use by the public to ensure that the internet website uses a “.gov” top-level domain or a “.ca.gov” second-level domain no later than January 1, 2029. Current law requires that a local agency that maintains public email addresses to ensure that each email address provided to its employees uses a “.gov” domain name or a “.ca.gov” domain name no later than January 1, 2029. Current law defines “local agency” for these purposes as a city, county, or city and county. This bill would recast these provisions by instead requiring a city, county, or city and county to comply with the above-described domain requirements and by deleting the term “local agency” from the above-described provisions. The bill would also require a special district, joint powers authority, or other political subdivision to comply with similar domain requirements no later than January 1, 2031. (Based on 04/10/2025 text)

Position: Watch

AB 874 **(Ávila Farías, D) Mitigation Fee Act: waiver of fees: affordable rental housing.**

Current Text: 02/19/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/19/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 3/10/2025)(May be acted upon Jan 2026)

Summary: The Mitigation Fee Act imposes certain requirements on a local agency that imposes a fee as a condition of approval of a development project that is imposed to provide for an improvement to be constructed to serve the development project, or a fee for public improvements, as specified. The act also regulates fees for development projects and fees for specific purposes, including water and sewer connection fees, among others. The act, among other things, requires local agencies to comply with various conditions when imposing fees, extractions, or charges as a condition of approval of a proposed development or development project. The act prohibits a local agency that imposes fees or charges on a residential development for the construction of public improvements or facilities from requiring the payment of those fees or charges until the date of the final inspection or the date the certificate of occupancy is issued, whichever occurs first, except for utility service fees, as provided. This bill would require a local agency to waive fees or charges that are collected by a local agency to fund the construction of public improvements or facilities for residential developments subject to a regulatory agreement with a public entity, as provided, that includes certain income and affordability requirements. (Based on 02/19/2025 text)

Position: Watch

AB 883 **(Lowenthal, D) California Public Records Act: personal information of elected and appointed officials.**

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

Introduced: 02/19/2025

Last Amended: 03/24/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was JUD. on 3/24/2025)(May be acted upon Jan 2026)

Summary: The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. That act, among other things, prohibits a state or local agency from publicly posting the home address, telephone number, or both the name and assessor parcel number associated with the home address of any elected or appointed official on the internet without first obtaining the written permission of that individual. The act also makes it a misdemeanor for a person to knowingly post the home address or telephone number of any elected or appointed official, or of the official's residing spouse or child, on the internet, knowing that person is an elected or appointed official and intending to cause imminent great bodily harm or threatening to cause imminent great bodily harm, as provided. The act additionally prohibits a person, business, or association from soliciting, selling, or trading on the internet the home address or telephone number of an elected or appointed official with the intent to cause imminent great bodily harm to the official or to any person residing at the official's home address. The act further prohibits a person, business, or association from publicly posting or publicly displaying on the internet the home address or telephone number of any elected or appointed official if that official has made a written demand of that person, business, or association to not disclose the official's home address or telephone number. This bill would remove the references in those provisions to the home address, telephone number, name, and assessor's parcel number, and instead prohibit the disclosure of protected information under those provisions. The bill would define the term “protected information”

to include, among other things, an individual's residential address, telephone number, social security number, or driver's license number. (Based on 03/24/2025 text)

Position: Watch

AB 915 **(Petrie-Norris, D) Dam safety: state supervision: exceptions.**

Current Text: 10/01/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 07/17/2025

Status: 10/01/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Summary: Current law regulates the construction and operation of dams and exempts certain structures for these purposes. Current law exempts certain wastewater treatment and storage ponds constructed as part of a wastewater control facility, as provided, from the requirements for state regulation and supervision of the safety of dams. This bill would additionally exempt from the requirements for state regulation and supervision of the safety of dams certain water storage facilities, structures, and activities associated with an energy storage system facility located in the County of Kern, as specified, that uses compressed air technology and meets certain criteria, including, among other things, a maximum water pool height of 25 feet or less from the final engineered grade, a maximum storage capacity of 1,500 acre-feet or less, and supervision of the design and construction by a registered civil engineer. (Based on 09/16/2025 text)

Position: Watch

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

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

Introduced: 02/19/2025

Last Amended: 07/17/2025

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

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

Position: Watch

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

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

Introduced: 02/20/2025

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

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

Position: Watch

AB 1000 **(Gallagher, R) California Environmental Quality Act: exemption: Five-Mile Basin.**

Current Text: 03/17/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 03/17/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was NAT. RES. on 3/17/2025)(May be acted upon Jan 2026)

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would exempt from the requirements of CEQA a project to remove sediment from the Five-Mile Basin in the City of Chico. This bill would make legislative findings and declarations as to the necessity of a special statute for the City of Chico. (Based on 03/17/2025 text)

Position: Watch

AB 1001 **(Rubio, Blanca, D) Drought.**

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

Introduced: 02/20/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/20/2025)(May be acted upon Jan 2026)

Summary: Current law authorizes an implementing agency to provide advance payment of up to 25% of grant funds awarded to public agencies, nonprofit organizations, public utilities, mobilehome parks, mutual water companies, farmers and ranchers, federally recognized California Native American tribes, nonfederally recognized Native American tribes on the contact list maintained by the Native American Heritage Commission for specified purposes, administrators, and groundwater sustainability agencies that have demonstrated cashflow problems according to the satisfaction of the implementing agency. This bill would make a nonsubstantive change to that authorization. (Based on 02/20/2025 text)

Position: Watch

AB 1096 **(Connolly, D) Water: schoolsites: lead testing.**

Current Text: 10/03/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/20/2025

Last Amended: 09/04/2025

Status: 10/03/2025 - Chaptered by Secretary of State - Chapter 290, Statutes of 2025

Summary: 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. Current federal regulations require community water systems to contact all schools and childcare facilities, as defined, to provide information about the health risks from lead in drinking water and of eligibility to be sampled for lead by the water system. Current federal regulations require a community water system to report to the state annually on the notification of eligibility and sampling for lead, and information regarding the number and names of schools and childcare facilities served by the water system, those sampled in the previous year, the facilities that declined sampling, facilities that did not respond to outreach attempts for sampling, and information pertaining to those outreach attempts for sampling. This bill would require a community water system, when making outreach attempts to elementary schools and childcare facilities for the purposes of offering lead sampling in drinking water, to compile specified information and to provide elementary schools and childcare facilities that decline lead testing with an opportunity to provide information about their reasons for declining by allowing them to select from a list that includes specified options, unless the school or childcare facility is exempted from lead testing by federal waiver, as provided. The bill would authorize the state board to add additional reasons for declining lead testing to that list. The bill would require a community water system to submit all of the above-described information that it compiles or that is provided to it to the state board, as provided. The bill would require the state board, on or before June 30, 2028, to make all of that information publicly available in a searchable format on its internet website, as specified. (Based on 10/03/2025 text)

Position: Watch

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

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

Introduced: 02/20/2025

Last Amended: 06/23/2025

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

Summary: Would prohibit the release of stored water from a reservoir owned and operated by the United States in this state if the release is done under false pretenses, which the bill would define to mean a release of water from a reservoir owned and operated by the United States in a manner that is knowingly, designedly, and intentionally under any false or fraudulent representation as to the purpose and intended use of the water. The bill

would authorize the State Water Resources Control Board or the Attorney General, as provided, to bring an action for injunctive relief for a violation of the above-described prohibition. By expanding the scope of a crime, the bill would impose a state-mandated local program. (Based on 06/23/2025 text)

Position: Watch

AB 1203 (Ahrens, D) Water conservation: water wise designation.

Current Text: 02/21/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/21/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was W.,P. & W. on 3/10/2025)(May be acted upon Jan 2026)

Summary: Current law requires the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water and performance measures for commercial, industrial, and institutional water use (CII water use), among other water uses, before June 30, 2022. Current law requires the department, in coordination with the board, to conduct necessary studies and investigations and make recommendations, no later than October 1, 2021, for purposes of those standards and performance measures for CII water use. This bill would require the department and the Office of Community Partnerships and Strategic Communications to include, within the Save Our Water Campaign, a statewide "water wise" designation to be awarded to businesses in the CII sector that meet or exceed the recommendations for CII water use best management practices pursuant to those performance measures. (Based on 02/21/2025 text)

Position: Watch

AB 1313 (Papan, D) Water quality: permits.

Current Text: 05/27/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 05/27/2025

Status: 06/05/2025 - Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 6/4/2025) (May be acted upon Jan 2026)

Summary: Under current law, 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 federal national pollutant discharge elimination system (NPDES) permit program established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act. Current law requires each regional board to formulate and adopt water quality control plans for all areas within the region, as provided. The bill would require the state board, after making the necessary residual designation authority findings, to establish a statewide commercial, industrial, and institutional NPDES order for properties with 5 acres or more of impervious surface, as provided. The bill would require the state board to publish a draft order of the statewide order for public comment on or before December 31, 2028, or 18 months after the reissuance of a specified statewide permit, as specified. The bill would require the state board to contemporaneously establish rules for offsite compliance agreements to issue with the publication of the draft statewide order for public comment that details the necessary components of an agreement between commercial, industrial, and institutional permittees and local municipalities for achieving offsite stormwater capture and use within the adopted final statewide commercial, industrial, and institutional NPDES order. (Based on 05/27/2025 text)

Position: Watch

AB 1367 (Gallagher, R) The California Water Plan: water storage.

Current Text: 02/21/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/21/2025

Status: 05/01/2025 - Failed Deadline pursuant to Rule 61(a)(2). (Last location was W.,P. & W. on 3/13/2025)(May be acted upon Jan 2026)

Summary: Current law requires the Department of Water Resources to update every 5 years the California Water Plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state. This bill would require the department to amend The California Water Plan to state that water storage is the preferred method to be used by the state to meet increased water demands by urban, agricultural, and environmental interests. (Based on 02/21/2025 text)

Position: Watch

AB 1373 (Soria, D) Water quality: state certification.

Current Text: 10/11/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 08/29/2025

Status: 10/11/2025 - Vetoed by Governor. Consideration of Governor's veto pending.

Summary: Under existing law, the State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements in accordance with the Federal Water Pollution Control Act and the Porter-Cologne Water Quality Control Act. Under federal law, any applicant seeking a federal license or permit for an activity that may result in any discharge into the navigable waters of the United States is required to first seek a state water quality certification, as specified. The Porter-Cologne Water Quality Control Act authorizes the state board to certify or provide a statement to a federal agency, as required pursuant to federal law, that there is reasonable assurance that an activity of any person subject to the jurisdiction of the state board will not reduce water quality below applicable standards. The federal act provides that if a state fails or refuses to act on a request for this certification within a reasonable period of time, which shall not exceed one year after receipt of the request, then the state certification requirements are waived with respect to the federal application. This bill would require the state board, if requested by the applicant within 14 days of an initial draft certification being issued, to hold a public hearing at least 21 days before taking action on an application for certification for a license to operate a hydroelectric facility, as provided. The bill would, if a public hearing is requested on the draft certification, prohibit the authority to issue a certification for a license to operate a hydroelectric facility from being delegated. The bill would authorize the state board to include in its fee schedule for hydroelectric facility applicants an amount up to the reasonable costs incurred by the state board in implementing these provisions. (Based on 09/16/2025 text)

Position: Watch

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

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

Introduced: 02/21/2025 (Spot bill)

Last Amended: 09/02/2025

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

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

Position: Watch

AB 1466 (Hart, D) Groundwater adjudication.

Current Text: 10/11/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 09/04/2025

Status: 10/11/2025 - Approved by the Governor. Chaptered by Secretary of State - Chapter 643, Statutes of 2025.

Summary: Current law establishes procedures for the comprehensive adjudication of groundwater rights in civil court. Under current law, if the court finds that claims of right to extract or divert only minor quantities of water, as defined, would not have a material effect on the groundwater rights of other parties, the court may exempt those claimants from the proceedings, except as specified. Current law further prescribes that a judgment in a comprehensive adjudication to determine rights to extract groundwater in a basin is not binding on, among others, claimants whose claims have been exempted. This bill would authorize a court, in lieu of the exemption process described above, to treat persons with claims of right to extract or divert only minor quantities of water separately from other parties to the comprehensive adjudication. (Based on 10/11/2025 text)

Position: Watch

AB 1469 (Hart, D) Disaster preparedness: public water systems.

Current Text: 02/21/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/21/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/21/2025)(May be acted upon Jan 2026)

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. Current law requires these public water systems to, following a declared state of emergency, furnish an assessment of their emergency response and recommendations to the Legislature within 6 months after each disaster, and to implement the recommendations in a timely manner. Current law requires the office to establish emergency response and recovery plans in coordination with these public water systems. This bill would make nonsubstantive changes to those provisions. (Based on 02/21/2025 text)

Position: Watch

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

Current Text: 04/03/2025 - Amended [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 04/03/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/7/2025)(May be acted upon Jan 2026)

Summary: The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 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. The act 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, upon an appropriation by the Legislature for this purpose, require the State Department of Education, in consultation with the Department of Food and Agriculture, on or before July 1, 2026, to establish a grant program to provide grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes to develop or expand research farms to improve climate resiliency, in accordance with the above-described provisions. (Based on 04/03/2025 text)

Position: Watch

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

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

Introduced: 03/24/2025

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

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

Position: Watch

SB 2 (Jones, R) Low-carbon fuel standard: regulations.

Current Text: 03/12/2025 - Amended [HTML](#) [PDF](#)

Introduced: 12/02/2024

Last Amended: 03/12/2025

Status: 03/19/2025 - March 19 set for first hearing. Failed passage in committee. (Ayes 3. Noes 2.) Reconsideration granted.

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. Pursuant to the act, the state board has adopted the Low-Carbon Fuel Standard regulations. This bill would void specified amendments to the Low-Carbon Fuel Standard regulations adopted by the state board on November 8, 2024, or

as subsequently adopted, as specified. This bill would declare that it is to take effect immediately as an urgency statute. (Based on 03/12/2025 text)

Position: Watch

SB 90 **(Seyarto, R) Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: grants: improvements to public evacuation routes: mobile rigid water storage: electrical generators.**

Current Text: 03/12/2025 - Amended [HTML](#) [PDF](#)

Introduced: 01/22/2025

Last Amended: 03/12/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/5/2025)(May be acted upon Jan 2026)

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. The act makes \$135,000,000 available, upon appropriation by the Legislature, to the Office of Emergency Services for a wildfire mitigation grant program to provide, among other things, loans, direct assistance, and matching funds for projects that prevent wildfires, increase resilience, maintain existing wildfire risk reduction projects, reduce the risk of wildfires to communities, or increase home or community hardening. The act provides that eligible projects include, but are not limited to, grants to local agencies, state agencies, joint powers authorities, tribes, resource conservation districts, fire safe councils, and nonprofit organizations for structure hardening of critical community infrastructure, wildfire smoke mitigation, evacuation centers, including community clean air centers, structure hardening projects that reduce the risk of wildfire for entire neighborhoods and communities, water delivery system improvements for fire suppression purposes for communities in very high or high fire hazard areas, wildfire buffers, and incentives to remove structures that significantly increase hazard risk. This bill would include in the list of eligible projects grants to the above-mentioned entities for improvements to public evacuation routes in very high and high fire hazard severity zones, mobile rigid dip tanks, as defined, to support firefighting efforts, prepositioned mobile rigid water storage, as defined, and improvements to the response and effectiveness of fire engines and helicopters. (Based on 03/12/2025 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: 06/05/2025 - Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 6/3/2025) (May be acted upon Jan 2026)

Summary: The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. 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 317 **(Hurtado, D) Wastewater surveillance.**

Current Text: 10/06/2025 - Vetoed [HTML](#) [PDF](#)

Introduced: 02/11/2025

Last Amended: 09/02/2025

Status: 10/06/2025 - Vetoed by the Governor. In Senate. Consideration of Governor's veto pending.

Summary: Current law establishes the State Department of Public Health to implement various programs throughout the state relating to public health. The department administers the California Wastewater Surveillance Dashboard that provides an overview of data from testing wastewater for SARS-CoV-2 virus in California. The data in the dashboard is generated by those participating in the department's California Surveillance of Wastewaters (Cal-SuWers) network, including the Cal-SuWers program, WastewaterSCAN, the federal Centers for Disease Control and Prevention National Wastewater Surveillance System, wastewater utilities, and academic, laboratory, and other state and federal partners. This bill would require the department, in consultation with participating wastewater treatment facilities, local health departments, and other subject matter experts, to maintain the Cal-SuWers network to test, as appropriate for public health use, for pathogens, toxins, or other public health indicators in wastewater. The bill would require participation in the Cal-SuWers network from local health departments and wastewater treatment facilities to be voluntary. The bill would authorize the department to coordinate with health care providers, local health departments, and emergency response agencies to ensure wastewater surveillance data is used for early intervention, outbreak response, epidemiological investigations, and public health planning. (Based on 09/13/2025 text)

Position: Watch

SB 394

(Allen, D) Water theft: fire hydrants.

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

Introduced: 02/14/2025

Last Amended: 07/03/2025

Status: 10/10/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 540, Statutes of 2025.

Summary: Current law authorizes a utility to bring a civil action for damages against any person who commits, authorizes, solicits, aids, abets, or attempts certain acts, including, diverting or causing to be diverted, utility services by any means whatsoever. Current law creates a rebuttable presumption that there is violation of these provisions if, on premises controlled by the customer or by the person using or receiving the direct benefit of utility service, certain actions occur, including that there is an instrument, apparatus, or device primarily designed to be used to obtain utility service without paying the full lawful charge for the utility. This bill would add to the list of acts for which a utility may bring a civil cause of action under these circumstances to include tampering with a fire hydrant, fire hydrant meter, or fire detector check, or connecting to, diverting water from, or causing water to be diverted from, a fire hydrant without authorization from the utility that owns the fire hydrant, except as provided. (Based on 10/10/2025 text)

Position: Watch

SB 466

(Caballero, D) Drinking water: primary standard for hexavalent chromium: exemption.

Current Text: 10/03/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 08/25/2025

Status: 10/03/2025 - Chaptered by Secretary of State - Chapter 320, Statutes of 2025

Summary: The California Safe Drinking Water Act requires the State Water Resources Control Board to adopt primary drinking water standards for contaminants in drinking water based upon specified criteria and requires a primary drinking water standard to be established for hexavalent chromium. Current law authorizes the state board to grant a variance from primary drinking water standards to a public water system. This bill would prohibit a public water system that meets the total chromium maximum contaminant level (MCL) enforceable standard for drinking water in California from being determined, held, considered, or otherwise deemed in violation of the primary drinking water standard for hexavalent chromium while implementing a state board approved compliance plan or while state board action on the proposed and submitted compliance plan is pending, except as provided. (Based on 10/03/2025 text)

Position: Watch

SB 470

(Laird, D) Bagley-Keene Open Meeting Act: teleconferencing.

Current Text: 10/01/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/19/2025

Last Amended: 04/10/2025

Status: 10/01/2025 - Chaptered by Secretary of State - Chapter 222, Statutes of 2025

Summary: Existing law, the Bagley-Keene Open Meeting Act, requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body. The act authorizes meetings through teleconference subject to specified requirements, including, among others, that the state body post agendas at all teleconference locations, that each teleconference location be identified in

the notice and agenda of the meeting or proceeding, that each teleconference location be accessible to the public, that the agenda provide an opportunity for members of the public to address the state body directly at each teleconference location, and that at least one member of the state body be physically present at the location specified in the notice of the meeting. This bill would instead repeal these provisions on January 1, 2030. (Based on 10/01/2025 text)

Position: Watch

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

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

Introduced: 02/20/2025

Last Amended: 07/17/2025

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

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

Position: Watch

SB 557 **(Hurtado, D) Sustainable groundwater management: basin boundaries.**

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

Introduced: 02/20/2025

Status: 03/05/2025 - Referred to Com. on RLS.

Summary: Existing law, the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. The act requires the boundaries of a basin to be those identified in a specified report of the department, unless other basin boundaries are established, as prescribed. This bill would make a nonsubstantive change in the provision relating to basin boundaries. (Based on 02/20/2025 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)

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

Position: Watch

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

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

Introduced: 02/20/2025

Last Amended: 04/24/2025

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

Summary: Current law establishes the Atmospheric Rivers Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations and Hazard Resiliency (AR/FIRO)

Program in the Department of Water Resources. Current law requires the department to operate reservoirs in a manner that improves flood protection, and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers. This bill would, for novel forecasting methods researched, developed, and implemented by the department, require the department to include the use of experimental tools that produce seasonal and subseasonal atmospheric river forecasts, as defined. (Based on 04/24/2025 text)

Position: Watch

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

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

Introduced: 02/20/2025

Last Amended: 07/10/2025

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

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

Position: Watch

SB 654 **(Stern, D) California Environmental Protection Agency: contract: registry: greenhouse gas emissions that result from the water-energy nexus.**

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

Introduced: 02/20/2025

Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 4/21/2025)(May be acted upon Jan 2026)

Summary: The California Environmental Protection Agency is required to oversee the development of a registry for greenhouse gas emissions that result from the water-energy nexus using the best available data. Current law provides that participation in the registry is voluntary and open to any entity conducting business in the state. Existing law authorizes the agency to enter into a contract with a qualified nonprofit organization to do specified things, including to recruit broad participation in the registry from all economic sectors and regions of the state. Current law limits the term of the contract to 3 years, except as provided. This bill would instead require the agency to oversee the administration of the above-described registry and would authorize the agency to enter into a new contract, limited to a term of 3 years and with a total budget of \$2,000,000, to do specified things, including to recruit broad participation in the registry from all economic sectors and regions of the state to meet the different needs of water users throughout the state by various means, as provided. (Based on 02/20/2025 text)

Position: Watch

SB 697 **(Laird, D) Determination of water rights: stream system.**

Current Text: 10/06/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 07/03/2025

Status: 10/06/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 422, Statutes of 2025.

Summary: Current law authorizes the State Water Resources Control Board to hold proceedings to determine all rights to water of a stream system whether based upon appropriation, riparian right, or other basis of right. Current law provides various requirements for the board when determining adjudication of water rights, including, among other things, performing a detailed field investigation of a stream system, as defined, issuing an order of determination, providing notice and a hearing process, and filing a final order. This bill would revise the above-described provisions regarding the board's statutory adjudication of water rights during an investigation of a stream system to, among other things, require representatives of the board to investigate in detail the use of water with the authority, but no requirement, to conduct a field investigation, authorize the board, if the board determines that the information provided by the person, as specified, is inadequate, to issue information orders that require claimants to submit reports of water use from the stream system through a form provided by the board, and

require claimants to respond to that order within 75 days of the date of issuance by the board. (Based on 10/06/2025 text)

Position: Watch

SB 707 **(Durazo, D) Open meetings: meeting and teleconference requirements.**

Current Text: 10/03/2025 - Chaptered [HTML](#) [PDF](#)

Introduced: 02/21/2025

Last Amended: 09/05/2025

Status: 10/03/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 327, Statutes of 2025.

Summary: Existing law, 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. This bill would, beginning July 1, 2026, and until January 1, 2030, require an eligible legislative body, as defined, to comply with additional meeting requirements, including that, except as specified, all open and public meetings include an opportunity for members of the public to attend via a 2-way telephonic service or a 2-way audiovisual platform, as defined, and that the eligible legislative body take specified actions to encourage residents to participate in public meetings, as specified. The bill would require an eligible legislative body, on or before July 1, 2026, to approve at a noticed public meeting in open session a policy regarding disruption of telephonic or internet services occurring during meetings subject to these provisions, as specified, and would require the eligible legislative body to comply with certain requirements relating to disruption, including for certain disruptions, recessing the open session for at least one hour and making a good faith attempt to restore the service, as specified. This bill contains other related provisions and other existing laws. (Based on 10/03/2025 text)

Position: Watch

Notes:

7/23/25 - Signed onto a coalition letter with CSDA

8/23/25 - CSDA removed opposition

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

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

Introduced: 02/21/2025

Last Amended: 05/05/2025

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

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

Position: Watch

SB 740 **(Rubio, D) Municipal wastewater agency: new agreement or amendment.**

Current Text: 02/21/2025 - Introduced [HTML](#) [PDF](#)

Introduced: 02/21/2025

Status: 05/08/2025 - Failed Deadline pursuant to Rule 61(a)(3). (Last location was E.Q. on 4/3/2025)(May be acted upon Jan 2026)

Summary: Current law authorizes a municipal wastewater agency to enter into agreements with entities responsible for stormwater management, including, but not limited to, municipal, industrial, and commercial stormwater dischargers, for the purpose of managing stormwater and dry weather runoff. Current law requires a municipal wastewater agency, if the agency enters into a new agreement or amends an agreement pursuant to those provisions, to file a copy of the agreement or amendment with the local agency formation commission in each county where any part of the municipal wastewater agency's territory is located within 30 days after the effective date of the new agreement or amendment. This bill would extend that filing requirement timeline to 40 days. (Based on 02/21/2025 text)

Position: Watch

- SB 742** **(Pérez, D)** **Water systems and water districts.**
Current Text: 02/21/2025 - Introduced [HTML](#) [PDF](#)
Introduced: 02/21/2025 (Spot bill)
Status: 03/12/2025 - Referred to Com. on RLS.
Summary: The California Water District Law provides for the establishment of water districts, and grants a district the power to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes. This bill would state the intent of the Legislature to enact subsequent legislation related to the regulation of water systems and water districts. (Based on 02/21/2025 text)
Position: Watch
- SB 746** **(Alvarado-Gil, R)** **Water: Urban Water Community Drought Relief program: Small Community Drought Relief program: high fire hazard and very high fire hazard severity zones.**
Current Text: 04/21/2025 - Amended [HTML](#) [PDF](#)
Introduced: 02/21/2025
Last Amended: 04/21/2025
Status: 05/23/2025 - Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/5/2025)(May be acted upon Jan 2026)
Summary: Would establish in the Department of Water Resources the Urban Water Community Drought Relief program and the Small Community Drought Relief program to provide grants for similar interim or immediate drought relief. These programs, upon a specified appropriation, would authorize funding for benefits in addition to drought relief, including, among other projects, projects that reduce the risk of wildfire for entire neighborhoods and communities through water delivery system improvements for fire suppression purposes in high fire hazard severity zone communities or very high fire hazard severity zone communities, as designated by the State Fire Marshal or by a local agency. (Based on 04/21/2025 text)
Position: Watch
- SB 838** **(Durazo, D)** **Housing Accountability Act: housing development projects.**
Current Text: 10/13/2025 - Chaptered [HTML](#) [PDF](#)
Introduced: 02/21/2025
Last Amended: 09/05/2025
Status: 10/13/2025 - Approved by the Governor. Chaptered by Secretary of State. Chapter 789, Statutes of 2025.
Summary: Existing law, the Housing Accountability Act, among other things, prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, a housing development project for very low, low-, or moderate-income households unless the local agency makes written findings as to one of certain sets of conditions, as specified. Existing law defines, for its purposes, a housing development project as a use consisting of, among other things, mixed-use developments consisting of residential and nonresidential uses meeting one of several conditions, including that at least 2/3 of the new or converted square footage is designated for residential use. This bill would revise the definition of "housing development project" to, in the case of mixed-use developments with at least 2/3 of the new or converted square footage designated for residential use, require that no portion of the project be designated for use as a hotel, motel, bed and breakfast inn, or other transient lodging, except as specified. This bill contains other related provisions. (Based on 10/13/2025 text)
Position: Watch
- SCR 3** **(Laird, D)** **Safe Drinking Water Act: 50th anniversary.**
Current Text: 07/03/2025 - Chaptered [HTML](#) [PDF](#)
Introduced: 12/02/2024
Status: 07/03/2025 - Chaptered by Secretary of State - Chapter 111, Statutes of 2025
Summary: Would commemorate the 50th anniversary of the Safe Drinking Water Act. (Based on 07/03/2025 text)
Position: Watch

Total Measures: 72
Total Tracking Forms: 72

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 11/13/25)

Date(s)	Event	Time	Location	Attending Board Member(s)	Additional Information (Speakers' Topic, Cohosts, etc.)
<u>OCTOBER 2025</u>					
22-Sep	Emergency Site Visit - Cadencia/Azahar			Lanfried	
22-Oct	Conference Call with the General Manager RE: CWA Issues			Meyers	
27-Oct	Conference Call with the General Manager RE: OMWD Issues			Guerin	
29-Oct	Water for People Luncheon	11:30 AM - 1:30 PM		Meyers, Maloni	
<u>NOVEMBER 2025</u>					
3-Nov	Pure Water Project Tour	11:30 AM - 2:45 PM		Lanfried, Meyers	
4-Nov	Operations and Finance Briefings	9:00 AM		Lanfried	
8-Nov	EFRR Volunteer Appreciation BBQ	1:30 - 3:30 PM	The Conservancy	Maloni, Hahn, Lanfried	
Nov 13-14	ACWA Regions 8,9,10 Reception Event and Forum		Irvine Marriott	Maloni	
14-Nov	ACWA Regions 8,9,10 Forum		Irvine Marriott 18000 Von Karman Ave, Irvine, CA	Meyers	
17-Nov	Personnel Committee Meeting	3:30 PM		Meyers, Guerin	
17-Nov	Conference Call with the GM RE: Board Meeting			Maloni	
18-Nov	Finance Committee Meeting	10:00 AM	Boardroom	Maloni, Meyers	
18-Nov	Board Meeting Pre-Briefing			Hahn	
18-Nov	Conference Call with the GM RE: Board Meeting			Lanfried	

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CORRESPONDENCE

Any correspondence is attached.

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.

Who's News: 10/31/25

thecoastnews.com/whos-news-10-31-25/

staff

October 27, 2025

CAREER DAY AWARD

The WateReuse Association of California honored Olivenhain Municipal Water District, San Elijo Joint Powers Authority and Leucadia Wastewater with its 2025 Outreach and Education Program of the Year award. The award recognizes the North County agencies' 2024 Water Career Day, welcoming high school and college students and military veterans to learn about careers in water, wastewater and recycled water.

Water Career Day Introduces Students to Essential Careers in Water and Wastewater - Water News Network

 waternewsnetwork.com/water-career-day-introduces-students-careers-water-and-wastewater

Gayle Falkenthal

October 27, 2025



Olivenhain Municipal Water District, San Elijo Joint Powers Authority, and Leucadia Wastewater District hosted their second annual Water Career Day at the SEJPA campus on October 22.

The mission of Water Career Day is to introduce students and veterans to the different career paths in the water and wastewater industry. The event was attended by students from Mission Hills High School, Mira Costa College, Mira Costa College Technology Career Institute, and Palomar College, as well as military veterans interested in post-service careers.



Adam Calm, Systems Operator for the Olivenhain Municipal Water District, speaks with students at Water Career Day 2025. Photo: Olivenhain Municipal Water District

Each participating agency hosted interactive stations providing insight into the many career options in the water industry, ranging from engineering to water treatment. Water and wastewater industry professionals gave students the opportunity to work on real-world infrastructure.

Attendees also made valuable connections with water agency recruitment professionals and learned about the region's community college water workforce training programs.

Award Winning Career Outreach Program



Brandon Barnick, Field Services Supervisor, and Morgan Ferguson, Field Services Technician encourage students to consider careers in the water and wastewater industry. Photo: Olivenhain Municipal Water District

The WaterReuse Association of California recently named the first Water Career Day in 2024 as its 2025 Outreach and Education Program of the Year award recipient.

“After the overwhelming success of our first Water Career Day, we’re thrilled to see even greater enthusiasm this year. The growing interest from local students shows how valuable these events are in connecting young people to rewarding careers in the water and wastewater industry,” said Leucadia Water District director Elaine Sullivan.

“San Elijo Joint Powers Authority is proud to once again host Water Career Day at our Water Campus,” said Kristi Becker, board chair of the San Elijo Joint Powers Authority.



Justin Fichtelman, Valve Maintenance Technician for the Olivenhain Municipal Water District, offers one of the hands-on opportunities for students at Water Career Day 2024. Photo: Olivenhain Municipal Water District

“This event highlights the essential role water professionals play in protecting public health and the environment, while inspiring the next generation to explore meaningful careers in the water industry. By investing in our local students and veterans, we’re strengthening our community and ensuring a bright future for clean water.”

“Every day, we depend on water and wastewater professionals to deliver safe, high-quality water at our taps, and to responsibly manage what goes down the drain,” said Olivenhain Municipal Water District board president Matthew R. Hahn.

“This event showcases these essential roles and inspires the next generation with the tools and resources needed to pursue a fulfilling career in public water service.”

Career Opportunities In Water and Wastewater Industry



OMWD Operations Supervisor Don Hussey has worked for the Olivenhain Municipal Water District for 25 years.
Photo: Olivenhain Municipal Water District

With hundreds of highly skilled employees retiring from the region's water and wastewater industry each year, the industry provides vast opportunities for exciting careers that directly support the well-being of communities across San Diego County.

The water industry offers a career path with competitive pay and excellent benefits. Many operational positions require technical skills that may be obtained through on-the-job training and industry-specific certifications, with education available at the region's community colleges, including Mira Costa College, Palomar College, and Cuyamaca College.

In addition to operational jobs, there are several other career opportunities that play critical roles in engineering, finance, public affairs, human resources, administration, and information technology.

Students Explore Opportunities at Water Career Day

 cityofsolanabeach.org/en/node/3403



Date: Nov 06 , 2025

Category: [News & Announcements](#)

Nobody stops needing water—and that means the water industry never stops needing skilled workers.

To show students what that future can look like, three local water agencies teamed up to host the 2025 Water Career Day Oct. 22 at the San Elijo Joint Powers Authority Water Campus in Encinitas.

“We’re always hiring,” said Kim Thorner, general manager of Olivenhain Municipal Water District.

Also welcoming the high school and college students were colleagues from Leucadia Wastewater District and San Elijo Joint Powers Authority and representatives from Palomar College, MiraCosta College and Mission Hills High School.

For the second straight year, the water and wastewater treatment and recycling agencies welcomed about 100 students to take an up-close look at how water systems work.

“Dude!” exclaimed Mission Hills School junior Tavian Barrett. “That guy looks awesome!”

A microscopic rotifer floating across a display screen caught Tavian’s attention. The monitor showed rotifer and other waste-eating bacteria contained in a drop of wastewater Tavian had placed beneath a microscope in a laboratory demonstration room.

Huddled around a table, a half-dozen of Tavian’s peers seemed equally impressed.

“Knowing that wastewater is filtered by these little guys in the water,” Hamza Alani said, “that’s pretty cool.”

Throughout the day, students from Mission Hills, the Water and Wastewater Technology program at Palomar College and the MiraCosta College Technology Career Institute toured the Water Campus, stopping at stations to get their hands on the everyday equipment operated by workers from the host agencies.

Technicians demonstrated the equipment that keeps their systems running, from remote-controlled cameras to vacuum trucks and control systems that manage flows across the service areas. At a display of potable water valves, technicians invited students to roll up their sleeves and turn a wrench.

The Water Campus itself—which processes wastewater from and delivers recycled water to Encinitas, Solana Beach, Del Mar and Rancho Santa Fe—served as a supersized display of critical infrastructure and the jobs required to keep it running.

While many positions do not require two- or four-year degrees, Palomar College's Water and Wastewater Technology program and MiraCosta College's Technical Career Institute offer relevant training and coursework.

"These students are looking for career paths," said engineering instructor Kate MacArevey Colello of the technical career institute. "This kind of work is the perfect opportunity."

Palomar College engineering student Nathan Mulalley peppered his guides with questions at one tour stop that fit hand-in-glove with his courseload—wastewater treatment, wastewater collection and backflow testing.

"There's always going to be opportunities in water," Mulalley said.

Those opportunities are ideal for workers who wish to serve the public and belong to a tight-knit team, said San Elijo JPA General Manager Mike Thornton.

"We're mission-focused," Thornton said. "People who have that sense of mission and that sense of focus, those are the kinds of people who thrive in this industry."

Learn more about the agencies and schools involved at: www.sejpa.org

www.lwwd.org

www.olivenhain.com

www.palomar.edu/watertech

www.commed.miracosta.edu



 Students Explore Opportunities at Water Career Day

Students explore opportunities at San Elijo JPA Water Career Day

www.northcoastcurrent.com/north-coast-link/2025/11/students-explore-opportunities-at-san-elijo-jpa-water-career-day/

[Adam Kaye](#)

November 9, 2025



Using a microscope and display monitor, students identify microbes from a wastewater sample during Water Career Day at the San Elijo Joint Powers Authority Water Campus in Encinitas on Oct. 22. Biology plays a key role in treating wastewater. (Photo by Chris Kokotos, San Elijo Joint Powers Authority)

Nobody stops needing water — and that means the water industry never stops needing skilled workers.

To show students what that future can look like, three local water agencies teamed up to host the 2025 Water Career Day on Oct. 22 at the [San Elijo Joint Powers Authority](#) Water Campus in Encinitas.

“We’re always hiring,” said Kim Thorner, general manager of [Olivenhain Municipal Water District](#).

Also welcoming the high school and college students were colleagues from [Leucadia Wastewater District](#) and San Elijo Joint Powers Authority and representatives from Palomar College, MiraCosta College and Mission Hills High School.

For the second straight year, the water and wastewater treatment and recycling agencies welcomed about 100 students to take an up-close look at how water systems work.

“Dude!” exclaimed Mission Hills School junior Tavian Barrett. “That guy looks awesome!”

A microscopic rotifer floating across a display screen caught Tavian’s attention. The monitor showed rotifer and other waste-eating bacteria contained in a drop of wastewater Tavian had placed beneath a microscope in a laboratory demonstration room.

Huddled around a table, a half-dozen of Tavian’s peers seemed equally impressed.

Community NEWS RELEASE

“Knowing that wastewater is filtered by these little guys in the water,” Hamza Alani said, “that’s pretty cool.”

Throughout the day, students from Mission Hills, the Water and Wastewater Technology program at Palomar College and the MiraCosta College Technology Career Institute toured the Water Campus, stopping at stations to get their hands on the everyday equipment operated by workers from the host agencies.

Technicians demonstrated the equipment that keeps their systems running, from remote-controlled cameras to vacuum trucks and control systems that manage flows across the service areas. At a display of potable water valves, technicians invited students to roll up their sleeves and turn a wrench.



A Mission Hills High School student handles a water jetter used to clean wastewater lines during Water Career Day at the San Elijo Joint Powers Authority Water Campus in Encinitas on Oct. 22. (Photo by Chris Kokotos, San Elijo Joint Powers Authority)

The Water Campus itself — which processes wastewater from and delivers recycled water to Encinitas, Solana Beach, Del Mar and Rancho Santa Fe — served as a supersized display of critical infrastructure and the jobs required to keep it running.

While many positions do not require two- or four-year degrees, Palomar College's [Water and Wastewater Technology](#) program and [MiraCosta College's Technical Career Institute](#) offer relevant training and coursework.

"These students are looking for career paths," engineering instructor Kate MacArevey Colello said of the technical career institute. "This kind of work is the perfect opportunity."

Palomar College engineering student Nathan Mulalley peppered his guides with questions at one tour stop that fit hand-in-glove with his course load — wastewater treatment, wastewater collection and backflow testing.

"There's always going to be opportunities in water," Mulalley said.

Those opportunities are ideal for workers who wish to serve the public and belong to a tight-knit team, said San Elijo JPA General Manager Mike Thornton.

"We're mission-focused," Thornton said. "People who have that sense of mission and that sense of focus, those are the kinds of people who thrive in this industry."

Adam Kaye writes for local agencies and nonprofits. Nonprofit groups, public agencies, local businesses and organizations of varying interests are welcome to share their news by submitting press releases for publication. Send yours to [news\[at\]northcoastcurrent.com](mailto:news[at]northcoastcurrent.com). Submissions are edited for news style and brevity.

