

I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and
the Board of Directors thereof



AGENDA

EL TORO WATER DISTRICT REGULAR MEETING OF THE BOARD OF DIRECTORS

**August 27, 2026
7:30 a.m.**

Director Mark Monin will be attending remotely from:
JW Marriot
74-855 Country Club Dr.
Palm Desert, CA 92660

**BOARDROOM, DISTRICT OFFICE
24251 LOS ALISOS BLVD., LAKE FOREST, CA 92630**

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the virtual component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Members of the public who wish to comment on any item within the jurisdiction of the District or on any item on the agenda, may attend the meeting in person at the District's office or may observe and address the Meeting by joining at this link:
<https://us02web.zoom.us/j/82301155075> (Meeting ID: 823 0115 5075).

Members of the public who wish only to listen to the telephonic meeting may dial in at the following numbers (669) 900-6833 or (346) 248-7799 with the same Meeting ID noted above. Please be advised the Meeting is being recorded.

CALL MEETING TO ORDER – President Freshley

PLEDGE OF ALLEGIANCE – Director McClean

ROLL CALL (Determination of a Quorum)

ORAL COMMUNICATIONS/PUBLIC COMMENTS

Members of the public may address the Board at this time or they may reserve this opportunity with regard to an item on the agenda, until said item is discussed by the Board. Comments on other items will be heard at the time set aside for "COMMENTS REGARDING NON-AGENDA ITEMS." The public may identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize items which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

1. Consider Board Member's Request for Remote Participation (AB 2449)

2. Presentation of Awards, Recognition, Certifications and Introductions

a. Service Awards

Mr. Cafferty will recognize and congratulate Hannah Ford, Director of Engineering, for 5 Years of Service.

3. Consent Calendar

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

a. Consider approving the minutes of the July 23, 2026 Board meeting

Recommended Action: The Board will consider approving the above Consent Calendar.

4. Quarterly Review of the District's 401(k) Retirement Savings Plan (Reference Material Included)

Keith Stribling will review and comment on the investment performance of the District's 401(k) Retirement Savings Plan.

5. Director Reports for Meetings Attended (Oral Report)

GENERAL MANAGER ACTION ITEMS

6. **Administrative Code Amendment – Policy on Discontinuation of Residential Water Service (§7170)** (Reference Material Included)

Staff will review and comment on the amendments to the existing “Policy On Discontinuation of Residential Water Service” and the relocation of said Policy to the District Administrative Code as Section 7170.

Recommended Action: The Board of Directors will consider adding Section 7170 – Policy On Discontinuation of Residential Water Service to the District Administrative Code.

7. **Administrative Code Amendment – Section 2090 Committees of the Board** (Reference Material Included)

Staff will review and comment on an update to Section 2090 of the Administrative Code regarding Committees of the Board.

Recommended Action: Staff recommend the Board of Directors approve the amended Section 2090 of the Administrative Code regarding Committees of the Board.

8. **Resolution No. 26-8-1 Modifying Standing and External Organization Board and Staff Assignments for Calendar Year 2026** (Reference Material Included)

Staff will review and comment on Resolution No. 26-8-1 modifying Standing and External Organization Board and Staff Assignments for calendar year 2026.

Recommended Action: Staff recommend approval of Resolution No. 26-8-1 modifying Standing and External Organization Board and Staff Assignments for calendar year 2026.

RESOLUTION NO. 26-8-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
MODIFYING STANDING AND EXTERNAL ORGANIZATION
BOARD AND STAFF ASSIGNMENTS
FOR CALENDAR YEAR 2026

GENERAL MANAGER INFORMATION ITEMS

9. **General Manager’s Monthly Report** (Reference Material Included)

Staff will review and comment on the General Manager’s Monthly Report.

10. **Legislative Reports** (Reference Material Included)
Staff and General Counsel will review and comment on the Legislative reports.
11. **Public Education and Outreach Report** (Reference Material Included)
Staff will review and comment on the Public Education and Outreach report.
12. **Water Use Efficiency Report** (Reference Material Included)
Staff will review and comment on the Water Use Efficiency Report.
13. **South Orange County Wastewater Authority (SOCWA) Report** (Reference Material Included)
 - a. SOCWA Board Meeting – August 13, 2026
 - b. SOCWA Finance Committee Meeting – August 18, 2026 – Canceled
 - c. SOCWA Engineering Committee Meeting – August 20, 2026
14. **South Orange County Agencies Group Meeting** (Reference Material Included)
Report on the July 23, 2026 SOCAG meeting.
15. **Municipal Water District of Orange County (MWDOC) Report** (Reference Material Included)
 - a. MWDOC Planning/Operations Meeting – August 3, 2026
 - b. MWDOC Met Directors Workshop – August 5, 2026
 - c. MWDOC Admin/Finance Meeting – August 12, 2026
 - d. MWDOC Board Meeting – August 19, 2026
16. **Local Agency Formation Commission Report** (Reference Material Included)
Report on the August 12, 2026 LAFCO meeting
17. **ISDOC Meetings Report** (Reference Material Included)
Report on the August 4, 2026 ISDOC Executive Committee meeting
18. **WACO Meeting Report** (Reference Material Included)
Report on the August 7, 2026 WACO Meeting

COMMITTEE AND GENERAL INFORMATION

19. Dates to Remember for August/September (Reference Material Included)

COMMENTS REGARDING NON-AGENDA ITEMS

ATTORNEY REPORT

CLOSED SESSION

At this time the Board will go into Closed Session as follows:

1. Pursuant to Government Code Section 54956.9 (d) (4) to consult with legal counsel and staff- Potential Initiation of Litigation. (one matter)

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

Mr. Granito will provide an oral report on the Closed Session.

ADJOURNMENT

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, CA. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations

If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Marisol Melendez at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Marisol Melendez.

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
EL TORO WATER DISTRICT

July 23, 2026

President Freshley called the meeting of the Board of Directors of the EL TORO WATER DISTRICT to order at 7:30 a.m.

Director Gaskins led the Pledge of Allegiance to the flag.

Directors MARK MONIN, MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY, and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, VISHAV SHARMA, CFO, JUDY CIMORELL, Director of Human Resources, HANNAH FORD, Director of Engineering, SCOTT HOPKINS, Operations Superintendent, MIKE MIAZGA, Information Technology Manager, SHERRI SEITZ, Public Affairs Manager, CAROL MOORE, City of Laguna Woods (Zoom), RANDALL CRANE, MWDOC (Zoom), MICHAEL MILLER, Member of the Public (Zoom), HEYDEN ENOCHSON, Madison AI (Zoom, 8:04 a.m.), CONNOR FERRIS, Madison AI (Zoom, 8:47 a.m.), and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Roll Call:

Director McClean	Present
Director Monin	Present
Director Gaskins	Present
Vice President Havens	Present
President Freshley	Present

Five Board members were present for the meeting. Therefore, a Quorum was determined.

Oral Communications/Public Comments

There were no comments.

Items Received Too Late to be Agendized

President Freshley asked if there were any items received too late to be agendized. Mr. Cafferty replied no.

Consent Calendar

President Freshley asked for a Motion.

Motion: Vice President Havens made a Motion, seconded by Director Monin to approve the Consent Calendar.

Roll Call Vote:

Director McClean	aye
Director Monin	aye
Director Gaskins	aye
Vice President Havens	aye
President Freshley	aye

Directors Reports for Meetings Attended

Director Gaskins stated that he attended the MWDOC/MET Directors Workshop, the MWDOC P&O meeting, the RRC meeting, the SOCWA meeting, the MWDOC Admin/Finance meeting, the WACO meeting, the MWDOC Board meeting, the Engineering and Finance committee meeting, the District's regular Board meeting, will attend the SOCAG meeting today, the ACWA Water Quality committee meeting next week, and the ISDOC Quarterly Luncheon next week.

Director Monin stated that he attended the MWDOC/Met Directors Workshop, the MWDOC P&O meeting, the ISDOC Executive meeting, the MWDOC A&F meeting, the WACO meeting, the MWDOC Board meeting, the OCWA meeting, both District Board meetings, and will be attending the ISDOC Quarterly Luncheon.

Director McClean stated that he attended the District's regular Board meeting, the District's Engineering and Finance meeting, the ISDOC Quarterly Luncheon, the OCWA meeting, the WACO meeting, the MWDOC Admin/Finance meeting, MWDOC P&O meeting, and the MWDOC/Met Directors Workshop.

Vice President Havens stated that she attended the MWDOC/Met Directors Workshop, the MWDOC P&O meeting, the MWDOC Admin/Finance meeting, the Agenda Review meeting, the WACO meeting, the MWDOC Water Policy Dinner, the MWDOC Board meeting, the District's Engineering and Finance meeting, the District's regular Board meeting, will be attending the ACWA Water Quality Committee meeting next week, and the Pres/VP/GM meeting.

President Freshley stated that she attended both ETWD's regular Board meetings, the Agenda Review meeting, the Laguna Woods City Council meeting, the WACO meeting, the MWDOC/Met Directors Workshop, the MWDOC P&O meeting, the MWDOC Admin/Finance meeting, the SOCWA Board meeting, will attend the South Orange County Agencies meeting, and will attend the ISDOC Quarterly luncheon.

General Manager Action Items

Administrative Code Amendment – Artificial Intelligence Policy (9060)

Mr. Cafferty stated that Artificial Intelligence (AI) has advanced and AI related tools can be leveraged to improve efficiencies. He stated that staff participated in an AI committee where they identified use cases and to establish a policy describing the overall use parameters. The policy encourages the use of AI while providing guardrails to ensure the safety and security of the implementation and certain types of data used in day to day operations. The policy will likely evolve and will be updated as necessary with the Board's approval.

Ms. Ford added that the policy began with a template provided by the Gov.AI Coalition. However, the policy was a team effort as many District staff provided input and modified the policy before finalizing. Mr. Cafferty also stated staff will receive training for AI use in the coming months.

President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Vice President Havens to add Section 9060 – Artificial Intelligence Policy to the District Administrative Code.

Roll Call Vote:

Director McClean	aye
Director Monin	aye
Director Gaskins	aye
Vice President Havens	aye
President Freshley	aye

Administrative Code Amendment – IT Acceptable Use Policy (9040)

Mr. Cafferty stated that staff modified the artificial intelligence section that was within the IT Acceptable Use Policy to reference the stand-alone AI policy.

President Freshley asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Director Monin to approve amendments to Section 9040 of the El Toro Water District Administrative Code – IT Acceptable Use Policy.

Roll Call Vote:

Director McClean	aye
Director Monin	aye
Director Gaskins	aye
Vice President Havens	aye
President Freshley	aye

Orange County Grand Jury Report

Mr. Cafferty stated that the Grand Jury released a report regarding PFAS and the response letter addresses their findings. He further stated that staff is considering adding a PFAS topic in the District's annual Water Quality Report. Mr. Cafferty noted that the District receives treated water from suppliers and makes great efforts to ensure that water quality is maintained as it travels through the system. Mr. Cafferty also stated staff revised the letter in response to Finding 8, to reference a PFAS article which will be included in the ETWD Summer 2026 Newsletter.

Ms. Moore left the zoom meeting at approximately 8:21 a.m.

President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director McClean to approve the District's response letter with the changes outlined by the General Manager on the Orange County Grant Jury's findings and recommendations and authorize staff to submit the updated response letter to the Presiding Judge of the Superior Court.

Roll Call Vote:

Director McClean	aye
Director Monin	aye
Director Gaskins	aye
Vice President Havens	aye
President Freshley	aye

SOCWA PC-21 – Effluent Transmission Main

Mr. Cafferty stated that last month staff discussed the potential acquisition of the Effluent Transmission Main (ETM) from SOCWA. He stated that the necessary agreement revisions are a work in progress and include risks, liabilities, and protections to liabilities.

Ms. Ford provided a presentation on the potential ownership transfer of the Effluent Transmission Main (ETM). She reviewed its significance and what the next ten years may look like in terms of capital. Vice President Havens inquired about having a risk assessment done in the case of significant storm events. Ms. Ford explained that a benefit cost analysis was performed as part of the grant funding process where the risks were studied. Ms. Ford explained why District ownership of the ETM makes sense in regards to easements, grant funding, staff time, and decision-making. The Board discussed the potential ETM acquisition inquiring about maintenance, processes, and risks. Following the discussion, the Board agreed to direct staff to proceed with detailed development of an agreement that memorializes the topics of today's discussion.

President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director Gaskins to direct staff to further engage with SOCWA in the effort to acquire the Effluent Transmission Main for ownership and operation by the District.

Roll Call Vote:

Director McClean	aye
Director Monin	aye
Director Gaskins	aye
Vice President Havens	aye
President Freshley	aye

Resolution No. 26-7-1 Commemorating the United States of America's 250th

Anniversary

Mr. Cafferty stated that Ms. Seitz developed the Resolution to commemorate the significant milestone of the Country.

President Freshley asked for a Motion.

Motion: Vice President Havens made a Motion, seconded by Director McClean to approve Resolution No. 26-7-1 which commemorates the 250th Anniversary of the United States of America.

Roll Call Vote:

Director McClean	aye
Director Monin	aye
Director Gaskins	aye
Vice President Havens	aye
President Freshley	aye

General Manager Information Items

Madison AI / Team Solve – Knowledge Twin Artificial Intelligence Platforms

Mr. Cafferty stated that staff has been discussing potential AI platform opportunities with Madison AI and Team Solve for the District's administrative and operational processes. Ms. Ford and Mr. Miazga each provided presentations on the benefits these tools would provide to the District. Both platforms are within the General Manager's authority but today's presentation informs the Board on the tools staff is considering.

General Manager's Monthly Report

Mr. Cafferty noted that the District's Senior Engineer position is in the process of being filled. He also commented on the growing project list on the Will Serve summary report.

Legislative Reports

There were no comments.

Public Education and Outreach Report

Mr. Cafferty congratulated Ms. Seitz on receiving the professional distinction of being Accredited in Public Relations.

Ms. Seitz reported that staff is coordinating the next LWT “This Day” program. She also noted that staff is working on the next edition of the District Newsletter which will include America’s 250th Anniversary and District staff who are military veterans. Ms. Seitz also highlighted recent and upcoming community speaking engagement events.

Water Use Efficiency Report

There were no comments.

SOCWA Reports

President Freshley reported that there was a presentation on PC-15 and the Regional Treatment Plant. She also stated the contract extension to include the Effluent Transmission Main, Reach B design was approved.

MWDOC

There were no comments.

LAFCO

There were no comments.

ISDOC

Director Monin reported that elections for 2027-2028 are coming soon.

WACO

Director Monin reported that the program included a discussion on the Family Farm Alliance on the Western Water Policy.

COMMITTEE AND GENERAL INFORMATION

Dates to Remember for July/August 2026

There were no comments.

Comments Regarding Non-Agenda Items

Mr. Cafferty reported that Matt Collings is expected to be the new General Manager of Moulton Niguel Water District.

Attorney Report

Mr. Granito reported that there is no need for a Closed Session today.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at approximately 9:33 a.m.

Respectfully submitted,

MARISOL MELENDEZ
Recording Secretary

APPROVED:

KATHRYN FRESHLEY, President of
the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and
the Board of Directors thereof



El Toro Water District

Investment Performance Review For the Quarter Ended June 30, 2026

Client Management Team

Keith Stribling, CFA

PFM Asset Management LLC

1735 Market Street
43rd Floor
Philadelphia, PA 19103

About PFM Asset Management*

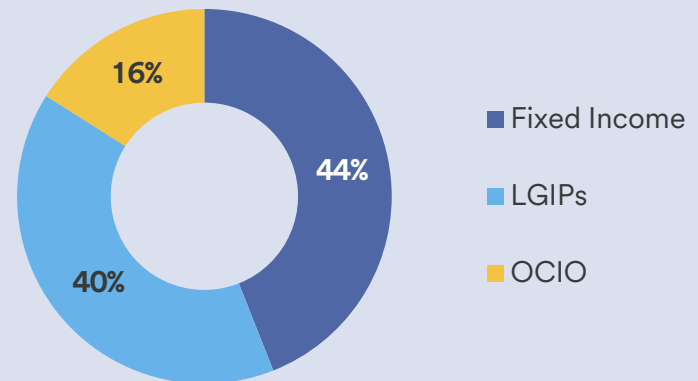
Our Investment Solutions

- **Outsourced Chief Investment Officer (OCIO):** Multi-asset class portfolios for institutional investors
- **Fixed Income:** High-quality, short- and intermediate-term portfolios for operating funds, reserves, working capital, self-insurance funds and bond proceeds
- **Local Government Investment Pools (LGIPs):** services for programs with options ranging from fully liquid cash management to a fixed-rate, fixed-term investment
- **Specialized Solutions:** Arbitrage rebate, escrow restructuring, bond proceeds investments, structured investments

40+ years of experience in the public sector**

\$176.8b in public sector assets under management**

Assets by Investment Solution¹



¹Illustrates public sector assets under management by investment solution as of March 31, 2026. Total may not add up to 100% due to rounding.

*A division of U.S. Bancorp Asset Management, Inc.

**As of March 31, 2026. Public sector includes government, pool, and TERM. Total assets under management for U.S. Bancorp Asset Management, Inc. were \$435.8 billion.

Financial Markets & Investment Strategy Review

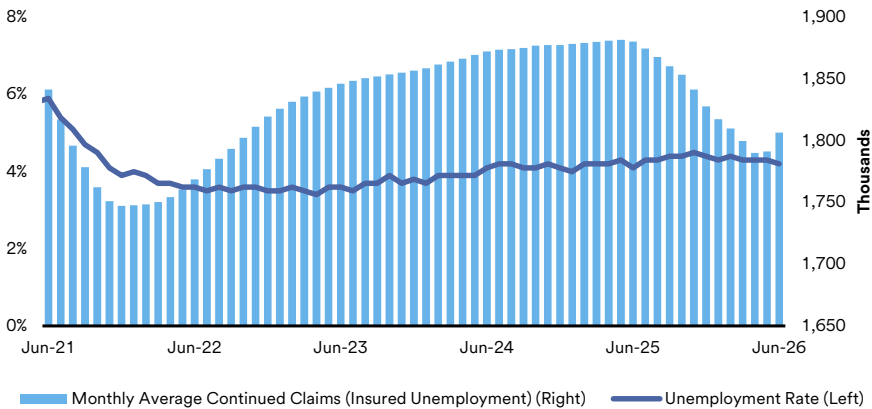
Index Name	QTD	YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
DOMESTIC EQUITY							
S&P 500	15.20%	10.21%	22.32%	20.61%	13.41%	16.08%	15.51%
Russell 3000	15.44%	10.88%	22.82%	20.36%	12.31%	15.51%	15.06%
Russell 1000 Growth	16.74%	5.33%	17.71%	22.58%	13.71%	18.80%	18.58%
Russell 1000	15.14%	10.33%	22.02%	20.47%	12.66%	15.79%	15.30%
Russell 1000 Value	13.87%	16.26%	27.12%	17.79%	11.17%	12.10%	11.52%
Russell Midcap Growth	14.55%	7.27%	6.17%	15.61%	6.03%	11.60%	13.04%
Russell Midcap	13.83%	15.30%	21.63%	16.51%	8.50%	11.93%	12.00%
Russell Midcap Value	13.40%	17.58%	26.62%	16.51%	9.48%	11.35%	10.63%
Russell 2000 Growth	25.71%	22.18%	38.74%	18.44%	5.57%	10.82%	11.97%
Russell 2000	21.49%	22.57%	40.78%	18.60%	6.98%	11.34%	11.62%
Russell 2000 Value	17.19%	22.99%	43.01%	18.73%	8.23%	11.36%	10.89%
INTERNATIONAL EQUITY							
MSCI EAFE	10.82%	9.44%	20.23%	16.44%	9.05%	9.90%	9.66%
MSCI AC World	14.93%	11.25%	23.67%	19.70%	10.98%	13.28%	12.78%
MSCI AC World ex USA	14.49%	13.68%	27.66%	18.82%	8.79%	10.16%	9.93%
MSCI AC World ex USA Small Cap	9.62%	9.10%	19.83%	16.42%	6.30%	9.68%	9.10%
MSCI EM (Emerging Markets)	24.05%	23.85%	43.51%	23.03%	7.20%	9.82%	10.07%
LISTED REAL ASSETS							
FTSE NAREIT All Equity REITs	10.73%	14.90%	15.43%	10.06%	3.71%	5.86%	5.88%
FTSE Global Core Infrastructure 50/50	2.33%	10.66%	15.78%	12.24%	7.65%	6.71%	7.47%
Bloomberg Commodity	-8.08%	14.36%	25.46%	11.69%	9.37%	9.46%	5.83%
FIXED INCOME							
Bloomberg U.S. Aggregate	0.67%	0.62%	3.79%	4.16%	0.08%	1.22%	1.54%
Bloomberg U.S. Government/Credit	0.70%	0.49%	3.32%	3.97%	-0.10%	1.25%	1.59%
Bloomberg U.S. Intermediate Government/Credit	0.43%	0.40%	3.14%	4.68%	1.22%	1.89%	1.92%
Bloomberg U.S. Treasury (1-3 Y)	0.37%	0.64%	2.92%	4.38%	1.90%	1.95%	1.75%
ICE BofA U.S. High Yield	2.45%	1.89%	5.74%	8.79%	4.13%	4.92%	5.70%
Bloomberg Global Aggregate	0.87%	-0.21%	0.62%	3.41%	-1.55%	-0.15%	0.38%
CASH EQUIVALENT							
Bloomberg 3 Month T-Bill	0.90%	1.77%	3.89%	4.69%	3.58%	2.80%	2.38%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

THE ECONOMY

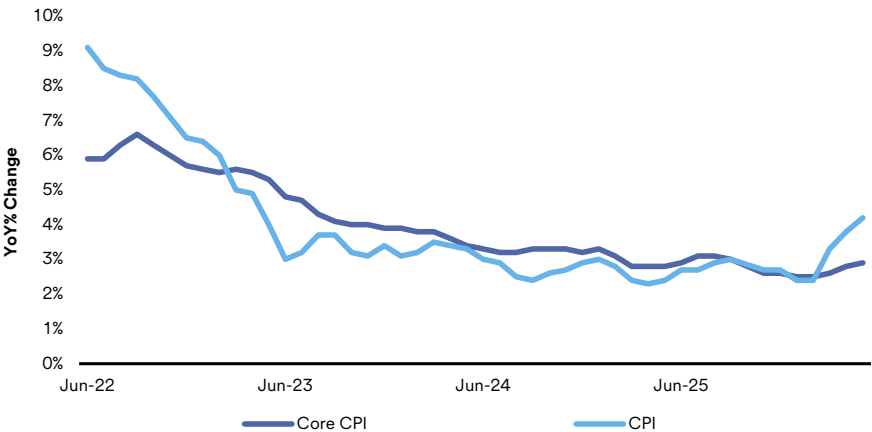
- U.S. real gross domestic product (GDP) grew at a seasonally adjusted annualized rate of 2.1% in the first quarter, up from 0.5% in Q4 2025. While personal consumption growth was 0.5%, its weakest pace since 2022, private domestic investment grew 7.9%. It was largely supported by business investment in information processing equipment and software IP, underscoring the impact of AI-related spending. Government spending was up also 4.4%, recovering from a 5.6% contraction, as activity resumed following the end of the government shutdown.
- U.S. labor-market conditions remained broadly stable in Q2. The three-month average gain in non-farm payrolls rose to 111k jobs, though hiring momentum slowed as the quarter progressed. The moderation appeared industry-specific rather than indicative of broad labor-market weakness. While the unemployment rate ticked down to 4.2%, labor-force participation also fell, suggesting slower labor-force growth, rather than stronger employment gains, was the primary driver of the decline.
- Inflation accelerated in the second quarter, as headline Consumer Price Index inflation (CPI) rose 4.2% year-over-year (YoY) in May, up from 3.3% at the end of the first quarter. Energy prices were the key driver, rising 23.5% YoY, while core CPI rose a more moderate 2.9%. Producer Price Index (PPI) inflation rose 6.5% YoY, the highest rate since late 2022. Core PPI (ex. food, energy and trade services), increased 5.1%, suggesting that inflation pressures broadened across the economy rather than being confined to the energy sector.

U.S. Unemployment and Monthly Average Continued Claims



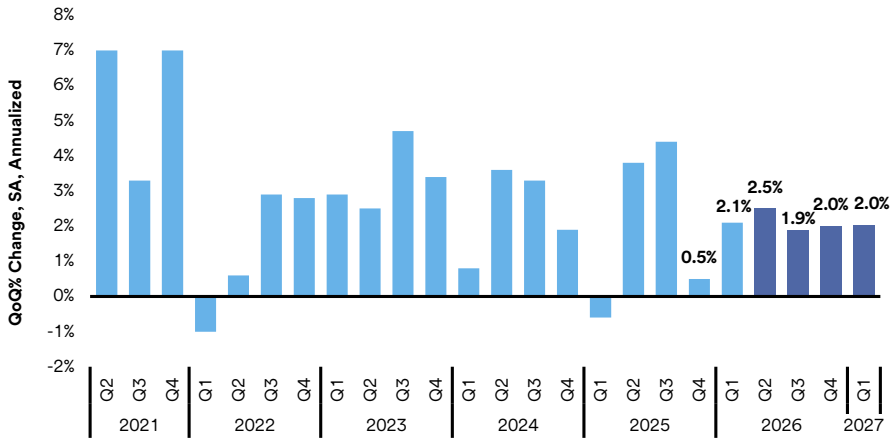
Source: Bloomberg.

U.S. Inflation Rate
Seasonally Adjusted (SA)



Source: Bureau of Labor Statistics.

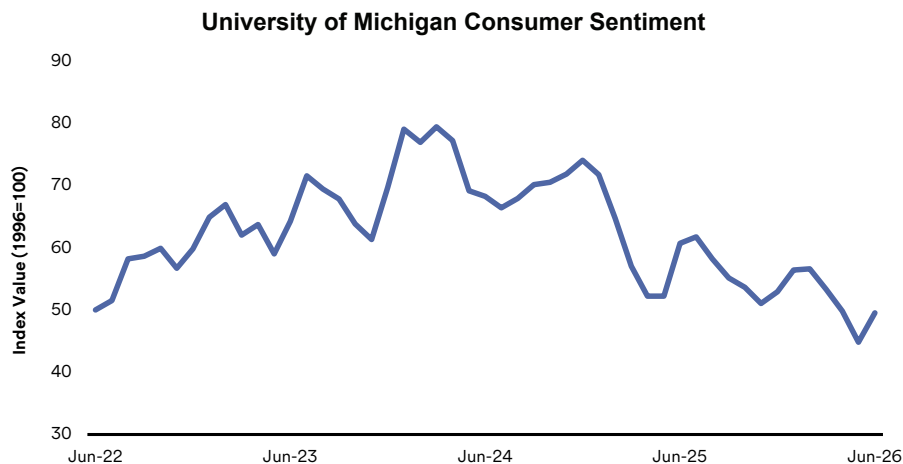
U.S. GDP Growth



Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

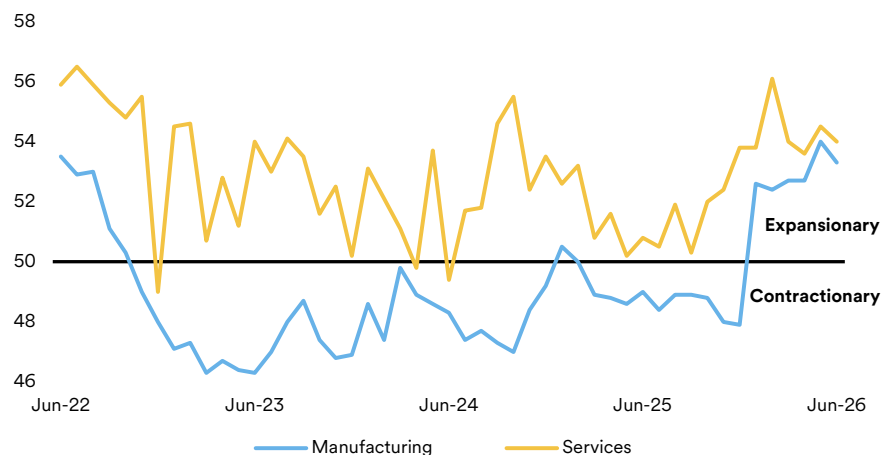
WHAT WE'RE WATCHING

- The Federal Reserve (Fed) held its target rate at 3.75% through Q2. The Federal Open Market Committee meeting delivered a more hawkish message, removing language suggesting an easing bias, while the updated dot plot shifted from implying a 2026 rate cut to a potential rate hike. Outside the U.S., the European Central Bank hiked rates for the first time since 2023, citing energy inflation across the Eurozone. The Bank of Japan also raised interest rates, marking the highest rate in 31 years, citing concerns that energy related price pass-through could push consumer inflation above the 2% target.
- Consumer sentiment recovered from its May low but finished below its March level, with the University of Michigan Survey of Consumers, at 49.5 in June. Manufacturing and services indicators were also in expansionary territory at quarter-end, with the ISM U.S. PMI surveys reporting of 53.3 and 54.0, respectively.
- The conflict with Iran and the disrupted Middle Eastern oil supplies have been major market drags since the effective closure of the Strait of Hormuz. Energy alone drove more than 60% of May's headline inflation, however an interim peace deal brokered in June prompted a sharp pullback in oil prices. The Brent Crude spot price fell to near pre-conflict levels at quarter end. Shipping transit through the Strait has begun also to pick up, though it remains less than half the pre-war average. Any renewed disruption could have an impact on inflation and economic growth.



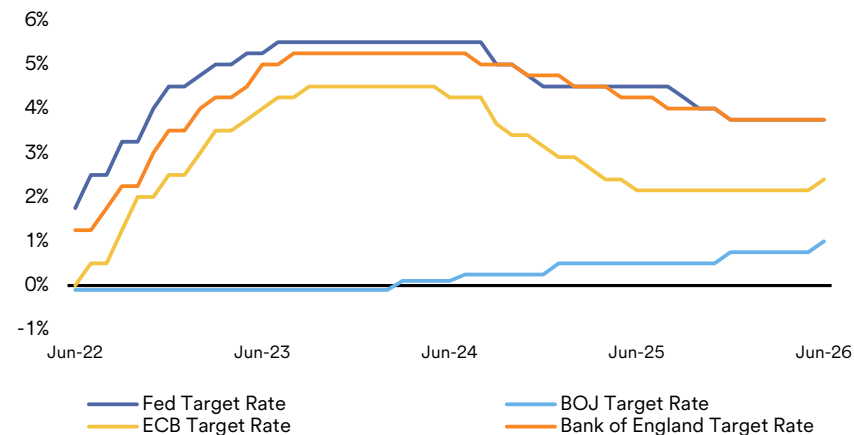
Source: Bloomberg.

U.S. ISM Manufacturing & Services PMI



Source: Bloomberg.

Global Central Bank Rates



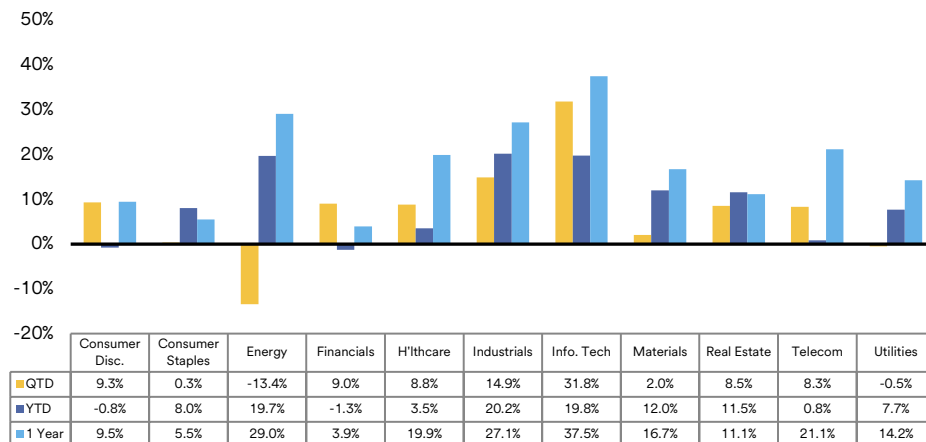
Source: Bloomberg.

DOMESTIC EQUITY

- Domestic equity markets advanced sharply in the second quarter of 2026. The S&P 500 Index returned 15.2% for the quarter and 10.2% year to date, while the Russell 3000 Index returned 15.4% for the quarter and 10.9% year to date.
- Within the S&P 500, nine of the 11 sectors posted positive returns. Information Technology led performance, returning 31.8%. Industrials also posted strong gains, returning 14.9%. The weakest sector was Energy, which declined 13.4%, followed by Utilities with a near-flat return of -0.5%.
- Small-cap stocks outperformed mid-and-large caps during the quarter, with the Russell 2000 Index returning 21.5%, while Russell 1000 Index returned 15.4% and Russell Midcap Index returned 13.8%. Growth stocks outpaced value stocks across all capitalizations, with small caps in particular seeing wider dispersion, as the growth benchmark outperformed the value benchmark by more than 8% for the quarter. This trend reversed in the last month of the quarter, with leadership rotating toward value across all capitalizations, and large cap growth seeing negative returns for the month of June.
- According to FactSet Earnings Insight (as of July 2, 2026), the expected Q2 2026 earnings growth is 23.3% YoY, up from 18.8% at the start of the quarter. If this estimate holds, it would mark the second consecutive quarter of earnings growth above 20% and the seventh straight quarter of double-digit earnings growth. Revenue growth is projected to be 12.2%, the strongest pace since Q2 2022, while S&P 500 net profit margins are expected to remain robust at 14.2%, near record levels. Looking ahead, analysts forecast earnings growth of 24.1% for full-year 2026, supported by continued strength in technology and energy-related earnings.
- At quarter end, the S&P 500's adjusted positive forward price-to-earnings ratio stood at 23.1, roughly in line with its five-year average of 23.1. The Russell 2000 Index, which represents small-cap stocks, posted an adjusted positive forward price-to-earnings ratio was 21.0, above its five-year average of 17.5.

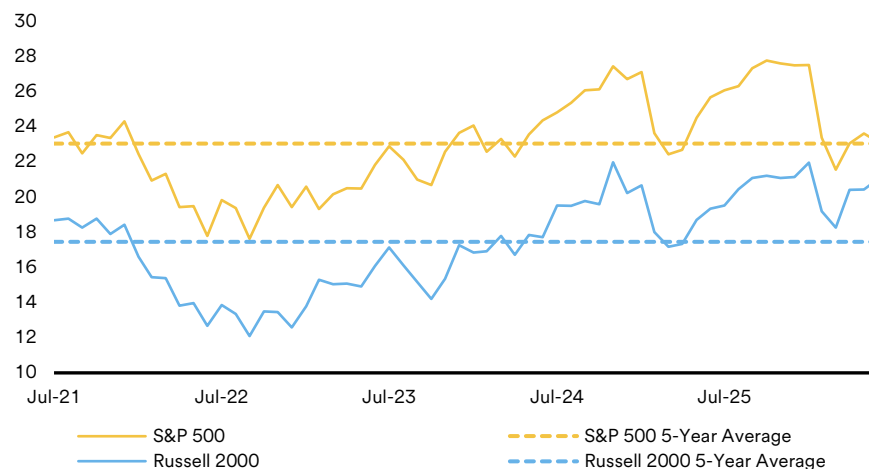
S&P 500 Index Performance by Sector

Periods Ended June 30, 2026



Source: Bloomberg.

P/E Ratios of Major U.S. Stock Indices*



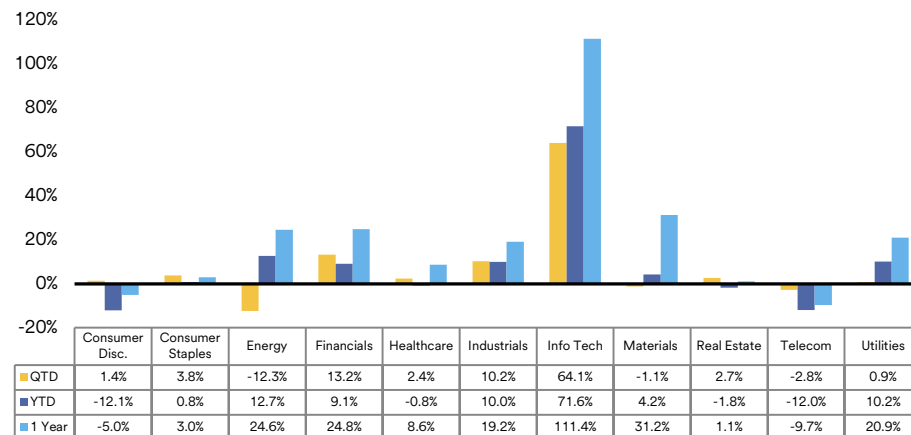
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

INTERNATIONAL EQUITY

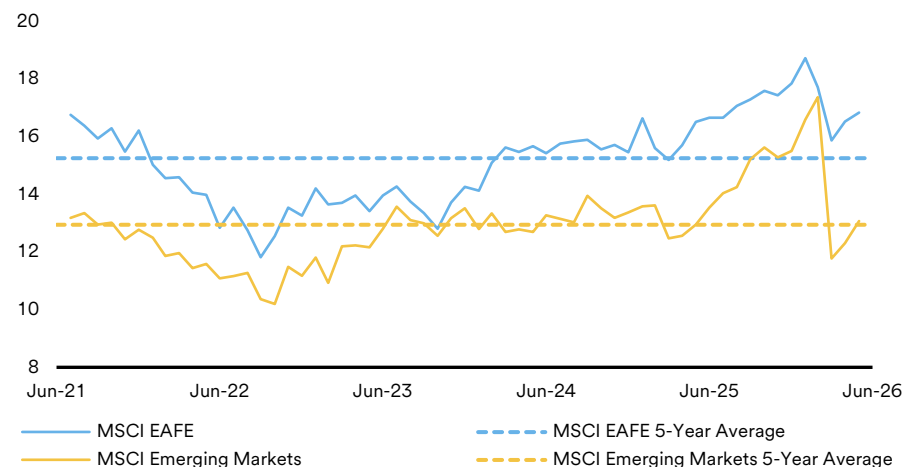
- International equity markets also posted strong gains in the second quarter. The MSCI AC World ex USA Index returned 14.5% for the quarter and 13.7% year to date. Developed ex-U.S. markets, represented by the MSCI EAFE Index, returned 10.8% for the quarter and 9.4% year to date. Emerging markets, represented by the MSCI Emerging Markets Index, returned 24.1% for the quarter and 23.8% year-to-date.
- Among the five largest-weighted countries in the MSCI EAFE Index, the MSCI Japan (+14.2%) and MSCI Switzerland (+12.2%) indices outperformed the broader index, while MSCI France (+8.7%), and MSCI Germany (+8.1%), and MSCI United Kingdom (+4.1%) indices underperformed.
- Within emerging markets (EM), MSCI Korea (+87.6%) and MSCI Taiwan (+48.9%) outperformed the MSCI Emerging Markets index, while MSCI China (-6.6%) and MSCI Brazil (-8.23%) returned negative for the quarter.
- International sector level performance was uneven, with three of the 11 sectors posting negative returns. The leading sector, Information Technology, returned 64.1% for the quarter. Financials returned 13.2% for the quarter, while Energy declined 12.3%, reversing strong gains earlier in the year.
- Value and growth stocks both posted positive returns outside the U.S. The MSCI ACWI ex U.S. Growth Index returned 17.0% for the quarter, while the MSCI ACWI ex U.S. Value Index returned 12.2%. Within emerging markets, growth (MSCI EM Growth) returned 26.0%, ahead of value (MSCI EM Value) at 20.7%.
- International equity valuations finished the quarter above recent averages for developed markets and near longer-term averages for emerging markets. The MSCI EAFE adjusted positive forward P/E ratio stood at 17.1 versus a five-year average of 15.3, while the MSCI Emerging Markets adjusted positive forward P/E ratio was 12.8 versus a five-year average of 12.9.

MSCI ACWI ex-U.S. Sectors
Periods Ended June 30, 2026



Source: Bloomberg.

P/E Ratios of MSCI Equity Indices*



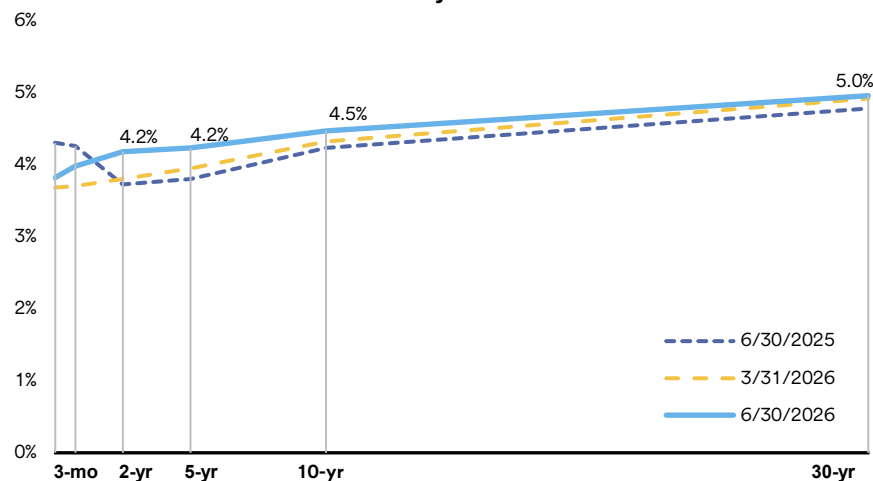
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

FIXED INCOME

- The U.S. bond market, as represented by the Bloomberg U.S. Aggregate Index, returned 0.7% in the second quarter of 2026 and 0.6% year to date. Intermediate government/credit bonds returned 0.4% for the quarter, while short-term Treasury bonds, represented by the Bloomberg U.S. Treasury 1-3 Year Index, returned 0.4%.
- The Bloomberg U.S. Treasury Index returned 0.3% in the second quarter as treasury yields moved modestly upwards. While the Fed held rates steady, treasury yields moved higher as investors reassessed the potential rate path. The 2-year Treasury yield rose from 3.8% at the end of March to 4.2% at quarter end, while the 10-year Treasury yield rose from 4.3% to 4.5%. The 30-year Treasury yield stayed near flat, rising 4 basis points to 5.0%. As of the quarter end, the market has priced in a 50% probability of a rate-hike at the September meeting.
- Credit markets generated positive returns during the quarter. The Bloomberg U.S. Corporate Index returned 1.4%, while the ICE BofA U.S. High Yield Index returned 2.5%. Investment-grade spreads narrowed to 74 basis points (bps) from 89 bps at the end of March, nearing the year-to-date tight of 71 bps set in January. High-yield spreads also narrowed to 270bps from 317bps. Both sit well below their long-term averages.

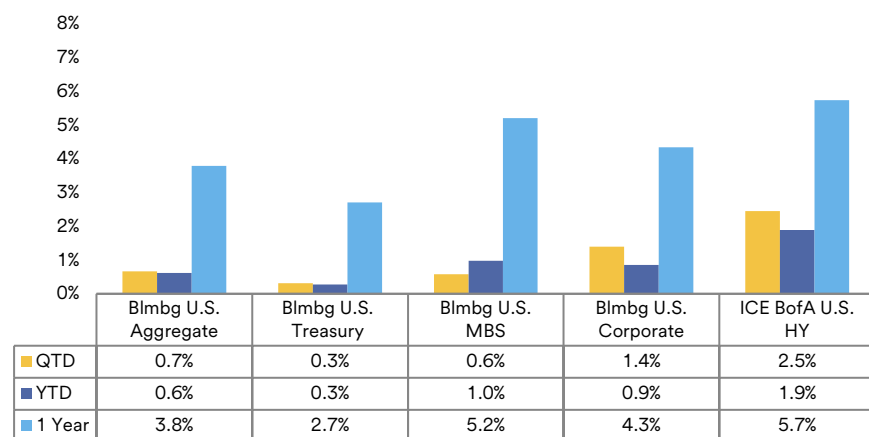
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended June 30, 2026



Source: Bloomberg.

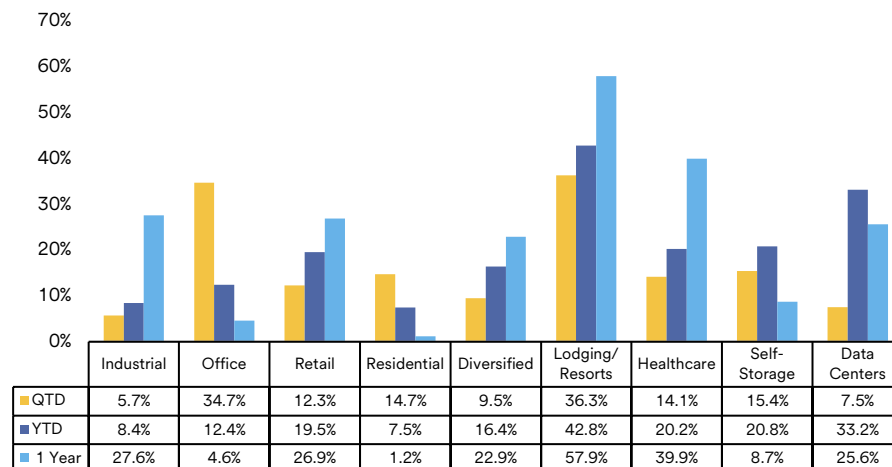
LISTED REAL ASSETS

- Real estate investment trusts (REITs), as measured by the FTSE NAREIT All Equity REITs Index, returned 10.7% for the quarter and 14.9% year-to-date. Within listed real estate, Office and Lodging/Resorts were the strongest subsectors, returning 34.7% and 36.3%, respectively. The weakest sectors were Data Centers (+7.5%) and Industrial (+5.7%).
- Performance of listed infrastructure lagged broader global equities as represented by the FTSE Global Core Infrastructure 50/50 Index, returning 2.3% in the second quarter and 10.7% year to date. The exposure to U.S. midstream energy was a drag for the quarter as energy prices fell in anticipation of a resolution in Iran, while listed infrastructure benefited from global exposure to utilities and transport.

ALTERNATIVES

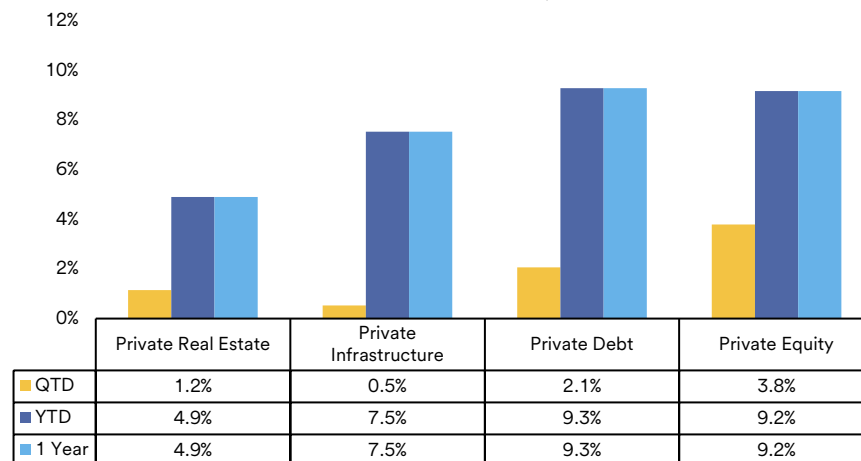
- Within private real assets, private real estate, as measured by the NCREIF Property Index, gained 1.2% in the fourth quarter of 2025. This was primarily driven by income return as capital return (price change less any capital expenditures) was flat for the quarter. Eight of the property sectors produced positive total returns. Senior housing continued to lead with a return of 3.3%, up from 2.9% during the third quarter.
- According to PitchBook, private infrastructure funds posted returns of 0.5% in the fourth quarter of 2025. Within infrastructure, datacenter demand continued to drive fundraising in Q1 2026. Infrastructure and real estate funds investing exclusively in datacenters and telecom infrastructure collectively raised \$26 billion in 2025.
- Private debt, as measured by the Cliffwater Direct Lending Index, continued to see steady performance, reporting a 2.1% return for the fourth quarter. Income remained high, delivering a 2.4% return in the fourth quarter. Realized losses remain substantially below their long-term historical average, while unrealized losses increased slightly, signaling a modest pickup in future credit losses.
- According to PitchBook, private equity funds returned 3.8% in the fourth quarter of 2025 and have generated an annualized return of 14.2% for the five years. The slowing of private equity fundraising activity extended into Q1 2026, with the strategy's rolling 12-month fundraising figure falling for an eighth consecutive quarter.

Listed Real Estate Returns by Sector



Source: Bloomberg.

Returns for Private Capital Assets Periods Ended December 31, 2025*



Source: NCREIF, PitchBook, Cliffwater.

*The most recent period for which all performance data is available.

Factors to Consider Over the Next 6-12 Months

Monetary Policy (Global):



- The Federal Reserve held rates steady at Chair Warsh's first meeting and removed forward guidance while shifting its focus to price stability. The June "dot plot" shifted more hawkish.
- Global central banks diverged, with ECB and BoJ hiking on persistent inflation while others remain on hold.

Economic Growth (Global):



- Global growth prospects improved following easing Middle East tensions, easing a key overhang on global supply chains and energy prices.
- AI-related productivity boost and easing tariff pressures are expected to mitigate downside risks to global growth amid geopolitical uncertainty and signs of softer consumer demand.

Inflation (U.S.):



- Headline inflation remains above target but may be at or near its peak as falling oil prices provide a disinflationary impulse.
- While long-run inflation expectations remain anchored, the Fed remains focused on the passthrough of higher energy prices into core inflation.

Financial Conditions (U.S.):



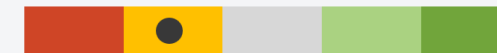
- Equity and fixed-income markets largely looked through the Middle East conflict, remaining focused on fundamentals and earnings strength.
- Recent capital raises amidst strong corporate fundamentals along with credit spreads near historical tight reflect steady financial conditions.

Consumer Spending (U.S.):



- Consumer spending remained resilient amidst high energy prices, supported by higher-income households while affordability pressures persist for lower-income consumers.
- Real wages have turned modestly negative as inflation outpaces nominal wage gains, eroding purchasing power. Savings rate at multi-year lows.

Labor Markets (U.S.):



- Recent payroll gains exceeding expectations and the unemployment rate holding steady. Falling labor force participation a concern.
- Hiring breadth remains narrow, concentrated in healthcare and social assistance.
- The "low-hire, low-fire" dynamic persists, with labor demand stable but hiring activity subdued.

Corporate Fundamentals:



- Earnings growth expectations continued to improve for 2026 and 2027 across global equities with double digit growth expected across U.S. and international equity benchmarks.
- In the U.S., AI related capex spend, M&A, tax changes and rising profit margins are positives.

Valuations:



- Valuations across U.S. equities and credit markets reflect resilient growth, strong earnings growth and profit margins.
- Equity markets recovered strongly in Q1 leading to valuations higher than averages.

Political/Policy Risks:



- Conflict with Iran and the ongoing geopolitical uncertainty remain center stage even as MoU is signed to resolve the U.S.-Iran conflict.
- Tariff-related uncertainty and upcoming mid-term elections in the U.S. also warrant attention.

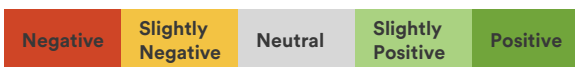


Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., at the time of distribution (June 30, 2026) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness, or suitability.

Investment Strategy Overview

Asset Class	Our Q3 2026 Investment Outlook	Comments
U.S. Equities		- The U.S.-Iran conflict has largely been resolved following the signing of an MoU, though some uncertainty remains and could affect energy prices and the inflation outlook, thereby impacting risk assets. - Underlying fundamentals remain supportive of positive equity returns, with corporate earnings expected to grow at a high double-digit pace. - Equity market broadening and strong earnings growth led us to modestly overweight domestic small caps in Q1, prior to the U.S.-Iran conflict. The subsequent recovery in valuations led us to close the overweight position and realign portfolios with strategic targets.
Large-Caps		
Small-Caps		
Non-U.S. Equities		Several major central banks outside the U.S. have begun raising rates in response to near-term inflation pressures. At the same time, relatively attractive valuations and strong earnings growth provide a cushion against rising inflation expectations.
Developed Markets		Emerging markets have been strong performers this year, driven by a rally in semiconductor-related companies, particularly in Korea and Taiwan. Earnings and profit margin estimates for EM equities continue to improve, while valuations remain attractive. However, a concentrated return profile, potential Fed rate hikes, and geopolitical uncertainty lead us to maintain an equal-weight allocation.
Emerging Markets		
Fixed Income		The Fed remains on hold, with its June projections signaling a more hawkish stance. Future rate decisions will be dependent on inflation moving closer to 2%, as energy-related pressures ease. Increased uncertainty around the rate path is expected to weigh on risk assets.
Core Bonds		Absolute yield levels remain attractive, while credit spreads are near historical lows. Returns are expected to be driven primarily by yield/carry rather than price appreciation. Strong profit margins, continued issuance, ongoing share buybacks, and active M&A activity point to a healthy corporate environment that remains supportive of credit spreads.
Investment Grade Credit		We remain neutral across both duration and credit sectors.
High Yield Credit		
Diversifying Assets		Listed REITs recovered more strongly than listed infrastructure in Q2 as the economic resilience narrative gained traction. However, the long-duration and rate-sensitive nature of both asset classes leads us to maintain a neutral stance.
Listed Real Estate		In addition to providing diversified sources of return, improving sentiment around AI continues to support data center and utility buildout, creating a favorable tailwind for listed real assets.
Listed Global Infrastructure		

● Current outlook ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., at the time of distribution (June 30, 2026) and are subject to change.

Sources

FactSet
Bloomberg
NCREIF
PitchBook
Cliffwater
U.S. Bureau of Economic Analysis (BEA)
University of Michigan
WTO in partnership with AXSMarine

Disclosures

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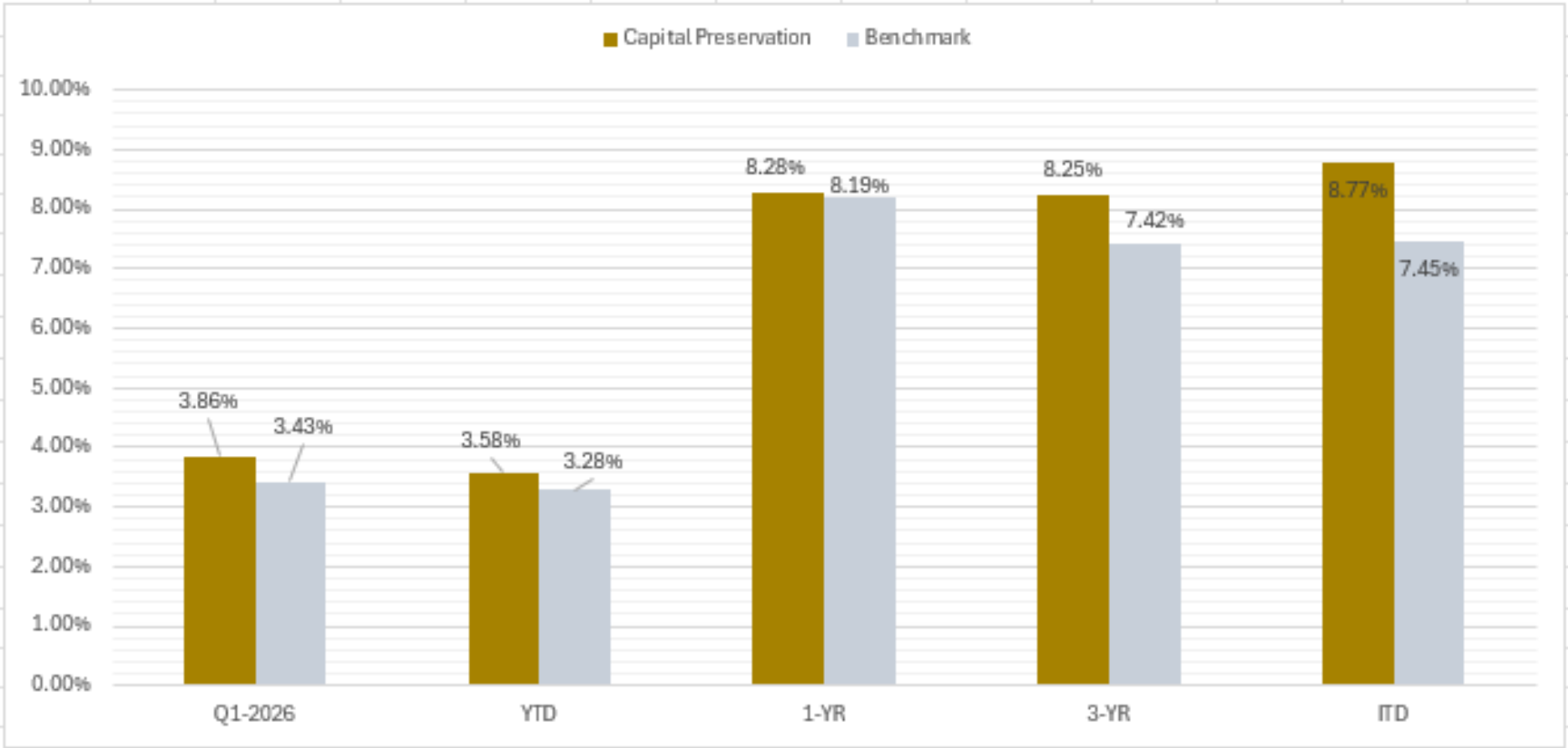
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Plan Performance Summary

INVESTMENT RETURNS - CAPITAL PRESERVATION

El Toro Water District - 401(k) Plan

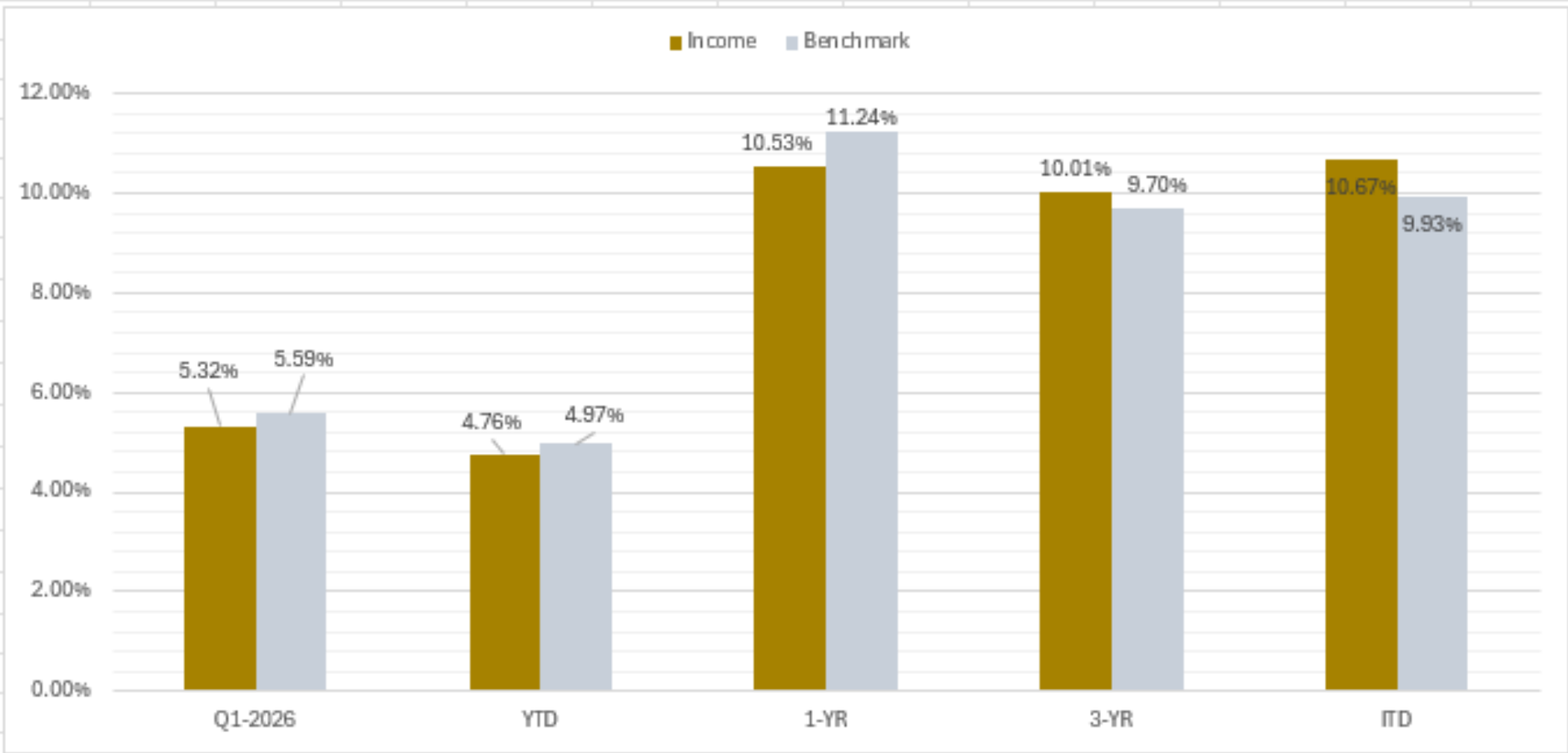
Annualized Total Rate of Return
as of June 30, 2026

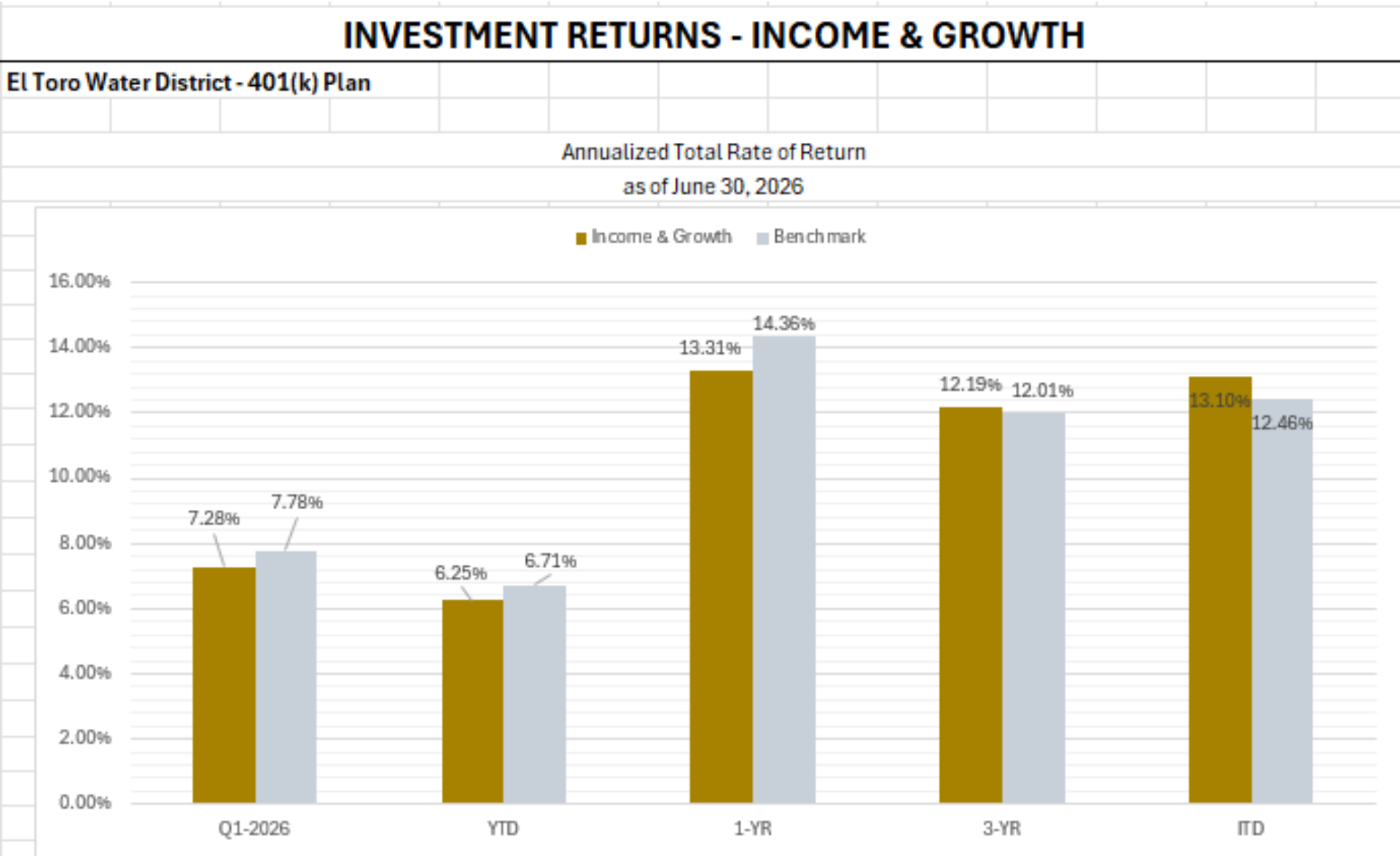


INVESTMENT RETURNS - INCOME

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of June 30, 2026

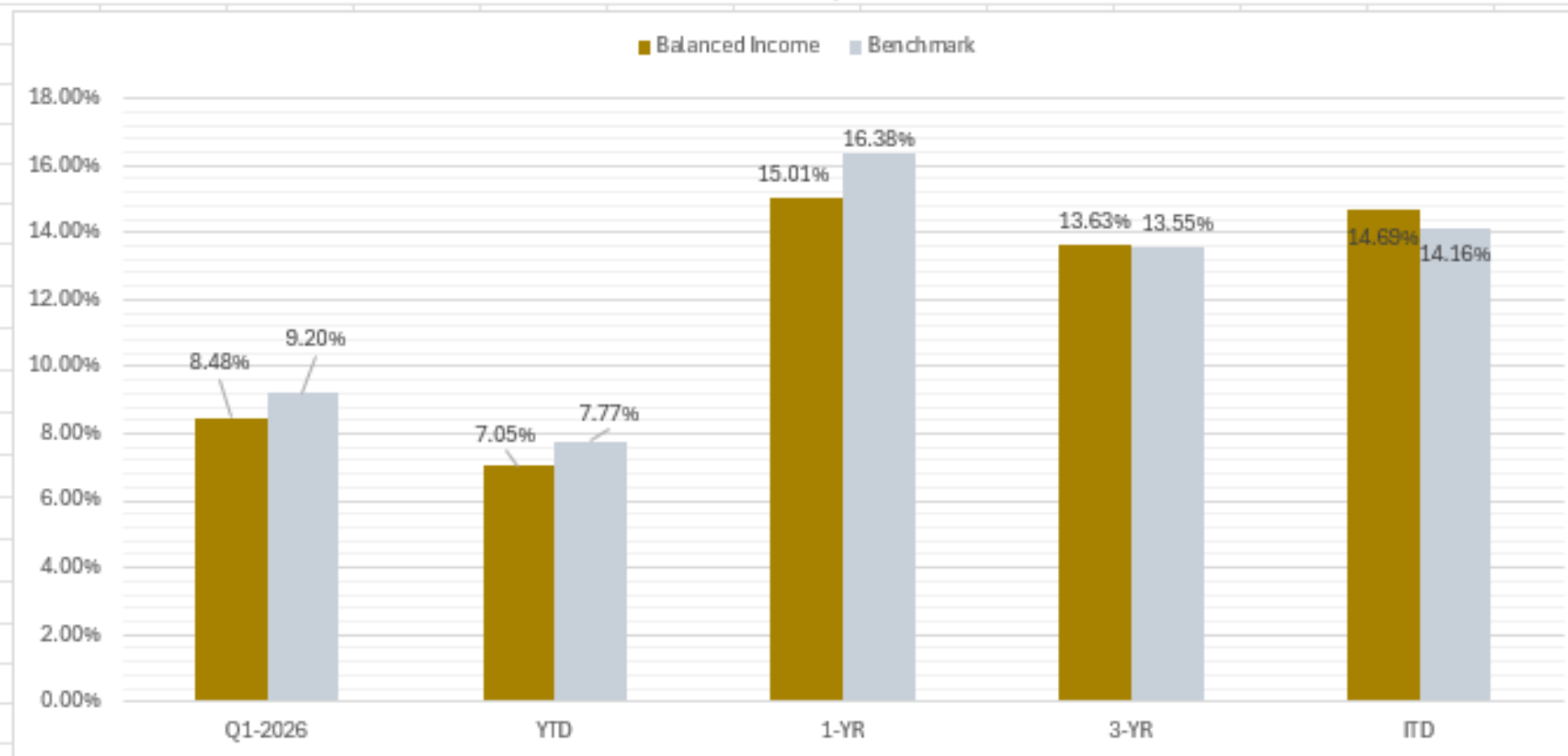




INVESTMENT RETURNS - BALANCED INCOME

El Toro Water District - 401(k) Plan

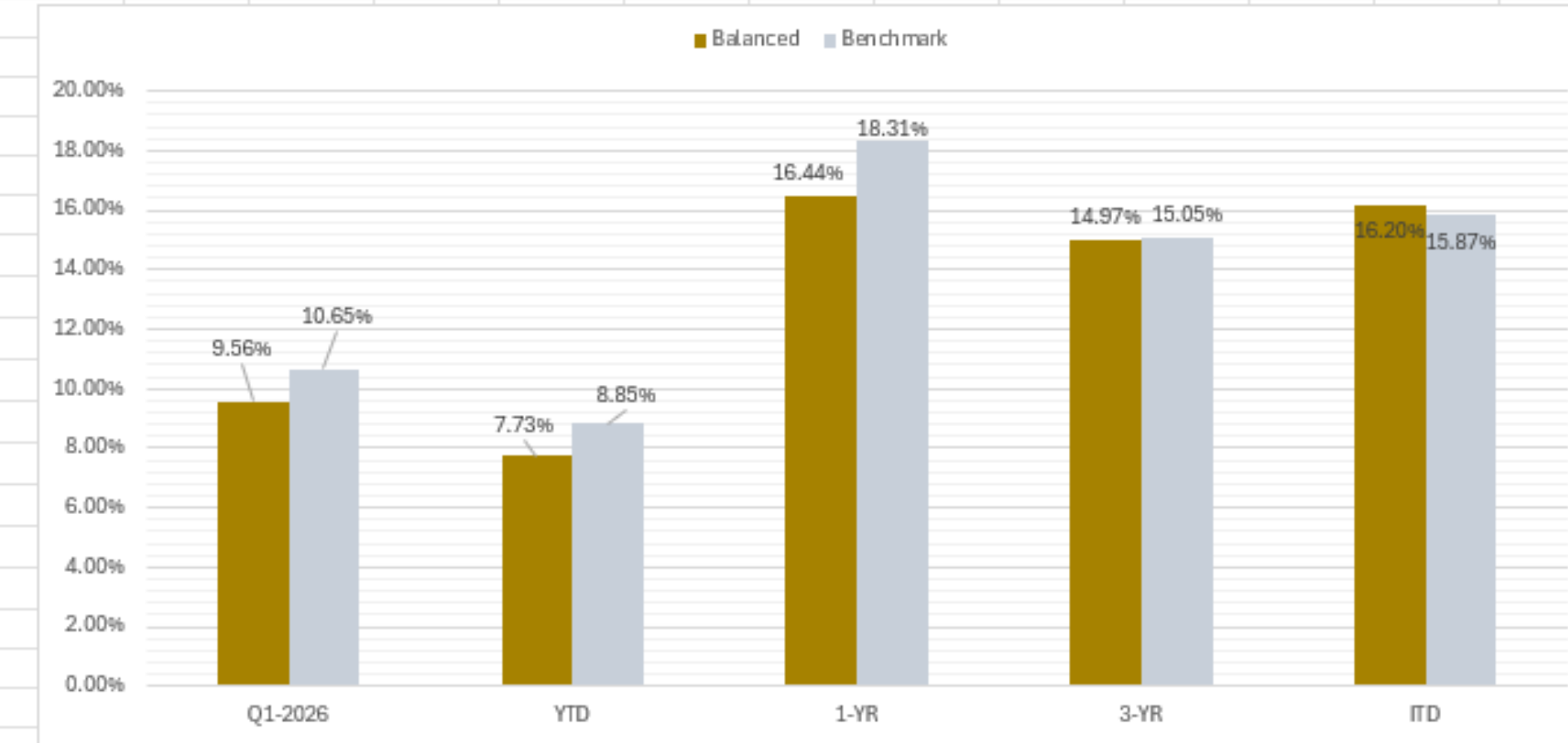
Annualized Total Rate of Return
as of June 30, 2026



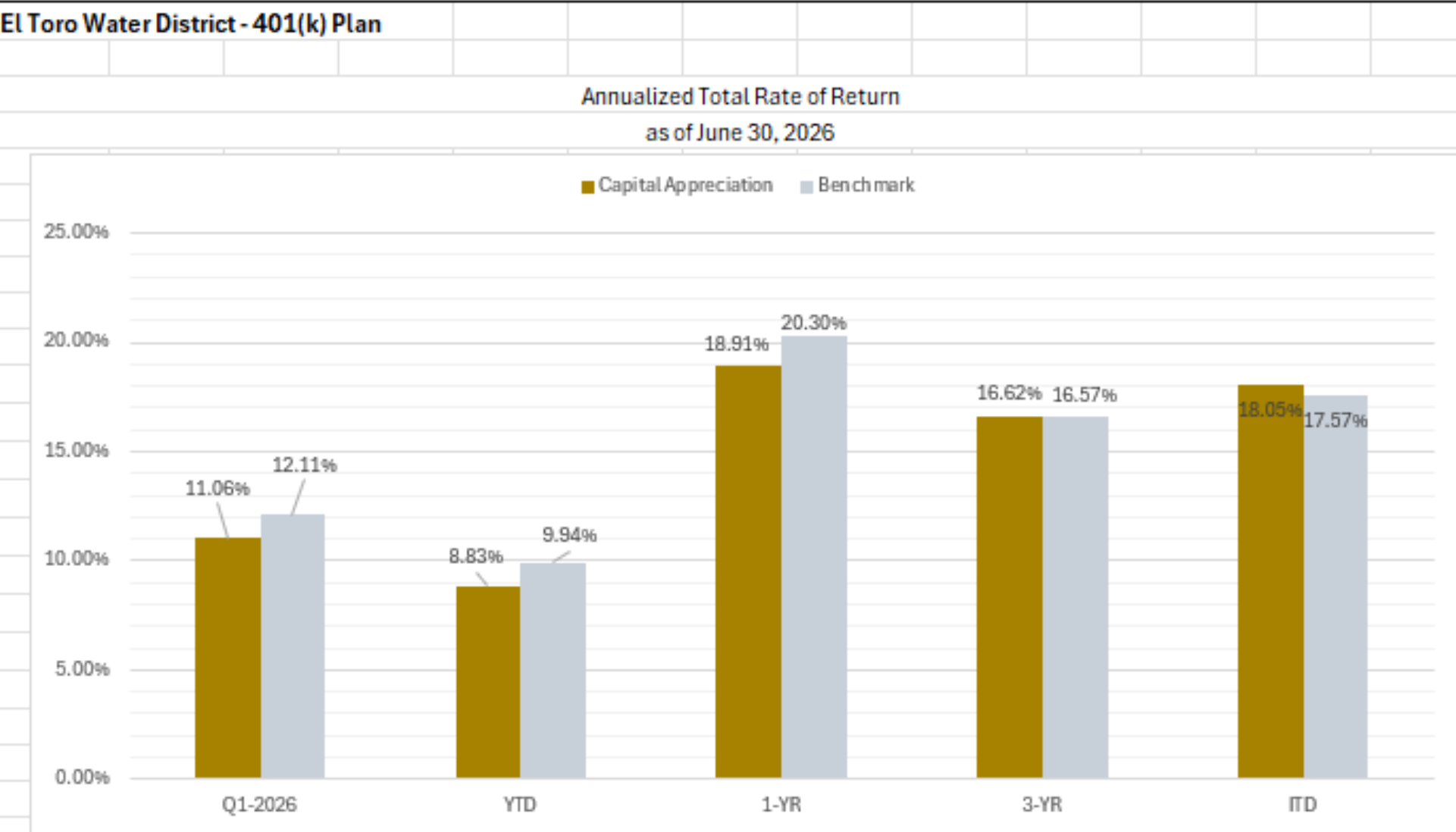
INVESTMENT RETURNS - BALANCED

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of June 30, 2026



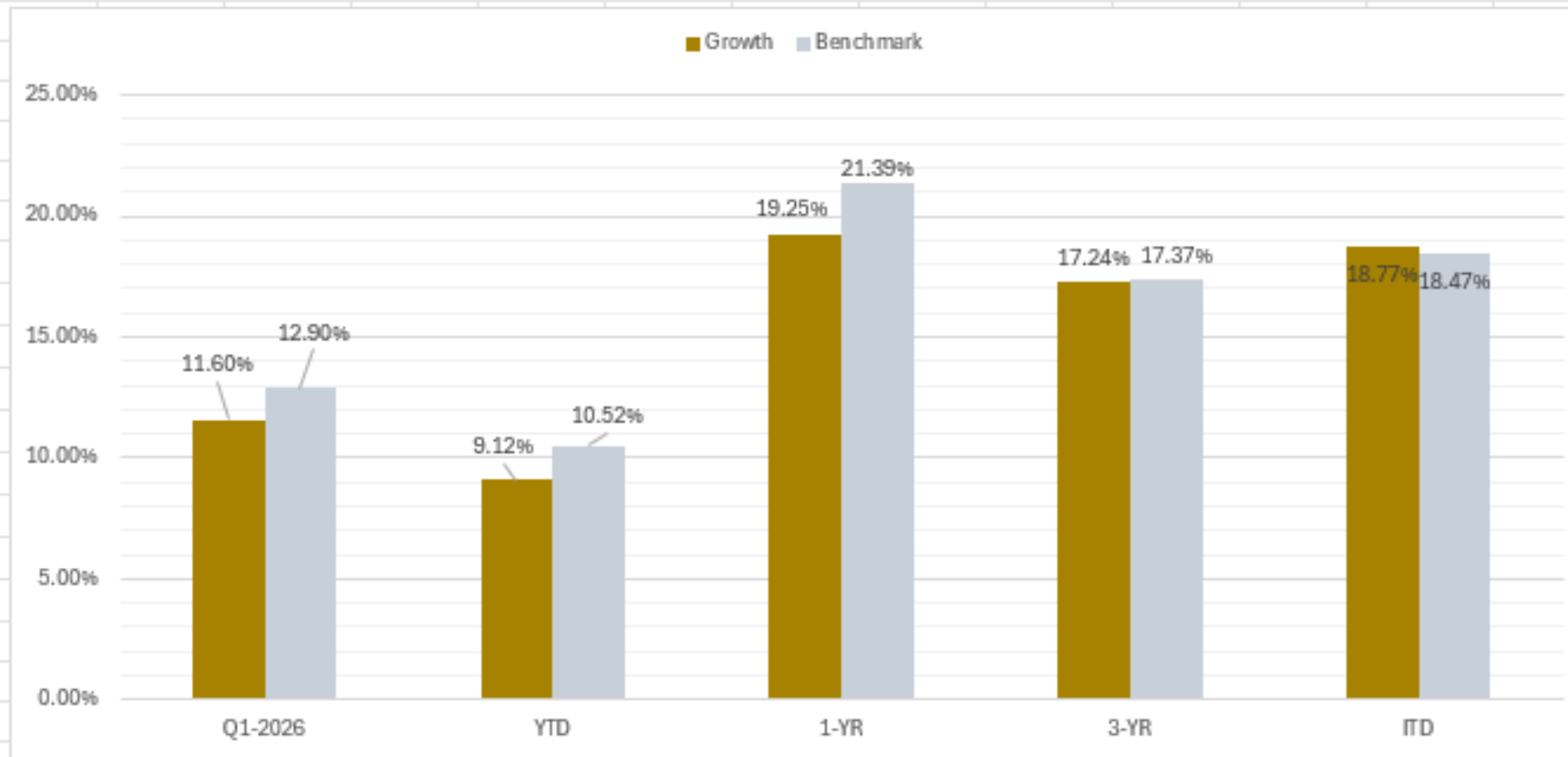
INVESTMENT RETURNS - CAPITAL APPRECIATION



INVESTMENT RETURNS - GROWTH

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of June 30, 2026



Asset Allocation & Performance

	Performance(%)						
	1 Quarter	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
Domestic Equity							
<i>Russell 3000 Index</i>	15.43	10.86	22.81	20.35	12.30	15.51	15.06
Dodge & Cox Stock	5.56 (87)	3.80 (95)	9.74 (96)	13.99 (77)	8.99 (82)	12.58 (34)	13.14 (13)
Columbia Contrarian Core Inst3	15.22 (35)	8.76 (59)	20.20 (53)	20.01 (41)	12.78 (35)	16.35 (14)	15.09 (30)
Vanguard Growth & Income Adm	15.23 (35)	9.46 (53)	22.54 (27)	21.25 (19)	13.72 (16)	16.28 (15)	15.43 (17)
Vanguard Growth Index Admiral	18.70 (41)	6.36 (50)	18.59 (33)	22.91 (31)	13.17 (21)	18.63 (15)	18.00 (20)
<i>S&P 500</i>	15.20	10.21	22.33	20.61	13.41	16.08	15.51
Vanguard 500 Index Admiral	15.19 (37)	10.19 (37)	22.27 (30)	20.56 (26)	13.36 (21)	16.03 (21)	15.46 (16)
<i>S&P 500</i>	15.20	10.21	22.33	20.61	13.41	16.08	15.51
<i>Russell Midcap Index</i>	13.83	15.30	21.63	16.51	8.50	11.93	12.00
Fidelity Mid Cap Index Fund	13.82 (56)	15.30 (56)	21.63 (56)	16.51 (35)	8.50 (53)	11.93 (34)	12.00 (25)
<i>Russell 2000 Index</i>	21.49	22.57	40.78	18.60	6.98	11.34	11.62
Vanguard Small Cap Index Fund Admiral Shares	16.02 (79)	18.24 (76)	29.48 (73)	16.72 (46)	7.68 (52)	11.47 (47)	11.74 (33)
International Equity							
<i>MSCI AC World ex USA (Net)</i>	14.49	13.68	27.66	18.82	8.79	10.16	9.93
Dodge & Cox International Stock	12.55 (17)	13.37 (24)	28.49 (27)	19.82 (48)	11.94 (44)	11.85 (35)	11.08 (21)
MFS International Growth R6	5.67 (94)	2.00 (89)	7.09 (70)	11.36 (60)	6.07 (29)	8.81 (45)	10.00 (24)
DFA Large Cap International I	7.40 (86)	10.22 (53)	22.79 (42)	17.83 (37)	10.08 (19)	10.90 (28)	10.32 (25)
<i>MSCI AC World ex USA (Net)</i>	14.49	13.68	27.66	18.82	8.79	10.16	9.93
Vanguard Emerging Mkts Stock Idx Adm	11.39 (88)	11.14 (90)	24.01 (87)	17.05 (82)	5.05 (70)	8.08 (76)	8.43 (74)
<i>MSCI EM (net)</i>	24.05	23.85	43.51	23.03	7.20	9.82	10.07

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

Asset Allocation & Performance

	Performance(%)						
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years
Other Growth							
Cohen & Steers Inst Realty Shares	9.99 (63)	14.00 (47)	12.45 (71)	10.04 (37)	4.42 (24)	7.08 (16)	6.89 (6)
MSCI US REIT Index	12.15	17.58	21.15	12.39	5.83	6.92	6.07
Lazard Global Listed Infrastructure Inst	1.11 (53)	8.15 (96)	15.57 (47)	14.14 (35)	11.55 (6)	9.73 (12)	10.41 (2)
MSCI World Core Infrastructure Index (Net)	1.09	9.00	11.31	11.51	6.59	6.67	7.91
Fixed Income							
Blmbg. U.S. Aggregate	0.67	0.62	3.79		0.08	1.22	1.54
Dodge & Cox Income	0.77 (33)	0.81 (21)	4.67 (6)	5.23 (5)	1.33 (3)	2.60 (1)	2.93 (2)
DoubleLine Core Fixed Income I	0.69 (86)	0.20 (93)	3.38 (85)	4.70 (52)	0.63 (28)	1.46 (63)	1.96 (56)
PGIM Total Return Bond R6	1.02 (44)	1.05 (19)	4.62 (15)	5.44 (15)	0.64 (27)	1.81 (38)	2.46 (23)
PIMCO Income Instl	2.09 (33)	1.53 (51)	6.78 (11)	7.77 (20)	3.83 (9)	4.18 (21)	4.81 (8)
Vanguard Long-Term Investment-Grade Adm	1.99 (5)	1.15 (7)	4.55 (20)	3.24 (100)	-2.74 (100)	0.36 (100)	1.63 (98)
Blmbg. U.S. Aggregate	0.67	0.62	3.79	4.16	0.08	1.22	1.54
Cash Equivalent							
ICE BofA 3 Month U.S. T-Bill	0.88	1.74	3.84	4.64	3.52	2.75	2.34
Guaranteed Income Fund	0.76 (84)	1.51 (87)	3.02 (92)	N/A	N/A	N/A	N/A
ICE BofA 3 Month U.S. T-Bill	0.88	1.74	3.84	4.64	3.52	2.75	2.34

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Benchmark Performance

	Performance(%)				
	1 Quarter	Year To Date	1 Year	3 Years	Jan-2023 To Jun-2026
Capital Preservation Benchmark	3.43	3.28	8.19	7.42	7.45
Income Benchmark	5.59	4.97	11.24	9.70	9.93
Income & Growth Benchmark	7.78	6.71	14.36	12.01	12.46
Balanced Income Benchmark	9.20	7.77	16.38	13.55	14.16
Balanced Benchmark	10.65	8.85	18.31	15.05	15.87
Capital Appreciation Benchmark	12.11	9.94	20.30	16.57	17.57
Growth Benchmark	12.91	10.52	21.39	17.37	18.47

Capital Preservation Benchmark - 12% S&P 500, 2% Russell MidCap, 2% Russell 2000, 3% MSCI EAFE, 1% MSCI Emerging Markets, 44% Bloomberg US Aggregate Bond, 17% Bloomberg 1-3 Year Government/Credit Bond, 14% HFRI FOF: Market Defensive Index*, 5% ICE BofAML 3 Mo US T-Bill

Income Benchmark - 21% S&P 500, 3% Russell MidCap, 3% Russell 2000, 6% MSCI EAFE, 2% MSCI Emerging Market, 36% Bloomberg US Aggregate Bond, 14% Bloomberg 1-3 Year Government/Credit Bond, 13% % HFRI FOF: Market Defensive Index*, 2% ICE BofAML 3 Mo US T-Bill

Income & Growth Benchmark - 30% S&P 500, 4% Russell MidCap, 4% Russell 2000, 9% MSCI EAFE, 3% MSCI Emerging Market, 25% Bloomberg US Aggregate Bond, 10% Bloomberg 1-3 Year Government/Credit Bond, 13% HFRI FOF: Market Defensive Index*, 2% ICE BofAML 3 Mo US T-Bill

Balanced Income Benchmark - 36% S&P 500, 4% Russell MidCap, 4% Russell 2000, 12% MSCI EAFE, 4% MSCI Emerging Market, 19% Bloomberg US Aggregate Bond, 8% Bloomberg 1-3 Year Government/Credit Bond, 12% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

Balanced Benchmark - 42% S&P 500, 5% Russell MidCap, 5% Russell 2000, 14% MSCI EAFE, 4% MSCI Emerging Market, 14% Bloomberg Aggregate Bond, 6% Bloomberg 1-3 Year Government/Credit Bond, 9% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

Capital Appreciation Benchmark - 48% S&P 500, 6% Russell MidCap, 6% Russell 2000, 16% MSCI EAFE, 4% MSCI Emerging Markets, 8% Bloomberg US Aggregate Bond, 4% Bloomberg 1-3 Year Government/Credit Bond, 7% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

Growth Benchmark - 51% S&P 500, 6% Russell MidCap, 6% Russell 2000, 17% MSCI EAFE, 5% MSCI Emerging Markets, 6% Bloomberg US Aggregate Bond, 3% Bloomberg 1-3 Year Government/Credit Bond, 5% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

*The official benchmark for the Plan is the Wilshire Liquid Alternatives Index. In 1Q 2025, PFMAM lost access to the historical performance of this index. For purposes of updating our blended benchmark, we are using a representative index for liquid alternative investing: the HFRI FOF: Market Defensive Index.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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GoalMaker Performance Report

El Toro Water District



GoalMaker Performance Report

Performance as of June 30, 2026

Risk Level	Weighted Average Annual Return							
	Target Date	Weighted Net Expense	QTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Moderate	2070	0.31%	11.60	19.25	17.24	--	--	18.77
	2065	0.31%	11.60	19.25	17.24	--	--	18.77
	2060	0.31%	11.60	19.25	17.24	--	--	18.77
	2055	0.31%	11.60	19.25	17.24	--	--	18.77
	2050	0.31%	11.06	18.61	16.62	--	--	18.05
	2045	0.33%	9.56	16.44	14.97	--	--	16.20
	2040	0.34%	8.48	15.01	13.63	--	--	14.69
	2035	0.34%	7.28	13.31	12.19	--	--	13.10
	2030	0.38%	5.32	10.53	10.01	--	--	10.67
	2025	0.39%	3.86	8.28	8.25	--	--	8.77
	2020	0.39%	3.86	8.28	8.25	--	--	8.77
	2015	0.39%	3.86	8.28	8.25	--	--	8.77
	2010	0.39%	3.86	8.28	8.25	--	--	8.77
	2005	0.39%	3.86	8.28	8.25	--	--	8.77

The performance quoted represents past performance. The investment value and return will fluctuate so that an investment, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please call 1-800-345-2345. Past performance is no guarantee of future performance.

GoalMaker Performance Report

El Toro Water District

Performance as of June 30, 2026

Group/Investment	Weighted Net Expense	Weighted Average Annual Return					
		QTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Target Date 2005							
Empower GoalMaker Conservative 2005	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
Empower GoalMaker Moderate 2005	0.39%	3.86	8.28	8.25	--	--	8.77
Empower GoalMaker Aggressive 2005	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
US Fund Target-Date 2000-2010	--	5.09	10.26	9.24	4.04	5.92	--
Target Date 2010							
Empower GoalMaker Conservative 2010	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
Empower GoalMaker Moderate 2010	0.39%	3.86	8.28	8.25	--	--	8.77
Empower GoalMaker Aggressive 2010	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
US Fund Target-Date 2000-2010	--	5.09	10.26	9.24	4.04	5.92	--
Target Date 2015							
Empower GoalMaker Conservative 2015	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
Empower GoalMaker Moderate 2015	0.39%	3.86	8.28	8.25	--	--	8.77
Empower GoalMaker Aggressive 2015	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
US Fund Target-Date 2015	--	5.67	11.03	9.74	4.36	6.35	--
Target Date 2020							
Empower GoalMaker Conservative 2020	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
Empower GoalMaker Moderate 2020	0.39%	3.86	8.28	8.25	--	--	8.77
Empower GoalMaker Aggressive 2020	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
US Fund Target-Date 2020	--	6.18	11.85	10.35	4.70	6.90	--
Target Date 2025							
Empower GoalMaker Conservative 2025	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
Empower GoalMaker Moderate 2025	0.39%	3.86	8.28	8.25	--	--	8.77
Empower GoalMaker Aggressive 2025	0.36%	(7.81)	(31.62)	(31.43)	--	--	(31.14)
US Fund Target-Date 2025	--	6.92	12.96	11.14	5.15	7.66	--
Target Date 2030							
Empower GoalMaker Conservative 2030	0.34%	(11.03)	(42.34)	(42.23)	--	--	(41.89)
Empower GoalMaker Moderate 2030	0.38%	5.32	10.53	10.01	--	--	10.67
Empower GoalMaker Aggressive 2030	0.34%	(11.03)	(42.34)	(42.23)	--	--	(41.89)
US Fund Target-Date 2030	--	7.80	14.15	12.14	5.80	8.41	--
Target Date 2035							
Empower GoalMaker Conservative 2035	0.32%	(13.39)	(50.36)	(50.37)	--	--	(49.98)
Empower GoalMaker Moderate 2035	0.34%	7.28	13.31	12.19	--	--	13.10
Empower GoalMaker Aggressive 2035	0.32%	(13.39)	(50.36)	(50.37)	--	--	(49.98)
US Fund Target-Date 2035	--	9.34	16.43	13.84	6.90	9.48	--
Target Date 2040							
Empower GoalMaker Conservative 2040	0.31%	(15.73)	(56.83)	(56.89)	--	--	(56.49)

GoalMaker Performance Report

El Toro Water District

Performance as of June 30, 2026

Group/Investment	Weighted Net Expense	Weighted Average Annual Return					
		QTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Empower GoalMaker Moderate 2040	0.34%	8.48	15.01	13.63	--	--	14.69
Empower GoalMaker Aggressive 2040	0.31%	(15.73)	(56.83)	(56.89)	--	--	(56.49)
US Fund Target-Date 2040	--	11.23	19.32	15.59	8.04	10.42	--
Target Date 2045							
Empower GoalMaker Conservative 2045	0.31%	(15.94)	(58.48)	(58.61)	--	--	(58.17)
Empower GoalMaker Moderate 2045	0.33%	9.56	16.44	14.97	--	--	16.20
Empower GoalMaker Aggressive 2045	0.31%	(15.94)	(58.48)	(58.61)	--	--	(58.17)
US Fund Target-Date 2045	--	12.13	20.72	16.79	8.82	11.08	--
Target Date 2050							
Empower GoalMaker Conservative 2050	0.29%	(18.58)	(64.28)	(64.39)	--	--	(63.96)
Empower GoalMaker Moderate 2050	0.31%	11.06	18.61	16.62	--	--	18.05
Empower GoalMaker Aggressive 2050	0.29%	(18.58)	(64.28)	(64.39)	--	--	(63.96)
US Fund Target-Date 2050	--	13.14	22.22	17.49	9.25	11.36	--
Target Date 2055							
Empower GoalMaker Conservative 2055	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
Empower GoalMaker Moderate 2055	0.31%	11.60	19.25	17.24	--	--	18.77
Empower GoalMaker Aggressive 2055	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
US Fund Target-Date 2055	--	13.25	22.33	17.77	9.43	11.50	--
Target Date 2060							
Empower GoalMaker Conservative 2060	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
Empower GoalMaker Moderate 2060	0.31%	11.60	19.25	17.24	--	--	18.77
Empower GoalMaker Aggressive 2060	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
US Fund Target-Date 2060	--	13.38	22.56	17.89	9.51	11.64	--
Target Date 2065							
Empower GoalMaker Conservative 2065	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
Empower GoalMaker Moderate 2065	0.31%	11.60	19.25	17.24	--	--	18.77
Empower GoalMaker Aggressive 2065	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
US Fund Target-Date 2065+	--	13.42	22.59	17.98	9.64	-	--
Target Date 2070							
Empower GoalMaker Conservative 2070	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
Empower GoalMaker Moderate 2070	0.31%	11.60	19.25	17.24	--	--	18.77
Empower GoalMaker Aggressive 2070	0.28%	(19.70)	(66.83)	(66.97)	--	--	(66.54)
US Fund Target-Date 2065+	--	13.42	22.59	17.98	9.64	-	--

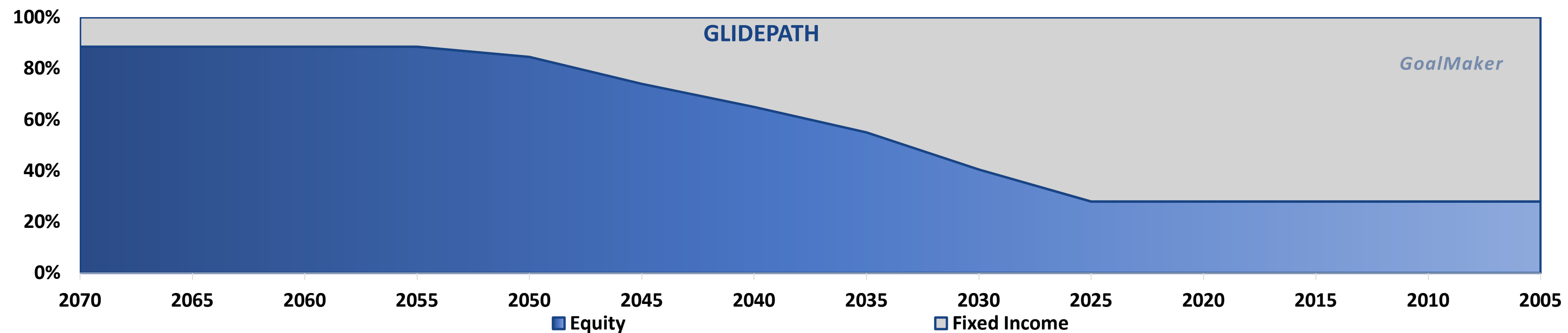
GoalMaker Performance Report

El Toro Water District

Allocation Summary as of June 30, 2026

Moderate Model

Asset Class	Investment Options	2070	2065	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010	2005
Stable Value	Guaranteed Income Fund	1%	1%	1%	1%	1%	2%	3%	4%	4%	4%	4%	4%	4%	4%
Fixed Income	Dodge & Cox Income - I	4%	4%	4%	4%	5%	8%	11%	14%	20%	24%	24%	24%	24%	24%
Fixed Income	PGIM Total Return Bond R6	2%	2%	2%	2%	3%	4%	6%	7%	10%	12%	12%	12%	12%	12%
Fixed Income	DoubleLine Core Fixed Income R6	4%	4%	4%	4%	5%	8%	11%	14%	20%	24%	24%	24%	24%	24%
Fixed Income	PIMCO Income Instl	1%	1%	1%	1%	1%	1%	1%	1%	2%	2%	2%	2%	2%	2%
Fixed Income	Vanguard Long-Term Investment-Grade Adm	1%	1%	1%	1%	1%	2%	3%	4%	5%	6%	6%	6%	6%	6%
Large Cap Stock - Value	Dodge & Cox Stock - I	7%	7%	7%	7%	7%	6%	5%	4%	3%	2%	2%	2%	2%	2%
Large Cap Stock - Blend	Columbia Contrarian Core Instl 3	14%	14%	14%	14%	13%	11%	10%	8%	5%	3%	3%	3%	3%	3%
Large Cap Stock - Blend	Vanguard Growth & Income Adm	14%	14%	14%	14%	13%	11%	10%	8%	5%	3%	3%	3%	3%	3%
Large Cap Stock - Growth	Vanguard Growth Index Adm	7%	7%	7%	7%	7%	6%	4%	3%	2%	3%	3%	3%	3%	3%
International Stock	Dodge & Cox International Stock - I	2%	2%	2%	2%	2%	2%	2%	1%	1%	0%	0%	0%	0%	0%
International Stock	DFA Large Cap International I	10%	10%	10%	10%	10%	8%	7%	7%	5%	3%	3%	3%	3%	3%
International Stock	MFS International Growth R6	2%	2%	2%	2%	2%	2%	2%	1%	1%	0%	0%	0%	0%	0%
Diversified Emerging Markets	Vanguard Emerging Mkts Stock Idx Adm	5%	5%	5%	5%	5%	4%	3%	2%	1%	1%	1%	1%	1%	1%
Other	Cohen & Steers Instl Realty Shares	2%	2%	2%	2%	2%	3%	3%	4%	5%	6%	6%	6%	6%	6%
Other	Lazard Global Listed Infrs Port Inst	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Mid Cap Blend	Fidelity Mid Cap Index	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Large Cap Stock - Blend	Vanguard 500 Index Admiral	12%	12%	12%	12%	11%	9%	8%	7%	5%	2%	2%	2%	2%	2%
Small Cap Blend	Vanguard Small Cap Index Adm	11%	11%	11%	11%	11%	8%	8%	7%	4%	2%	2%	2%	2%	2%



GoalMaker Disclosures

The calculated returns shown are the weighted average returns of the underlying funds for the GoalMaker models based on allocations prior to 06/30/2026

Returns are net of product expenses and fees and before any contract charges, with the exception of any fees the sponsor may have directed to be deducted from participant accounts. The performance shown for the GoalMaker models is for illustrative purposes only and does not reflect the actual experience of any individual participant in the program. This performance was calculated with the retroactive application of a model with the benefit of hindsight. The performance shown 1) was rebalanced on a periodic basis as per your plan 2) assumes no changes to the asset allocation percentages or to the investment options for the relevant periods 3) assumes that an individual was enrolled in GoalMaker for the entire relevant time period and 4) assumes an initial investment but does not include the effect of periodic contributions or withdrawals.

The performance quoted represents past performance. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

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Carefully consider the investment option's objectives, risks, fees, and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.

GoalMaker Disclosures

Asset Allocation Models are pre-established asset allocation strategies comprised of the plan's core investment options. The models are not securities. Allocations to a model will be invested in various underlying investment options comprising each model, as made available by the plan and according to the model's allocation methodology.

An Asset Allocation Model provides targeted asset allocation and allocates your account across the model's underlying investments. The plan may include Asset Allocation Models designed according to certain risk levels (e.g. Aggressive, Moderate or Conservative), Asset Allocation Models that follow a glide path based on a target date (2025, 2030, 2035 etc.), or both model types depending upon the models selected by the plan. Neither of which is without risk or guarantee of positive returns. The date in the name of a target date model is an assumed date in which an investor will retire. The asset allocation becomes more conservative as the target retirement date nears, and depending on the model's design, can remain static at the target date or adjust further through retirement. There is no guarantee the investment will provide adequate retirement income.

Asset Allocation Models are subject to change at the plan's (or an authorized representative thereof) discretion.

Investors should review the prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, for underlying fund objectives, risks, fees and expenses. Investors should also periodically reassess their investments to make sure their model continues to correspond to their changing risk tolerance and retirement time horizon.

Empower is not undertaking to provide investment advice with respect to the presentation of any particular investment option or asset allocation model described herein.

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EL TORO WATER DISTRICT RETIREMENT SAVINGS PLAN - 524723-01

Investment Performance as of 06/30/2026



The performance data quoted represents past performance of the Sub-account. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For performance information current to the most recent month end, please call 1-800-345-2345 or visit our website at www.empower.com. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

The prospectus contains information related to investment objectives, risks, charges, and expenses as well as other important information. Investors should read the prospectuses carefully before investing and consider such objectives, risks, charges, expenses, and important information. Please call 1-800-345-2345 for a free prospectus.

Performance data quoted represents past performance and is not a guarantee or prediction of future results. The investment return and principal value of an investment will fluctuate so that, when redeemed, shares/units may be worth more or less than their original cost. Current performance may be lower or higher than performance data shown. Performance for a share class before its inception is derived from the historical performance of the oldest share class. If the newer fund has lower expenses, the extended performance is not adjusted for the lower expenses; had it, returns would have been higher. For performance data current to the most recent month-end, please visit empowermyretirement.com.

INVESTMENT OPTION	Ticker	Gross/Net Expense Ratio ⁷	Inception Date	Returns as of Month Ending 06/30/2026						Returns as of Quarter Ending 06/30/2026					Calendar Year Returns		
				1 Month	YTD	1 Year	3 Year	5 Year	10 Year/Since Inception	3 Month	1 Year	3 Year	5 Year	10 Year/Since Inception	2025	2024	2023
International Funds																	
DFA Large Cap International I ³	DFALX	0.18 / 0.18	07-17-1991	-0.40	10.22	22.79	17.83	10.08	10.32	7.40	22.79	17.83	10.08	10.32	33.91	4.56	17.87
Dodge & Cox International Stock - I ³	DODFX	0.61 / 0.61	05-01-2001	1.25	13.37	28.49	19.82	11.94	11.08	12.55	28.49	19.82	11.94	11.08	38.71	3.80	16.70
Fidelity Emerging Markets Index ³	FPADX	0.07 / 0.07	09-08-2011	0.58	26.17	45.96	23.35	7.36	9.99	21.98	45.96	23.35	7.36	9.99	33.94	6.80	9.50
Lazard Global Listed Infrs Port Inst ³	GLIFX	0.96 / 0.96	12-31-2009	-0.89	8.15	15.57	14.14	11.55	10.41	1.11	15.57	14.14	11.55	10.41	23.86	6.71	10.89
MFS International Growth R6 ^{3,18}	MGRDX	0.70 / 0.69	05-01-2006	-1.86	2.00	7.09	11.36	6.07	10.00	5.67	7.09	11.36	6.07	10.00	21.23	9.24	14.96
Vanguard Emerging Mkts Stock Idx Adm ³	VEMAX	0.13 / 0.13	06-23-2006	-0.08	11.14	24.01	17.05	5.05	8.43	11.39	24.01	17.05	5.05	8.43	24.75	10.95	9.21
MSCI EAFE Index ¹	N/A	- / -		0.07	9.44	20.23	16.44	9.05	9.66	10.82	20.23	16.44	9.05	9.66	31.22	3.82	18.24
Specialty																	
Cohen & Steers Instl Realty Shares ^{6,13}	CSRIX	0.76 / 0.75	02-14-2000	0.73	14.00	12.45	10.04	4.42	6.89	9.99	12.45	10.04	4.42	6.89	3.09	6.24	12.72
Small Cap Funds																	
Nomura Small Cap Core R6 ⁴	DCZRX	0.69 / 0.69	05-02-2016	7.46	20.50	31.02	14.05	6.92	11.24	20.93	31.02	14.05	6.92	11.24	4.73	10.41	14.12
Emerald Growth Institutional ^{4,15}	FGROX	0.80 / 0.78	10-21-2008	10.64	38.29	73.13	31.82	13.78	16.89	39.16	73.13	31.82	13.78	16.89	31.95	19.41	19.06
Undiscovered Mgrs Behavioral Value R6 ^{4,21}	UBVFX	0.84 / 0.80	04-30-2013	4.37	12.36	17.45	12.96	8.52	10.64	9.15	17.45	12.96	8.52	10.64	1.84	10.35	14.57
Vanguard Morningstar Small-Cap Index Adm ⁴	VSMAX	0.05 / 0.05	11-13-2000	3.51	18.24	29.48	16.72	7.68	11.74	16.02	29.48	16.72	7.68	11.74	8.83	14.23	18.20
Russell 2000 Index ^{1,10}	N/A	- / -		3.74	22.57	40.78	18.60	6.98	11.63	21.49	40.78	18.60	6.98	11.63	12.81	11.54	16.93
Mid Cap Funds																	
Fidelity Mid Cap Index ⁴	FSMDX	0.03 / 0.03	09-08-2011	3.10	15.30	21.63	16.51	8.50	12.00	13.82	21.63	16.51	8.50	12.00	10.57	15.35	17.21

EL TORO WATER DISTRICT RETIREMENT SAVINGS PLAN - 524723-01 (Continued)

INVESTMENT OPTION	Ticker	Gross/Net Expense Ratio ⁷	Inception Date	Returns as of Month Ending 06/30/2026						Returns as of Quarter Ending 06/30/2026					Calendar Year Returns		
				1 Month	YTD	1 Year	3 Year	5 Year	10 Year/Since Inception	3 Month	1 Year	3 Year	5 Year	10 Year/Since Inception	2025	2024	2023
Vanguard Morningstar Mid-Cap Index Adm ⁴	VIMAX	0.05 / 0.05	11-12-2001	2.40	11.84	16.75	15.32	7.94	11.77	12.55	16.75	15.32	7.94	11.77	11.67	15.22	15.98
S & P MidCap 400 Index ^{1,9}	N/A	- / -		3.59	17.34	25.89	15.41	9.07	11.65	14.47	25.89	15.41	9.07	11.65	7.50	13.93	16.44
Large Cap Funds																	
Columbia Contrarian Core Instl 3 ²⁴	COFYX	0.61 / 0.61	11-08-2012	-0.89	8.76	20.20	20.01	12.78	15.09	15.22	20.20	20.01	12.78	15.09	17.51	23.51	32.21
Dodge & Cox Stock - I ²⁴	DODGX	0.51 / 0.51	01-04-1965	0.21	3.80	9.74	13.99	8.99	13.14	5.56	9.74	13.99	8.99	13.14	13.65	14.51	17.48
Harbor Capital Appreciation Retirement ^{16,24}	HNACX	0.64 / 0.59	03-01-2016	-4.22	4.82	11.11	20.59	9.56	17.76	17.68	11.11	20.59	9.56	17.76	14.04	30.57	53.86
PIMCO RAE US Instl ^{19,24}	PKAIX	0.41 / 0.40	06-05-2015	0.18	23.02	39.71	22.33	14.49	13.73	13.84	39.71	22.33	14.49	13.73	19.60	11.18	17.07
Vanguard 500 Index Admiral ²⁴	VFIAX	0.04 / 0.04	11-13-2000	-0.95	10.19	22.27	20.56	13.36	15.46	15.19	22.27	20.56	13.36	15.46	17.83	24.97	26.24
Vanguard Morningstar Growth Index Adm ²⁴	VIGAX	0.05 / 0.05	11-13-2000	-3.56	6.36	18.59	22.91	13.17	18.00	18.70	18.59	22.91	13.17	18.00	19.43	32.66	46.77
Vanguard Growth & Income Adm ²⁴	VGIAX	0.28 / 0.28	05-14-2001	-0.37	9.46	22.54	21.25	13.72	15.43	15.23	22.54	21.25	13.72	15.43	19.40	26.28	24.76
S & P 500 Index ^{1,8,24}	N/A	- / -		-0.95	10.21	22.32	20.61	13.41	15.51	15.20	22.32	20.61	13.41	15.51	17.88	25.02	26.29
Bond Funds																	
Dodge & Cox Income - I ⁵	DODIX	0.41 / 0.41	01-03-1989	0.38	0.81	4.67	5.23	1.33	2.93	0.77	4.67	5.23	1.33	2.93	8.32	2.26	7.70
DoubleLine Core Fixed Income R6 ^{5,14}	DDCFX	0.49 / 0.44	07-31-2019	0.05	0.20	3.38	4.70	0.63	1.96	0.69	3.38	4.70	0.63	1.96	7.49	3.07	6.57
Loomis Sayles Strategic Alpha Y ^{5,17}	LASYX	0.75 / 0.70	12-15-2010	0.03	1.14	5.26	8.11	3.27	4.02	1.16	5.26	8.11	3.27	4.02	8.58	8.29	7.90
PIMCO Income Instl ⁵	PIMIX	0.51 / 0.51	03-30-2007	0.54	1.53	6.78	7.77	3.83	4.81	2.09	6.78	7.77	3.83	4.81	11.04	5.42	9.32
PGIM Total Return Bond R6 ^{5,20}	PTRQX	0.40 / 0.39	12-27-2010	0.30	1.05	4.62	5.44	0.64	2.46	1.02	4.62	5.44	0.64	2.46	7.79	3.03	7.78
Vanguard Long-Term Investment-Grade Adm ⁵	VWETX	0.10 / 0.10	02-12-2001	0.31	1.15	4.55	3.24	-2.74	1.63	1.99	4.55	3.24	-2.74	1.63	7.30	-2.70	9.38
Bloomberg Barclays Cap US Agg Bond Idx ^{1,11}	N/A	- / -		0.24	0.62	3.79	4.16	0.08	1.54	0.67	3.79	4.16	0.08	1.54	7.30	1.25	5.53
Stable Value Fund																	
Guaranteed Income Fund ²	N/A	0.00 / 0.00	12-02-2022	0.26	1.50	3.05	3.10	N/A	3.10	0.75	3.05	3.10	N/A	3.10	3.10	3.14	3.09
Other																	
American Beacon AHL Mgd Futs Strat A ¹²	AHLAX	2.18 / 1.94	08-19-2014	-0.29	10.70	25.43	3.56	4.32	4.49	2.58	25.43	3.56	4.32	4.49	2.07	1.71	-4.21

EL TORO WATER DISTRICT RETIREMENT SAVINGS PLAN - 524723-01 (Continued)

The Asset Allocation Models are pre-established asset allocation strategies comprised of the plan's core investment options. The models are not securities. When you allocate your investment to a model, you will be invested in various underlying investment options comprising each model, as made available by the plan and according to the model's allocation methodology.

An Asset Allocation Model provides targeted asset allocation for your plan account and allocates your account across the model's underlying investments. Your plan may include Asset Allocation Models designed according to certain risk levels (e.g. Aggressive, Moderate or Conservative), Asset Allocation Models that follow a glide path based on a target date (2025, 2030, 2035 etc.), or both model types depending upon the models selected by your plan. Neither of which is without risk and there is no guarantee of positive returns. The date in the name of a target date model is an assumed date in which an investor will retire. The target date model asset allocation follows a glidepath and rebalances based on the model's incremental period (5 or 10 years) to become more conservative as the target retirement date nears, and depending on the model's design, can remain static at the target date or adjust further through retirement. There is no guarantee the investment will provide adequate retirement income.

Asset Allocation Models are subject to change at the plan's (or an authorized representative thereof) discretion.

Investors should review the prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, for underlying fund objectives, risks, fees and expenses. Investors should also periodically reassess their investments to make sure their model continues to correspond to their changing risk tolerance and retirement time horizon.

Empower is not undertaking to provide investment advice with respect to the presentation of any particular investment option or asset allocation model described herein.

Model performance begins the day the model is created and does not take into account any underlying fund performance prior to the model inception date. Performance is calculated based on the aggregated performance of each of the underlying funds proportionally. Performance listed may not represent that of an actual investor and does not include fund performance achieved prior to the model inception date.

Gross and net expense ratios for a model are captured from each of the underlying funds. Each model's gross and net expense ratio will be a weighted average of the model's underlying funds' gross and net expenses across the applicable period. For funds where the net expense ratio is less than the gross, the net expense ratio reflects fee waivers or reimbursements. The inception date of a model reflects when the model is made available by the plan.

ASSET ALLOCATION MODEL PERFORMANCE	TICKER	Gross/Net Expense Ratio	Inception Date	Returns as of Month Ending 06/30/2026						Returns as of Quarter Ending 06/30/2026					Calendar Year Returns		
				1 Month	YTD	1 Year	3 Year	5 Year	10 Year/Since Inception	3 Month	1 Year	3 Year	5 Year	10 Year/Since Inception	2025	2024	2023
Asset Allocation Model																	
Advisor GoalMaker MODERATE 2005 ^{22,23}	N/A	0.40 / 0.39	03-04-2024	0.04	3.52	8.46	N/A	N/A	7.63	3.77	8.46	N/A	N/A	7.63	9.24	N/A	N/A
Advisor GoalMaker MODERATE 2010 ^{22,23}	N/A	0.40 / 0.39	03-04-2024	0.06	3.56	8.44	N/A	N/A	7.66	3.80	8.44	N/A	N/A	7.66	9.18	N/A	N/A
Advisor GoalMaker MODERATE 2015 ^{22,23}	N/A	0.40 / 0.39	03-04-2024	0.04	3.52	8.46	N/A	N/A	7.63	3.77	8.46	N/A	N/A	7.63	9.24	N/A	N/A
Advisor GoalMaker MODERATE 2020 ^{22,23}	N/A	0.40 / 0.39	03-04-2024	0.05	3.50	8.39	N/A	N/A	7.67	3.74	8.39	N/A	N/A	7.67	9.29	N/A	N/A
Advisor GoalMaker MODERATE 2025 ^{22,23}	N/A	0.40 / 0.39	03-04-2024	0.05	3.52	8.44	N/A	N/A	7.89	3.76	8.44	N/A	N/A	7.89	8.83	N/A	N/A
Advisor GoalMaker MODERATE 2030 ^{22,23}	N/A	0.39 / 0.37	03-04-2024	0.06	4.75	10.87	N/A	N/A	9.82	5.25	10.87	N/A	N/A	9.82	10.69	N/A	N/A
Advisor GoalMaker MODERATE 2035 ^{22,23}	N/A	0.35 / 0.34	03-04-2024	0.06	6.16	13.58	N/A	N/A	11.67	7.19	13.58	N/A	N/A	11.67	12.70	N/A	N/A
Advisor GoalMaker MODERATE 2040 ^{22,23}	N/A	0.34 / 0.34	03-04-2024	-0.01	7.01	15.21	N/A	N/A	12.93	8.41	15.21	N/A	N/A	12.93	13.95	N/A	N/A
Advisor GoalMaker MODERATE 2045 ^{22,23}	N/A	0.34 / 0.33	03-04-2024	-0.10	7.72	16.63	N/A	N/A	14.16	9.49	16.63	N/A	N/A	14.16	15.29	N/A	N/A
Advisor GoalMaker MODERATE 2050 ^{22,23}	N/A	0.31 / 0.31	03-04-2024	-0.10	8.88	18.62	N/A	N/A	15.36	11.00	18.62	N/A	N/A	15.36	16.56	N/A	N/A
Advisor GoalMaker MODERATE 2055 ^{22,23}	N/A	0.31 / 0.31	03-04-2024	-0.14	9.14	19.46	N/A	N/A	16.02	11.53	19.46	N/A	N/A	16.02	17.76	N/A	N/A
Advisor GoalMaker MODERATE 2060 ^{22,23}	N/A	0.31 / 0.31	03-04-2024	-0.15	9.19	19.46	N/A	N/A	15.99	11.53	19.46	N/A	N/A	15.99	17.53	N/A	N/A

EL TORO WATER DISTRICT RETIREMENT SAVINGS PLAN - 524723-01 (Continued)

ASSET ALLOCATION MODEL PERFORMANCE	TICKER	Gross/Net Expense Ratio	Inception Date	Returns as of Month Ending 06/30/2026						Returns as of Quarter Ending 06/30/2026					Calendar Year Returns		
				1 Month	YTD	1 Year	3 Year	5 Year	10 Year/Since Inception	3 Month	1 Year	3 Year	5 Year	10 Year/Since Inception	2025	2024	2023
Advisor GoalMaker MODERATE 2065 ^{22,23}	N/A	0.31 / 0.31	03-04-2024	-0.16	9.25	19.54	N/A	N/A	15.95	11.59	19.54	N/A	N/A	15.95	17.58	N/A	N/A
Advisor GoalMaker MODERATE 2070 ^{22,23}	N/A	0.31 / 0.31	03-04-2024	-0.18	9.20	19.47	N/A	N/A	15.97	11.55	19.47	N/A	N/A	15.97	17.67	N/A	N/A

ASSET ALLOCATION MODEL UNDERLYING FUNDS PERCENTAGE- Moderate	Advisor Goalmaker Moderate 2005	Advisor Goalmaker Moderate 2010	Advisor Goalmaker Moderate 2015	Advisor Goalmaker Moderate 2020	Advisor Goalmaker Moderate 2025	Advisor Goalmaker Moderate 2030	Advisor Goalmaker Moderate 2035	Advisor Goalmaker Moderate 2040	Advisor Goalmaker Moderate 2045	Advisor Goalmaker Moderate 2050
Cohen & Steers Instl Realty Shares ^{6,13}	6.0	6.0	6.0	6.0	6.0	5.0	3.5	3.0	3.0	2.0
Vanguard Emerging Mkts Stock Idx Adm ³	1.0	1.0	1.0	1.0	1.0	1.0	2.0	3.0	4.0	4.5
Lazard Global Listed Infrs Port Inst ³	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5
DFA Large Cap International I ³	3.0	3.0	3.0	3.0	3.0	5.0	6.5	7.0	8.0	9.5
DoubleLine Core Fixed Income R6 ^{5,14}	24.2	24.2	24.2	24.2	24.2	19.6	14.4	11.2	8.4	5.0
Dodge & Cox Income - I ⁵	24.2	24.2	24.2	24.2	24.2	19.6	14.4	11.2	8.4	5.0
PGIM Total Return Bond R6 ^{5,20}	12.1	12.1	12.1	12.1	12.1	9.8	7.2	5.6	4.2	2.5
Guaranteed Income Fund ²	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	2.0	1.0
Fidelity Mid Cap Index ⁴	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Vanguard Morningstar Growth Index Adm ²⁴	2.5	2.5	2.5	2.5	2.5	2.0	3.0	4.0	5.5	6.5
Vanguard Long-Term Investment-Grade Adm ⁵	5.5	5.5	5.5	5.5	5.5	4.5	4.0	3.0	2.0	1.0
PIMCO Income Instl ⁵	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Vanguard 500 Index Admiral ²⁴	2.4	2.4	2.4	2.4	2.4	4.5	7.05	8.25	9.45	11.1
Vanguard Growth & Income Adm ²⁴	2.8	2.8	2.8	2.8	2.8	5.25	8.22	9.62	11.02	12.95
Columbia Contrarian Core Instl 3 ²⁴	2.8	2.8	2.8	2.8	2.8	5.25	8.23	9.63	11.03	12.95
Dodge & Cox Stock - I ²⁴	1.5	1.5	1.5	1.5	1.5	2.5	3.5	4.5	6.0	6.5
Vanguard Morningstar Small-Cap Index Adm ⁴	2.0	2.0	2.0	2.0	2.0	4.0	7.0	8.0	8.0	11.0
MFS International Growth R6 ^{3,18}	0.0	0.0	0.0	0.0	0.0	1.0	1.0	2.0	2.0	2.0
Dodge & Cox International Stock - I ³	0.0	0.0	0.0	0.0	0.0	1.0	1.0	2.0	2.0	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

ASSET ALLOCATION MODEL UNDERLYING FUNDS PERCENTAGE- Moderate	Advisor Goalmaker Moderate 2055	Advisor Goalmaker Moderate 2060	Advisor Goalmaker Moderate 2065	Advisor Goalmaker Moderate 2070
MFS International Growth R6 ^{3,18}	2.0	2.0	2.0	2.0
Vanguard Emerging Mkts Stock Idx Adm ³	4.5	4.5	4.5	4.5
Lazard Global Listed Infrs Port Inst ³	2.5	2.5	2.5	2.5
DFA Large Cap International I ³	9.5	9.5	9.5	9.5
Cohen & Steers Instl Realty Shares ^{6,13}	2.0	2.0	2.0	2.0

EL TORO WATER DISTRICT RETIREMENT SAVINGS PLAN - 524723-01 (Continued)

ASSET ALLOCATION MODEL UNDERLYING FUNDS PERCENTAGE- Moderate	Advisor Goalmaker Moderate 2055	Advisor Goalmaker Moderate 2060	Advisor Goalmaker Moderate 2065	Advisor Goalmaker Moderate 2070
DoubleLine Core Fixed Income R6 ^{5,14}	3.6	3.6	3.6	3.6
Dodge & Cox Income - I ⁵	3.6	3.6	3.6	3.6
PGIM Total Return Bond R6 ^{5,20}	1.8	1.8	1.8	1.8
Dodge & Cox International Stock - I ³	2.0	2.0	2.0	2.0
Vanguard Long-Term Investment-Grade Adm ⁵	0.5	0.5	0.5	0.5
Guaranteed Income Fund ²	1.0	1.0	1.0	1.0
Fidelity Mid Cap Index ⁴	1.0	1.0	1.0	1.0
Vanguard Morningstar Growth Index Adm ²⁴	7.0	7.0	7.0	7.0
PIMCO Income Instl ⁵	1.0	1.0	1.0	1.0
Vanguard 500 Index Admiral ²⁴	12.0	12.0	12.0	12.0
Vanguard Growth & Income Adm ²⁴	14.0	14.0	14.0	14.0
Columbia Contrarian Core Instl ^{3 24}	14.0	14.0	14.0	14.0
Dodge & Cox Stock - I ²⁴	7.0	7.0	7.0	7.0
Vanguard Morningstar Small-Cap Index Adm ⁴	11.0	11.0	11.0	11.0
Total	100.0	100.0	100.0	100.0

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The net expense ratio is less applicable fee waivers or expense reimbursements the investment adviser and/or administrator may have agreed upon, either voluntary or by contractual agreement; the gross expense ratio is not. Voluntary fee waivers and reimbursements may be modified or terminated at any time. Additional information can be found in the Fund's prospectus and/or other disclosure documents regarding effective dates and/or if waivers or reimbursements are voluntary or by contractual agreement. Absent waivers or reimbursements, the performance would have been lower.

¹ Benchmark index returns are supplied by Morningstar, Inc. There may be another benchmark that is more specific to each of the funds listed under the broad asset class. Please refer to the fund's prospectus for more specific information as to the fund's actual benchmark index.

² This fixed fund is offered through a group fixed and variable deferred annuity contract issued by Empower Annuity Insurance Company, Hartford, CT. A ticker symbol is not available for this investment option.

³ Foreign securities involve risks, such as currency fluctuations, economic changes and political developments. These risks may be heightened in emerging markets, which may also experience liquidity risk.

⁴ Securities of small and mid-size companies may be more volatile than those of larger, more established companies.

⁵ Bond prices generally fall when interest rates rise (and vice versa) and are subject to risks including changes in credit quality, market valuations, inflation, liquidity, and default. High-yield bonds have a greater risk of default.

⁶ Specialty funds invest in a limited number of companies and may be more volatile than a more diversified fund.

⁷ The net expense ratio is less applicable fee waivers or expense reimbursements the investment adviser and/or administrator may have agreed upon, either voluntary or by contractual agreement; the gross expense ratio is not. Voluntary fee waivers and reimbursements may be modified or terminated at any time. Additional information can be found in the Fund's prospectus and/or other disclosure documents regarding effective dates and/or if waivers or reimbursements are voluntary or by contractual agreement. Absent waivers or reimbursements, the performance would have been lower.

⁸ The S&P 500 Index is a registered trademark of Standard & Poor's Financial Services LLC. It is an unmanaged index considered indicative of the domestic large-cap equity market and is used as a proxy for the stock market in general.

⁹ The S&P MidCap 400 Index is a registered trademark of Standard & Poor's Financial Services LLC and an unmanaged index considered indicative of the domestic mid-cap equity market.

¹⁰ Russell 2000® Index is a trademark of Russell Investments and is an unmanaged index considered indicative of the domestic Small-Cap equity market.

EL TORO WATER DISTRICT RETIREMENT SAVINGS PLAN - 524723-01 (Continued)

¹¹ *Bloomberg Barclays Capital U.S. Aggregate Bond Index is an unmanaged index representative of the broad bond market and is composed of government and corporate bonds, mortgage-backed bonds and asset-backed bonds.*

¹² *The Fund has a Contractual Expense Ratio Waiver in the amount of .24% which expires on 30-APR-2027.*

¹³ *The Fund has a Contractual Expense Ratio Waiver in the amount of .01% .*

¹⁴ *The Fund has a Contractual Expense Ratio Waiver in the amount of .03% which expires on 01-AUG-2026.*

¹⁵ *The Fund has a Contractual Expense Ratio Waiver in the amount of .02% which expires on 31-AUG-2026.*

¹⁶ *The Fund has a Contractual Management Fee Waiver in the amount of .05% which expires on 28-FEB-2027.*

¹⁷ *The Fund has a Contractual Expense Ratio Waiver in the amount of .05% which expires on 30-APR-2028.*

¹⁸ *The Fund has a Contractual Management Fee Waiver in the amount of .01% which expires on 30-SEP-2026.*

¹⁹ *The Fund has a Contractual Expense Ratio Waiver in the amount of .01% which expires on 31-OCT-2026.*

²⁰ *The Fund has a Contractual Expense Ratio Waiver in the amount of .01% which expires on 28-FEB-2027.*

²¹ *The Fund has a Contractual Expense Ratio Waiver in the amount of .04% which expires on 31-OCT-2026.*

²² *Asset Allocation Models - If you select an Asset Allocation Model, your funds will be invested among the investment options as indicated within the plan. In applying models to your particular situation, you should consider all of your assets and all other assets owned within your household, including IRAs, mutual funds and other qualified plans. The Asset Allocation Models are subject to change, and your contributions will be invested upon receipt into the most current matching model that the Plan offers.*

²³ *If your ongoing allocations are being directed to an Asset Allocation Model, your Asset Allocation Model assets may be rebalanced, including applicable rollover funds, at the next scheduled frequency. To make a change to your account or for more information on rebalancing and the underlying funds, please access the Plan Web site.*

²⁴ *Securities that invest in stocks may decline in value.*



STAFF REPORT

To: Board of Directors **Meeting Date:** August 27, 2026

From: Dennis Cafferty, General Manager

Subject: Administrative Code Amendment – Policy On Discontinuation of Residential Water Service (§7170)

Senate Bill No. 998, approved by the Governor of the State of California on September 28, 2018, required public water systems to have a written policy on discontinuation of water service to certain types of residences for nonpayment and dictated a variety of statutory requirements to be included in the policy.

In January 2020 the Board adopted Schedule 7-W of the District's Rules and Regulations which defined the Policy On Discontinuation of Residential Water Service (Policy) in compliance with the requirements of Senate Bill No. 998.

Staff propose moving the Policy to a new Section 7170 of the District's Administrative Code. Concurrent with the proposed move to the Administrative Code, staff performed a detailed review of the Policy and identified the need for significant revisions to ensure compliance with the original law as well as with SB 3, adopted in 2023, that made certain updates to the original SB 998 requirements.

In addition to the detailed effort to validate compliance with the law staff also compared the Policy to current practices and procedures to ensure on-going compliance of the implementation of the Policy.

Both clean and redline versions of the Policy are attached.

Recommended Action:

The Board of Directors will consider adding Section 7170 – Policy On Discontinuation of Residential Water Service to the District Administrative Code.

1. STATUTORY BASIS

This Policy is adopted pursuant to Health & Safety Code §§116900 et seq. (Water Shutoff Protection Act), as amended by SB 3 (Stats. 2023, ch. 855).

2. APPLICATION OF POLICY

This Policy on Discontinuation of Residential Water Service (“Policy”) shall apply to all District accounts for residential water service but shall not apply to any accounts for non-residential service. Residential water service means water service to a residential connection that includes single-family residences, multifamily residences, mobile homes, including, but not limited to, mobile homes in mobile home parks, or farmworker housing. To the extent this Policy conflicts with any other rules, regulations, or policies of the District, this Policy shall control.

3. DEFINITIONS**A. Business Day**

A day the District office is open to the public. Excludes Saturdays, Sundays, District holidays, and the alternating Fridays on which the office is closed.

B. Customer of Record

The person or entity in whose name the account is carried, whether or not that person occupies the service address.

C. Delinquent

A bill not paid in full by the due date printed on the billing statement, which is typically 25 days from the bill issuance date.

D. Occupant

A person residing at the service address who is not the customer of record, including tenants of a landlord-held account.

E. Primary Care Provider

As defined in Welfare & Institutions Code §14088(b)(1)(A).

4. CONTACT INFORMATION

For questions or assistance regarding the water bill or to discuss options for averting discontinuation of residential service for nonpayment, the District's Customer Service staff can be reached at (949) 837-0660. Customers may also visit the District's Customer Service desk in person Monday through Thursday, from 7:30 a.m. to 4:00 p.m., Friday from 7:30 a.m. to 3:00 p.m. (closed every other Friday) except on District holidays. The District's Customer Service office is located at 24251 Los Alisos Blvd. in Lake Forest.

5. RENDERING OF BILLS AND BILLING PROCEDURES

Water and sewer service charges are payable, in full, once every month, or at such other frequency as determined by the Board of Directors from time to time. Payment is due by the "due date" defined on the billing statement which is typically 25 days from the bill issuance date. Any bills not paid by the due date defined on the billing statement are considered delinquent.

6. DISCONTINUATION OF WATER SERVICE FOR NONPAYMENT

If a bill is delinquent for at least sixty (60) days, the District may discontinue water service to the service address.

A. Written Notice to Customer

The District will provide a written notice by mail to the customer of record in a clear and legible format at least ten (10) business days before discontinuation of water service. The notice shall include, but is not limited to, all the following information:

1. The name and address of the customer;
2. The amount of the delinquency;
3. The date by which payment or payment arrangements must be made to avoid discontinuation of service;
4. A description of the process to apply for an extension of time to pay the delinquent charges;
5. A description of the procedure by which the customer or an adult residing at the premises may initiate a complaint or request an investigation or appeal concerning service or charges;
6. A description of the procedure by which the customer may request a deferred, reduced or alternative payment schedule, including an amortization of the delinquent service charges;
7. A description of the procedure for the customer to obtain information regarding the District's Life Line Rate Assistance Program (Section 7030 of the District's Administrative Code);

8. The telephone number where the customer may request a payment arrangement or receive additional information from the District.

B. Written Notice to Occupants or Tenants

1. The District will also send a notice in a clear and legible format to the occupants living at the service address at least ten (10) business days before discontinuation of water service under the following circumstances:
 - a) The District furnishes individually metered service to a single-family dwelling, multi-unit residential structure, mobile home park, or permanent residential structure in a labor camp and the owner, manager, or operator is the customer of record; or
 - b) The customer of record's mailing address is not the same as the service address. The notice will be addressed to "Occupant," will contain the information required in Section 6.A above, and will inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account. Terms and conditions for occupants to become customers of the District are provided in Section 10 below.
2. If the District furnishes water to residences through a master meter, the District will make a good faith effort, at least ten (10) business days prior to termination, to notify the residential occupants that the account is in arrears and the service will be terminated on a date specified in the notice. The District will provide notice by either:
 - a) Mailing the notice to each residential unit;
 - b) Posting the notice on the door of each residential unit,
 - c) If providing notice to each unit is impracticable or infeasible, posting two (2) copies of the notice in each accessible common area and at each point of access to the structure or structures; or
 - d) Making some other good faith, reasonable effort to provide written notice to the occupants.

The notice will be addressed to "Occupant," will contain the information required in Section 6.A above, and will inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account. Terms and conditions for occupants to become customers of the District are provided in Section 10 below.

C. Written Notice Undeliverable

If the written notice to the customer is returned through the mail as undeliverable, the District will make a reasonable, good faith effort to contact the customer of record or an adult person living at the premises of the customer in person or by telephone at least seven (7) business days before discontinuation of service. The District will offer to provide, in writing, a copy of this Policy and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement.

If the written notice is returned through the mail as undeliverable and the District is unable to make contact with the customer or an adult occupying the residence by telephone, the District shall make a good faith effort to visit the residence and leave or make other arrangements for placement in a conspicuous place of a notice of imminent discontinuation of residential service for non-payment and this Policy on discontinuation of residential water service.

D. Telephonic Notice

If the District contacts the customer by telephone rather than by written notice, the District will offer to provide the customer a written copy of this Policy and will offer to discuss options to avert discontinuation, including alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and the procedure to petition for bill review and appeal.

E. Posting of Notice at Service Address

The District will make a good faith effort to leave a notice of imminent discontinuation of residential service in a conspicuous place at the service address. The notice will be left at the residence at least forty-eight (48) hours before discontinuation of service. The notice required by this subsection is supplemental to, and does not replace, any notice, customer contact, or posting otherwise required by this Policy or applicable law. The notice shall include:

1. The name and address of the customer;
2. The amount of the delinquency;
3. Any additional charges;
4. The total amount due;
5. The date by which payment or payment arrangements must be made to avoid discontinuation of service;

6. The procedure for the customer to obtain information on financial assistance, if applicable; and
7. The telephone number where the customer may request a payment arrangement or receive additional information from the District.

F. Circumstances Under Which Service Will Not Be Discontinued

The District will not discontinue residential water service for nonpayment under the following circumstances:

1. During an investigation by the District of an appeal, dispute or complaint by a customer or adult at the residence under Section 7.A below;
2. During the pendency of an appeal to the Board of Directors under Section 7.C below;
3. During the pendency of an appeal to any other administrative or legal body to which such an appeal may be lawfully taken;
4. During the period the District is considering a request for a payment arrangement or any applicable reconsideration period under Section 8 below; or
5. During the period of time in which a customer's payment is subject to a District-approved extension, amortization, alternative payment schedule, or reduction under Section 8 below, and the customer remains in compliance with the approved payment arrangement.

G. Special Medical and Financial Circumstances Under Which Services Will Not Be Discontinued

1. The District will not discontinue water service if all the following conditions are met:
 - a) The customer, or a tenant of the customer, submits to the District the certification of a primary care provider, as that term is defined in the Welfare and Institutions Code §14088(b)(1)(A) that discontinuation of water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided;
 - b) The customer demonstrates that they are financially unable to pay for residential service within the District's normal billing cycle. The customer is deemed financially unable to pay during the normal billing cycle if:

- i. Any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or
 - ii. The customer declares that the household's annual income is less than 200 percent of the federal poverty level;
 - c) The customer is willing to enter into an alternative payment arrangement, including an extension, amortization, alternative payment schedule, or payment reduction with respect to the delinquent charges.
2. For any customers who meet all the above conditions, the District shall offer the customer one or more of the following options, to be selected by the District in its discretion:
- a) An extension of the payment period;
 - b) Amortization of the unpaid balance;
 - c) An alternative payment schedule; or
 - d) A reduced payment without additional charges to other ratepayers.

The District's General Manager will select the most appropriate payment arrangement, taking into consideration the information and documentation provided by the customer, as well as the District's payment needs.

3. The customer is responsible for demonstrating that the conditions in subsection 6.G.1 have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) days and:
- a) Notify the customer of the alternative payment arrangement selected by the District and request the customer's signed assent to participate in that alternative arrangement;
 - b) Request additional information from the customer; or
 - c) Notify the customer that they do not meet the conditions in Section 6.G.1.

The District will not discontinue service while a submission under Section 6.G is pending.

H. Time of Discontinuation of Service

The District will not discontinue water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which the District's office is not open to the public.

I. Restoration of Service

The District shall provide the customer with information on how to restore residential service. The District will restore water service following either:

1. Payment of any past-due amounts, including applicable interest or penalties;
2. Payment of any reconnection fees as defined by Section 7150 of the District's Administrative Code, subject to the limitations in Section 9.A, if applicable;
3. Payment of a security deposit, if required by the District;
4. Entry into an approved payment arrangement under Section 8.

If the District determines that residential water service was discontinued in error or contrary to applicable law or this Policy, the District shall restore service without charging a reconnection or restoration fee.

7. PROCEDURES TO CONTEST OR APPEAL A BILL

A. Time to Initiate Complaint or Request an Investigation

A customer or adult at the residence may initiate a complaint or request an investigation regarding the amount of a bill within ten (10) days of receiving a disputed bill, or at any time before the date of discontinuation stated in a notice issued under Section 6.A, whichever is later. For purposes of this Section 7.A only, a bill shall be deemed received by a customer five (5) days after mailing and immediately upon e-mailing.

B. Review by District

A timely complaint or request for investigation shall be reviewed by a manager of the District, who shall provide written determination to the customer. The review will include consideration of whether the customer may receive an extension, amortization, alternative payment schedule, or payment reduction under Section 8. The District may, in its discretion, review untimely complaints or requests for investigation; however, such complaints or requests are not subject to appeal.

C. Appeal to Board of Directors

Any customer or adult at the residence whose timely complaint or request for an investigation pursuant to this Section 7 has resulted in an adverse determination by the District may appeal the determination to the Board of Directors by filing a written notice of appeal with the District Secretary within ten (10) business days of the District's mailing of its determination. Upon receiving the notice of appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the hearing at least ten (10) days before the meeting. The decision of the Board shall be final.

8. EXTENSIONS AND OTHER ALTERNATIVE PAYMENT ARRANGEMENTS

Deferred or reduced payment plans and alternative payment schedules described in this Section 8 are available to any residential customer who is unable to pay a bill during the normal payment period. A plan offered under this Section 8 is not required to reduce the total amount due for water service provided. Eligibility for an extension, amortization, alternative payment schedule, or payment reduction under this Section does not require the customer to satisfy the medical and financial hardship conditions set forth in Section 6.G.

A. Time to Request an Extension or Other Alternative Payment Arrangement

If a customer is unable to pay a bill during the normal payment period, the customer may request an extension or other alternative payment arrangement described in this Section 8. If a customer submits their request within ten (10) days after receipt of a written notice of discontinuation of service by the District, the request will be reviewed by a manager of the District. A request submitted outside this period will still be considered, but is not subject to the reconsideration and appeal rights described in this Section. For purposes of this Section 8.A only, a written notice shall be deemed received by a customer five (5) days after mailing and immediately upon e-mailing. A customer whose request under this Section 8 is denied may request reconsideration by the General Manager within ten (10) business days. Service will not be discontinued while a timely request for reconsideration is pending.

B. Extension

If approved by the District, a customer's payment of their unpaid balance may be temporarily extended for a period not to exceed six (6) months after the balance was originally due. The District's General Manager shall determine, in their discretion, how long an extension shall be provided to the customer. The customer shall pay the full unpaid balance by the date set by the District and must remain current on all water service charges accrued during any subsequent billing periods. The extended payment

date will be set forth in writing and provided to the customer. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

C. Amortization

If approved by the District, a customer's payment of their unpaid balance may be amortized over a period not to exceed twelve (12) months, as determined by the District's General Manager in their discretion. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

If amortization is approved, the unpaid balance will be divided by the number of months in the amortization period, and that amount will be added to the customer's monthly bills for water service until fully paid.

During the amortization period, the customer must remain current on all water service charges accruing during any subsequent billing periods. The amortization schedule and amounts due will be set forth in writing and provided to the customer.

D. Alternative Payment Schedule

If approved by the District, a customer may pay their unpaid balance pursuant to an alternative payment schedule that will not exceed twelve (12) months, as determined by the District's General Manager in their discretion. If approved, the alternative payment schedule may allow periodic lump-sum payments that do not coincide with the District's established payment date or may provide for payments made more or less frequently than the District's regular payment date. During the period of the alternative payment schedule, the customer must remain current on all water service charges accrued during any subsequent billing periods. The alternative payment schedule and amounts due will be set forth in writing and provided to the customer. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

E. Payment Reduction

If approved by the District, a customer may receive a partial or full reduction of the unpaid balance for water service. Any such reduction shall be funded using unrestricted funds of the District, and not from charges or fees paid by other customers.

F. Failure To Comply

The District may discontinue water service if a customer who has been granted an alternative payment arrangement under this Section 8 fails to do any of the following for sixty (60) days or more:

- a) Pay their unpaid charges by the extended payment date;
- b) Pay any amortized amount due under an amortization schedule;
- c) Pay any amount due under an alternative payment schedule;
- d) Pay a reduced payment amount by its due date; or
- e) Pay their current charges for water service.

The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice does not reopen the complaint, investigation, or appeal period under Section 7 as to a bill that has already been reviewed under that Section.

9. SPECIFIC PROGRAMS FOR LOW-INCOME CUSTOMERS

A. Reconnection Fee Limits and Waiver of Interest

For residential customers who demonstrate to the District a household income below 200 percent of the federal poverty line, the District will:

1. Limit any reconnection fees during normal operating hours to fifty dollars (\$50), and during non-operational hours to one hundred fifty dollars (\$150) but not to exceed the District's actual cost of reconnection if less. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.
2. The District does not currently assess interest charges on delinquent bills. If interest charges are assessed in the future, the District will waive them once every 12 months for qualifying customers. The District will apply the waiver to any interest charges that are unpaid at the time of the customer's request.

B. Qualifications

The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if:

1. any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or
2. the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

10. PROCEDURES FOR OCCUPANTS OR TENANTS TO BECOME CUSTOMERS OF THE DISTRICT

A. Applicability

This Section 10 shall apply only when the property owner, landlord, manager, or operator of a residential service address is listed as the customer of record and has been issued a notice of intent to discontinue water service due to nonpayment.

B. Agreement to District Terms and Conditions of Service

The District will make service available to the actual residential occupants if each occupant agrees to the terms and conditions of service and meets the requirements of the District's Administrative Code. Notwithstanding, if one or more of the occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the District, or if there is a physical means, legally available to the District, of selectively discontinuing service to those occupants who have not met the requirements of the District's Administrative Code, the District shall make service available to the occupants who have met those requirements.

C. Verification of Tenancy

To be eligible to become a customer without paying the amount due on the delinquent account, the occupant of a detached single-family dwelling shall verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code, at the discretion of the District.

D. Methods of Establishing Credit

If prior service for a period of time is a condition for establishing credit with the District, residence and proof of prompt payment of rent or other credit obligation acceptable to the District for that period of time is a satisfactory equivalent.

E. Deductions from Rental Payment

Pursuant to Government Code Section 60371(d), any occupant who becomes a customer of the District pursuant to this Section 10 and whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the District for those services during the preceding payment period.

11. LANGUAGE FOR THIS POLICY & CERTAIN WRITTEN NOTICES

The policy shall be available on the District's website with a written copy provided to customers upon request. This Policy shall be available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more of the people within the District's service area.

All written notices required under the Water Shutoff Protection Act shall be provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more of the customers within the District's service area.

12. OTHER REMEDIES

In addition to discontinuation of water service, the District may pursue any other remedies available in law or equity for nonpayment of water service charges, including, but not limited to securing delinquent amounts by filing liens on real property, filing a claim or legal action, or referring the unpaid amount to collections. In the event a legal action is decided in favor of the District, the District shall be entitled to the payment of all costs and expenses, including attorneys' fees and accumulated interest.

13. DISCONTINUATION OF WATER SERVICE FOR OTHER CUSTOMER VIOLATIONS

The District reserves the right to discontinue water service for any violations of District ordinances, rules, or regulations other than nonpayment. Discontinuation of residential water service for reasons other than nonpayment shall occur only as authorized by applicable law and District ordinances, rules, regulations and Administrative Code. Nothing in this Section shall be construed to reduce any procedural protection required by applicable law.

14. FEES AND CHARGES INCURRED

Except as otherwise expressly stated in this Policy, any fees and charges incurred by a customer under any other rules, regulations, or policies of the District, including, but not limited to, delinquent charges, shall be due and payable as set forth therein.

15. ANNUAL SHUTOFF REPORTING

The District shall annually report the number of discontinuations of residential service for inability to pay on the District's website and to the State Water Resources Control Board through the Electronic Annual Report or successive system as appropriate. The District shall also report the same information to the District's Board of Directors.

16. DECISIONS BY DISTRICT STAFF

Any decision which may be taken by the District's General Manager under this Policy may be taken by their designee.

R 20-1-1 01/21/2020; 08/27/26;

1. STATUTORY BASIS

This Policy is adopted pursuant to Health & Safety Code §§116900 et seq. (Water Shutoff Protection Act), as amended by SB 3 (Stats. 2023, ch. 855).

4.2. APPLICATION OF POLICY

This Policy on Discontinuation of Residential Water Service (~~this~~ “Policy”) shall apply to all District accounts for residential water service but shall not apply to any accounts for non-residential service. Residential water service means water service to a residential connection that includes single-family residences, multifamily residences, mobile homes, including, but not limited to, mobile homes in mobile home parks, or farmworker housing. To the extent this Policy conflicts with any other rules, regulations, or policies of the District, this Policy shall control.

3. DEFINITIONS**A. Business Day**

A day the District office is open to the public. Excludes Saturdays, Sundays, District holidays, and the alternating Fridays on which the office is closed.

B. Customer of Record

The person or entity in whose name the account is carried, whether or not that person occupies the service address.

C. Delinquent

A bill not paid in full by the due date printed on the billing statement, which is typically 25 days from the bill issuance date.

D. Occupant

A person residing at the service address who is not the customer of record, including tenants of a landlord-held account.

E. Primary Care Provider

As defined in Welfare & Institutions Code §14088(b)(1)(A).

2.4. CONTACT INFORMATION

For questions or assistance regarding the water bill or to discuss options for averting discontinuation of residential service for nonpayment, the District's Customer Service staff can be reached at (949) 837-0660. Customers may also visit the District's Customer Service desk in person Monday through Thursday, from 7:30 a.m. to 4:00 p.m., Friday from 7:30 a.m. to 3:00 p.m. (closed every other Friday) except on District holidays. The District's Customer Service office is located at 24251 Los Alisos Blvd. in Lake Forest.

3.5. RENDERING OF BILLS AND BILLING PROCEDURES

Water and sewer service charges are payable, in full, ~~to the District 25 days from date issue~~ once every month, or at such other frequency as determined by the Board of Directors from time to time. Payment is due by the "due date" defined on the billing statement which is typically 25 days from the bill issuance date. Any bills not paid ~~within such period~~ by the due date defined on the billing statement are considered delinquent.

4.6. DISCONTINUATION OF WATER SERVICE FOR NONPAYMENT

If a bill is delinquent for at least sixty (60) days, the District may discontinue water service to the service address.

A. Written Notice to Customer

The District will provide a ~~written mailed~~ notice by mail to the customer of record in a clear and legible format at least ten (10) business days before discontinuation of water service. The notice ~~will contain~~ shall include, but is not limited to, all the following information:

1. ~~the~~ The name and address of the customer;
2. ~~the~~ The amount of the delinquency;
3. ~~the~~ The date by which payment or payment arrangements must be made to avoid discontinuation of service;
4. A description of the process to apply for an extension of time to pay the delinquent charges;
- 4.5. A description of the procedure by which the customer or an adult residing at the premises may initiate a complaint or request an investigation or appeal concerning service or charges;
- 5.6. A description of the procedure by which the customer may request a deferred, reduced or alternative payment schedule, including an amortization of the delinquent service charges; ~~a description of the procedure by which the customer may request an alternative~~

~~payment arrangement, which may include an extension, amortization, alternative payment schedule, or payment reduction;~~

~~6.7.~~ A description of the procedure for the customer to obtain information regarding the District's Life Line Rate Assistance Program (Section 7030 of the District's Administrative Code);

~~7.8.~~ the ~~The~~ telephone number where the customer may request a payment arrangement or receive additional information from the District.

B. Written Notice to Occupants or Tenants

1. The District will also send a notice in a clear and legible format to the occupants living at the service address at least ten (10) business days before discontinuation of water service under the following circumstances:

- a) ~~the~~ The District furnishes individually metered service to a single-family dwelling, multi-unit residential structure, mobile home park, or permanent residential structure in a labor camp ~~farm labor camp~~ and the owner, manager, or operator is the customer of record; or
- b) ~~the~~ The customer of record's mailing address is not the same as the service address. The notice will be addressed to "Occupant," will contain the information required in Section 46.A above, and will inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account. Terms and conditions for occupants to become customers of the District are provided in Section 8 10 below.

2. If the District furnishes water to residences through a master meter, the District will make a good faith effort, at least ten (10) business days prior to termination, to notify the residential occupants that the account is in arrears and the service will be terminated on a date specified in the notice. The District will provide notice by either:

- a) ~~mailing~~ Mailing the notice to each residential unit;
- b) ~~posting~~ Posting the notice on the door of each residential unit,
- c) ~~if~~ If providing notice to each unit is impracticable or infeasible, posting two (2) copies of the notice in each accessible common area and at each point of access to the structure or structures; or

d) ~~making~~ Making some other good faith, reasonable effort to provide written notice to the occupants.

The notice will be addressed to "Occupant," will contain the information required in Section 46.A above, and will inform the residential occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account. Terms and conditions for occupants to become customers of the District are provided in Section 8-10 below.

C. Written Notice Undeliverable~~In-Person or Telephonic Notice~~

If the written notice to the customer is returned through the mail as undeliverable, the ~~The~~ District will ~~also~~ make a reasonable, good faith effort to contact the customer of record or an adult person living at the premises of the customer in person or by telephone at least seven (7) ~~Business-business~~ days before discontinuation of service. The District will offer to provide, in writing, a copy of this Policy and to discuss options to avert discontinuation of water service for nonpayment, including the possibility of an extension or other payment arrangement.

If the written notice is returned through the mail as undeliverable and the District is unable to make contact with the customer or an adult occupying the residence by telephone, the District shall make a good faith effort to visit the residence and leave or make other arrangements for placement in a conspicuous place of a notice of imminent discontinuation of residential service for non-payment and this Policy on discontinuation of residential water service.

D. Telephonic Notice

If the District contacts the customer by telephone rather than by written notice, the District will offer to provide the customer a written copy of this Policy and will offer to discuss options to avert discontinuation, including alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and the procedure to petition for bill review and appeal.

D.E. Posting of Notice at Service Address

The District will make a good faith effort to leave a notice of imminent discontinuation of residential service ~~and a copy of this Policy~~ in a conspicuous place at the service address. The notice ~~and copy of this Policy~~ will be left at the residence at least forty-eight (48) hours before discontinuation of service. The notice required by this subsection is supplemental to, and does not replace, any notice, customer contact, or

posting otherwise required by this Policy or applicable law. The notice shall include:

1. ~~the~~ The name and address of the customer;
2. ~~the~~ The amount of the delinquency;
3. Any additional charges;
4. The total amount due;
- ~~3-5.~~ the The date by which payment or payment arrangements must be made to avoid discontinuation of service;
- ~~4-6.~~ the The procedure for the customer to obtain information on financial assistance, if applicable; and
- ~~5-7.~~ the The telephone number where the customer may request a payment arrangement or receive additional information from the District.

E.F. Circumstances Under Which Service Will Not Be Discontinued

The District will not discontinue residential water service for nonpayment under the following circumstances:

1. During an investigation by the District of an customer appeal, dispute or complaint by a customer or adult at the residence under Section 57.A below;
2. During the pendency of an appeal to the Board of Directors under Section 57.C below;
- ~~2-3.~~ During the pendency of an appeal to any other administrative or legal body to which such an appeal may be lawfully taken; or
4. During the period the District is considering a request for a payment arrangement or any applicable reconsideration period under Section 8 below; or
- ~~3-5.~~ During the period of time in which a customer's payment is subject to a District-approved extension, amortization, alternative payment schedule, or reduction under Section 6-8 below, and the customer remains in compliance with the approved payment arrangement.

F.G. Special Medical and Financial Circumstances Under Which Services Will Not Be Discontinued

1. The District will not discontinue water service if ~~all of all~~ the following conditions are met:
 - a) The customer, or a tenant of the customer, submits to the District the certification of a ~~licensed~~ primary care provider.

as that term is defined in the Welfare and Institutions Code §14088(b)(1)(A) that discontinuation of water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided;

- b) The customer demonstrates that ~~he or she is~~ they are financially unable to pay for residential service within the District's normal billing cycle. The customer is deemed financially unable to pay during the normal billing cycle if:
 - i. ~~any~~ Any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or
 - ii. ~~the~~ The customer declares ~~under penalty of perjury~~ that the household's annual income is less than 200 percent of the federal poverty level; ~~and~~
- c) The customer is willing to enter into an alternative payment arrangement, including an extension, amortization, alternative payment schedule, or payment reduction with respect to the delinquent charges.

2. For any customers who meet ~~all of~~ all the above conditions, the District shall offer the customer one or more of the following options, to be selected by the District in its discretion:

- a) ~~an~~ An extension of the payment period;
- b) ~~amortization~~ Amortization of the unpaid balance;
- c) ~~an~~ An alternative payment schedule; or
- d) ~~a~~ A reduced payment without additional charges to other ratepayers.

The District's General Manager will select the most appropriate payment arrangement, taking into consideration the information and documentation provided by the customer, as well as the District's payment needs.

3. The customer is responsible for demonstrating that the conditions in subsection ~~46.FG~~ 46.FG.1 have been met. Upon receipt of documentation from the customer, the District will review the documentation within seven (7) days and:

- a) ~~notify~~ Notify the customer of the alternative payment arrangement selected by the District and request the customer's signed assent to participate in that alternative arrangement;
- b) ~~request~~ Request additional information from the customer; or
- c) ~~notify~~ Notify the customer that ~~he or she does~~ they do not meet the conditions in ~~subsection~~ Section 46.FG.1.

The District will not discontinue service while a submission under Section 6.G is pending.

~~The District may discontinue water service if a customer who has been granted an alternative payment arrangement under this section fails to do any of the following for sixty (60) days or more:~~

- ~~d) — to pay his or her unpaid charges by the extended payment date;~~
- ~~e) — to pay any amortized amount due under the amortization schedule;~~
- ~~f) — to pay any amount due under an alternative payment schedule;~~
- ~~g) — to pay the reduced payment amount by its due date; or~~
- ~~h) — to pay his or her current charges for water service.~~

~~The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.~~

G.H. Time of Discontinuation of Service

The District will not discontinue water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which the District's office is not open to the public.

H.I. Restoration of Service

Customers whose water service has been discontinued may contact the District by telephone or in person regarding restoration of service. The District shall provide the customer with information on how to restore

residential service. The District will restore water service. Restoration shall be subject to payment of following either:

1. Payment of any any past-due amounts, including applicable interest or penalties;
2. Payment of any any reconnection fees as defined by Section 7150 of the District's Administrative Code, subject to the limitations in Section 79.A, if applicable;
3. Payment of a security deposit, if required by the District;
4. Entry into an approved payment arrangement under Section 8.

If the District determines that residential water service was discontinued in error or contrary to applicable law or this Policy, the District shall restore service without charging a reconnection or restoration fee.

5.7. PROCEDURES TO CONTEST OR APPEAL A BILL

A. Time to Initiate Complaint or Request an Investigation

A customer or adult at the residence may initiate a complaint or request an investigation regarding the amount of a bill within five ten (510) days of receiving a disputed bill, or at any time before the date of discontinuation stated in a notice issued under Section 6.A, whichever is later. For purposes of this Section 57.A only, a bill shall be deemed received by a customer five (5) days after mailing and immediately upon e-mailing.

B. Review by District

A timely complaint or request for investigation shall be reviewed by a manager of the District, who shall provide a written written determination to the customer. The review will include consideration of whether the customer may receive an extension, amortization, alternative payment schedule, or payment reduction under Section 68. The District may, in its discretion, review untimely complaints or requests for investigation; however, such complaints or requests are not subject to appeal.

C. Appeal to Board of Directors

Any customer or adult at the residence whose timely complaint or request for an investigation pursuant to this Section 5-7 has resulted in an adverse determination by the District may appeal the determination to the Board of Directors by filing a written notice of appeal with the District Secretary within ten (10) business days of the District's mailing of its determination.

Upon receiving the notice of appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the hearing at least ten (10) days before the meeting. The decision of the Board shall be final.

6.8. EXTENSIONS AND OTHER ALTERNATIVE PAYMENT ARRANGEMENTS

~~If the conditions listed in Section 4.F.1 are met, as determined by the District, the District shall offer the customer one of the following options: Deferred or reduced payment plans and alternative payment schedules described in this Section 8 are available to any residential customer who is unable to pay a bill during the normal payment period. A plan offered under this Section 8 is not required to reduce the total amount due for water service provided. Eligibility for an extension, amortization, alternative payment schedule, or payment reduction under this Section does not require the customer to satisfy the medical and financial hardship conditions set forth in Section 6.G.~~

A. Time to Request an Extension or Other Alternative Payment Arrangement

If a customer is unable to pay a bill during the normal payment period, the customer may request an extension or other alternative payment arrangement described in this Section ~~6.8~~. If a customer submits ~~his or her~~their request within ~~thirteen~~ten (~~13~~10) days after ~~mailing of receipt of~~ a written notice of discontinuation of service by the District, the request will be reviewed by a manager of the District. ~~A request submitted outside this period will still be considered, but is not subject to the reconsideration and appeal rights described in this Section. District decisions regarding extensions and other alternative payment arrangements are final and are not subject to appeal to the District's Board of Directors.~~For purposes of this Section 8.A only, a written notice shall be deemed received by a customer five (5) days after mailing and immediately upon e-mailing. A customer whose request under this Section 8 is denied may request reconsideration by the General Manager within ten (10) business days. Service will not be discontinued while a timely request for reconsideration is pending.

B. Extension

If approved by the District, a customer's payment of ~~his or her~~their unpaid balance may be temporarily extended for a period not to exceed six (6) months after the balance was originally due. The District's General

Manager shall determine, in ~~his or her~~their discretion, how long an extension shall be provided to the customer. The customer shall pay the full unpaid balance by the date set by the District and must remain current on all water service charges ~~accruing~~accrued during any subsequent billing periods. -The extended payment date will be set forth in writing and provided to the customer. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

C. Amortization

If approved by the District, a customer's payment of ~~his or her~~their unpaid balance may be amortized over a period not to exceed twelve (12) months, as determined by the District's General Manager in ~~his or her~~their discretion. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

If amortization is approved, the unpaid balance will be divided by the number of months in the amortization period, and that amount will be added to the customer's monthly bills for water service until fully paid.

During the amortization period, the customer must remain current on all water service charges accruing during any subsequent billing periods. The amortization schedule and amounts due will be set forth in writing and provided to the customer.

D. Alternative Payment Schedule

If approved by the District, a customer may pay ~~his or her~~their unpaid balance pursuant to an alternative payment schedule that will not exceed twelve (12) months, as determined by the District's General Manager in ~~his or her~~their discretion. If approved, the alternative payment schedule may allow periodic lump-sum payments that do not coincide with the District's established payment date or may provide for payments made more or less frequently than the District's regular payment date. During the period of the alternative payment schedule, the customer must remain current on all water service charges ~~accruing~~accrued during any subsequent billing periods. The alternative payment schedule and amounts due will be set forth in writing and provided to the customer. The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

E. Payment Reduction

If approved by the District, a customer may receive a partial or full reduction of the unpaid balance for water service. Any such reduction

shall be funded using unrestricted funds of the District, and not from charges or fees paid by other customers.

F. Failure To Comply

~~If a customer has been granted a payment arrangement under this Section 6 and fails to:~~

- ~~1. pay the unpaid charges by the extension date;~~
- ~~1. pay an amount due under an amortization schedule;~~
- ~~2. pay an amount due under an alternative payment schedule; or~~
- ~~3. pay a reduced payment amount by its due date;~~

~~then the District may terminate water service.~~

~~The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.~~

~~The District may discontinue water service if a customer who has been granted an alternative payment arrangement under this Section 8 fails to do any of the following for sixty (60) days or more:~~

- ~~a) Pay their unpaid charges by the extended payment date;~~
- ~~b) Pay any amortized amount due under an amortization schedule;~~
- ~~c) Pay any amount due under an alternative payment schedule;~~
- ~~d) Pay a reduced payment amount by its due date; or~~
- ~~e) Pay their current charges for water service.~~

~~The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice does not reopen the complaint, investigation, or appeal period under Section 7 as to a bill that has already been reviewed under that Section.~~

7.9. SPECIFIC PROGRAMS FOR LOW-INCOME CUSTOMERS

A. Reconnection Fee Limits and Waiver of Interest

For residential customers who demonstrate to the District a household income below 200 percent of the federal poverty line, the District will:

1. Limit any reconnection fees during normal operating hours to fifty dollars (\$50), and during non-operational hours to one hundred fifty dollars (\$150) but not to exceed the District's actual cost of reconnection if less. ~~The limits will only apply if the District's reconnection fees actually exceed these amounts.~~ These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.
2. The District does not currently assess interest charges on delinquent bills. If interest charges are assessed in the future, the District will Waive-waive interest charges on delinquent bills ~~them~~ once every 12 months for qualifying customers. The District will apply the waiver to any interest charges that are unpaid at the time of the customer's request.

B. Qualifications

The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if:

1. any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or
2. the customer declares ~~under penalty of perjury~~ that the household's annual income is less than 200 percent of the federal poverty level.

8-10. PROCEDURES FOR OCCUPANTS OR TENANTS TO BECOME CUSTOMERS OF THE DISTRICT

A. Applicability

This Section ~~8-10~~ shall apply only when the property owner, landlord, manager, or operator of a residential service address is listed as the customer of record and has been issued a notice of intent to discontinue water service due to nonpayment.

B. Agreement to District Terms and Conditions of Service

The District will make service available to the actual residential occupants if each occupant agrees to the terms and conditions of service and meets the requirements of the District's ~~rules and regulations~~ Administrative Code. Notwithstanding, if one or more of the occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the District, or if there is a physical means, legally available to the District, of selectively discontinuing service to those

occupants who have not met the requirements of the District's ~~rules and regulations~~Administrative Code, the District shall make service available to the occupants who have met those requirements.

C. Verification of Tenancy

To be eligible to become a customer without paying the amount due on the delinquent account, the occupant of a detached single-family dwelling shall verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code, at the discretion of the District.

D. Methods of Establishing Credit

If prior service for a period of time is a condition for establishing credit with the District, residence and proof of prompt payment of rent or other credit obligation acceptable to the District for that period of time is a satisfactory equivalent.

E. Deductions from Rental Payment

Pursuant to Government Code Section 60371(d), any occupant who becomes a customer of the District pursuant to this Section 8-10 and whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the District for those services during the preceding payment period.

9.11. LANGUAGE FOR ~~THIS POLICY~~ & CERTAIN WRITTEN NOTICES

The policy shall be available on the District's website with a written copy provided to customers upon request. This Policy~~All written notices under Section 4 and Section 6.F of this Policy~~ shall be ~~provided available~~ in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more of the people within the District's service area.

All written notices required under the Water Shutoff Protection Act shall be provided in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by ten percent (10%) or more of the customers within the District's service area.

10.12. OTHER REMEDIES

In addition to discontinuation of water service, the District may pursue any other remedies available in law or equity for nonpayment of water service charges, including, but not limited to ~~to~~ securing delinquent amounts by filing liens on real property, filing a claim or legal action, or referring the unpaid amount to collections. In the event a legal action is decided in favor of the District, the District shall be entitled to the payment of all costs and expenses, including attorneys' fees and accumulated interest.

11-13. DISCONTINUATION OF WATER SERVICE FOR OTHER CUSTOMER VIOLATIONS

The District reserves the right to discontinue water service for any violations of District ordinances, rules, or regulations other than nonpayment. Discontinuation of residential water service for reasons other than nonpayment shall occur only as authorized by applicable law and District ordinances, rules, regulations and Administrative Code. Nothing in this Section shall be construed to reduce any procedural protection required by applicable law.

12-14. FEES AND CHARGES INCURRED

Except as otherwise expressly stated in this Policy, any fees and charges incurred by a customer under any other rules, regulations, or policies of the District, including, but not limited to, delinquent charges, shall be due and payable as set forth therein.

15. ANNUAL SHUTOFF REPORTING

The District shall annually report the number of discontinuations of residential service for inability to pay on the District's website and to the State Water Resources Control Board through the Electronic Annual Report or successive system as appropriate. The District shall also report the same information to the District's Board of Directors.

13-16. DECISIONS BY DISTRICT STAFF

Any decision which may be taken by the District's General Manager under this Policy may be taken by ~~his or her~~their designee.



STAFF REPORT

To: Board of Directors

Meeting Date: August 27, 2026

From: Dennis Cafferty, General Manager

Subject: Administrative Code Update – Section 2090 – Committees of the Board

The District's retirement plan options include the ETWD Retirement Savings Plan (401k Plan) and the ETWD Deferred Compensation Plan (457 Plan). The 401k plan is professionally managed by PFM Asset Management.

The 457 Plan is self-directed allowing participants to choose investment allocations within the current fund lineup. The current fund lineup consists of 16 different fund options as well as an option to invest in other investment vehicles through the Schwab portal. The District is the Plan Sponsor for the 457 Plan and is technically responsible for decision making regarding the funds available in the Plan. While the 401k Plan is professionally managed by PFM Asset Management, the District does not receive professional input on the 457 Plan other than from Empower.

President Freshley is proposing the establishment of a Retirement Plan Committee consisting of two members of the Board of Directors and several staff members. The Committee will enable the District to provide more formal direction to Empower and facilitate better communication with the 457 Plan participants. The Committee will provide direction to Empower for any desires of the District, consider recommendations Empower might make regarding new or changed funds and provide input on the manner in which holdings will be transferred in the event of fund changes. The Committee will also evaluate the 401k Plan and 457 Plan performance, consider participant questions and feedback and evaluate options to ensure the maximum benefit of the District retirement plans.

Administrative Code Section 2090 defines Standing and Ad-Hoc Committees. The proposed modification to Section 2090 adds the Retirement Plan Committee and changes the name of the Regional Reclamation Committee (RRC) to the SOCWA Planning Committee.

Recommended Action:

Staff recommend the Board of Directors approve the amended Section 2090 of the Administrative Code regarding Committees of the Board.

COMMITTEES OF THE BOARD**1. PURPOSE**

To facilitate the orderly conduct of business of the El Toro Water District ("District") the Board of Directors ("Directors") shall establish Standing and Ad-Hoc Committees.

2. STANDING COMMITTEES

- A. The Board President shall appoint and submit for ratification by the Board, the members of the standing committees for the ensuing year no later than the Board's regular meeting in January.
- B. The Board's standing committees may be assigned to review District functions, activities, and/or operations pertaining to their designated concerns, as specified below. Any recommendations resulting from said review should be submitted to the Board via a written or oral report.
- C. All meetings of standing committees shall conform to all open meeting laws (e.g., "Brown Act"), compensation policies and reimbursement policies that pertain to regular meetings of the Board of Directors.

The following shall be standing committees of the Board:

- 1. Agenda Review Committee;
- 2. ~~Regional Reclamation~~SOCWA Planning Committee;
- 3. Engineering Committee;
- 4. Finance/Insurance Committee
- 5. Computer Technology Committee
- 6. Audit Committee
- 7. Budget Committee
- 8. Human Resources Committee
- 9. Water Quality Committee
- 9-10. ~~Retirement Plan~~ Committee

3. STANDING COMMITTEE SCOPE**A. Agenda Review Committee**

The Board's standing Agenda Review Committee shall review and approve agendas for Board meetings.

B. ~~Regional Reclamation Committee (RRC)~~SOCWA Planning Committee

The Board's standing ~~Regional Reclamation~~SOCWA Planning Committee shall be primarily concerned with coordinating Board policies and oversight of the District's participation in the South Orange County Wastewater Authority (SOCWA).

C. Engineering Committee

The Board's standing Engineering Committee shall be primarily concerned with coordinating Board policies and oversight of the District's capital construction and maintenance projects. The Engineering Committee consists of the full Board.

D. Finance/Insurance Committee

The Board's standing Finance/Insurance Committee shall be primarily concerned with coordinating Board policies and oversight of the District's financial operations and insurance programs. The Finance/Insurance Committee consists of the Full Board.

E. Computer Technology

The Board's standing Computer Technology Committee shall be primarily concerned with maintaining the District's information technology systems.

G. Audit Committee

The Board's standing Audit Committee shall be primarily concerned with reviewing the Auditor's recommendations and/or reports.

H. Budget Committee

The Board's standing Budget Committee shall be primarily concerned with preparing a draft budget for the fiscal year.

I. Human Resources Committee

The Board's standing Human Resources Committee shall be primarily concerned with personnel matters associated with District staff.

J. Water Quality Committee

The Board's standing Water Quality Committee shall be primarily concerned with issues pertaining to the quality and safety of the drinking water distributed by the District.

K. Retirement Plan Committee

The Retirement Plan Committee will be comprised of two Board members, appointed by the Board President, and several members of staff, appointed by the General Manager. The Retirement Plan Committee will evaluate the District Retirement Savings Plan (401k Plan) and Deferred Compensation Plan (457 Plan) performance, review the 457 Plan available funds, review Empower recommendations for the 457 Plan

funds, consider participant questions and feedback and evaluate options to ensure the maximum benefit of the District retirement plans.

3.4. AD-HOC COMMITTEE SCOPE

- A. The Board President shall appoint ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.
- B. The ad-hoc committee(s) shall address special and specific issues and consist of no more than two (2) members of the Board for a limited duration and jurisdiction.

R 97-5-2 05/22/97; R 97-6-3 06/19/97; R 98-2-2 02/19/98; R 99-7-2 07/15/99; R 00-3-16 03/16/00;
R 03-4-2 04/24/03; R 06-2-1 02/23/06; R 07-2-1 02/22/07; R 15-1-1 01/22/15; R 24-1-2 01/25/24;
12/18/25; 08/27/26



STAFF REPORT

To: Board of Directors **Meeting Date: August 27, 2026**
From: Dennis Cafferty, General Manager
Subject: Board and Staff Assignments – Retirement Plan Committee
Resolution 26-8-1

The proposed modifications to Administrative Code Section 2090 – Committees of the Board establish the Retirement Plan Committee and propose the change in the name of the Regional Reclamation Committee to the SOCWA Planning Committee.

Resolution 26-8-1 provides for President Freshley's assignment of two Directors to the Retirement Plan Committee. The Committee staff members will be assigned by the General Manager.

At the request of the current assigned Regional Reclamation Committee members, the RRC Committee is being renamed as the SOCWA Planning Committee. This change is also reflected in the attachment to Resolution 26-8-1.

Recommended Action:

Staff recommends approval of Resolution No. 26-8-1 modifying Standing and External Organization Board and Staff Assignments for calendar year 2026.

RESOLUTION NO. 26-8-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
MODIFYING STANDING AND EXTERNAL ORGANIZATION
BOARD AND STAFF ASSIGNMENTS
FOR CALENDAR YEAR 2026

RESOLUTION NO. 26-8-1

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EL TORO WATER DISTRICT
MODIFYING STANDING AND EXTERNAL ORGANIZATION
BOARD AND STAFF ASSIGNMENTS
FOR CALENDAR YEAR 2026**

WHEREAS, the Board of Directors of the El Toro Water District deems it to be in the best interest of the District to approve the President's appointment of Board Members to Standing Committee assignments; and

WHEREAS, the list of appointments is attached hereto marked Exhibit "A," and made part of this Resolution.

NOW THEREFORE, IT IS HEREBY RESOLVED, as follows:

RESOLVED, that the Board of Directors of the El Toro Water District hereby confirms the Standing and External Organization Board and Staff Assignments as listed in Exhibit "A".

ADOPTED, SIGNED AND APPROVED this 27th day of August 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kathryn Freshley, President
El Toro Water District and of the
Board of Directors thereof

ATTEST:

DENNIS P. CAFFERTY, Secretary
El Toro Water District and of the
Board of Directors thereof

**EXHIBIT A
RESOLUTION 26-8-1**

BOARD/STAFF MEMBER ORGANIZATIONAL AND STANDING COMMITTEE ASSIGNMENTS – 2026

<u>ETWD COMMITTEE</u>	<u>CHAIRMAN</u>	<u>ALTERNATE</u>	<u>FREQUENCY</u>
Engineering Committee	McClean	Freshley	Monthly (Full Board)
Finance & Insurance Committee	Monin	Havens	Monthly (Full Board)
Agenda Review Committee	Freshley	Havens	Monthly
Regional Reclamation Committee (RRC) <u>SOCWA Planning Committee</u>	Freshley	Gaskins	Monthly

<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>	<u>ALTERNATE</u>	<u>FREQUENCY</u>
SOCWA Board	Freshley	Gaskins	Monthly
SOCWA Executive Committee	Freshley		
SOCWA Finance Committee	Cafferty	Freshley	Monthly
ISDOC Executive Committee	Monin	McClean	Monthly
LAFCO	Freshley	McClean	Monthly
Santiago Aqueduct Commission	Havens	McClean	Quarterly
South OC Agencies Group	Gaskins	Freshley	Bi-Monthly
South OC Watershed Management Area Executive Committee	Havens	Monin	Quarterly

ADDITIONAL COMMITTEES THAT MEET ON AN OCCASIONAL OR AS NEEDED BASIS

<u>ETWD COMMITTEE</u>	<u>CHAIRMAN</u>	<u>ALTERNATE</u>	<u>FREQUENCY</u>
Computer Technology	Freshley	Monin	Annual/As Required
Audit Committee	Monin	Freshley	Annual/As Required
Budget Committee	Havens	Gaskins	Annual/As Required
Human Resources Committee	Gaskins	Havens	Annual/As Required
Water Quality Committee	Gaskins	Havens	Annual/As Required
<u>Retirement Plan Committee</u>	<u>Freshley</u>	<u>Monin</u>	<u>Quarterly/As Required</u>
JPIA	Freshley	Gaskins	Semi-Annual
ACWA Energy Committee	Freshley	N/A	As Required
ACWA Water Quality Committee	Gaskins	N/A	As Required
ACWA Water Quality Committee	Havens	N/A	As Required
ACWA Agriculture Committee	McClean	N/A	As Required

DIRECTORS WILL NOT BE COMPENSATED FOR ATTENDING MEETINGS NOT LISTED ABOVE UNLESS AUTHORIZED BY THE BOARD OF DIRECTORS OR BOARD PRESIDENT, WITH THE EXCEPTION OF: President/VP/GM Meetings, OCWA Luncheon Meetings, Water Reuse Luncheon Meetings, WACO, CAG, ISDOC Quarterly Luncheon, MET Inspection Trips, MWDOC Quarterly Policy Forum events, MWDOC/Met Directors Workshop, MWDOC Elected Officials Forum, MWDOC Board Meeting, MWDOC Administration & Finance Committee Meeting, MWDOC Planning & Operations Committee Meeting, MWDOC/OCWD Joint Planning Committee Meeting, So Cal Water Committee, South Orange County Economic Coalition, Laguna Woods Village Television appearances, Chamber of Commerce Events in the Chambers for the 5 cities served by the District, City Council meetings in the 5 cities served by the District at which there is an agenda item relevant to the District, Supervisor/Congressional Representative meetings in the areas served by the District.

GENERAL MANAGER'S REPORT

August 2026

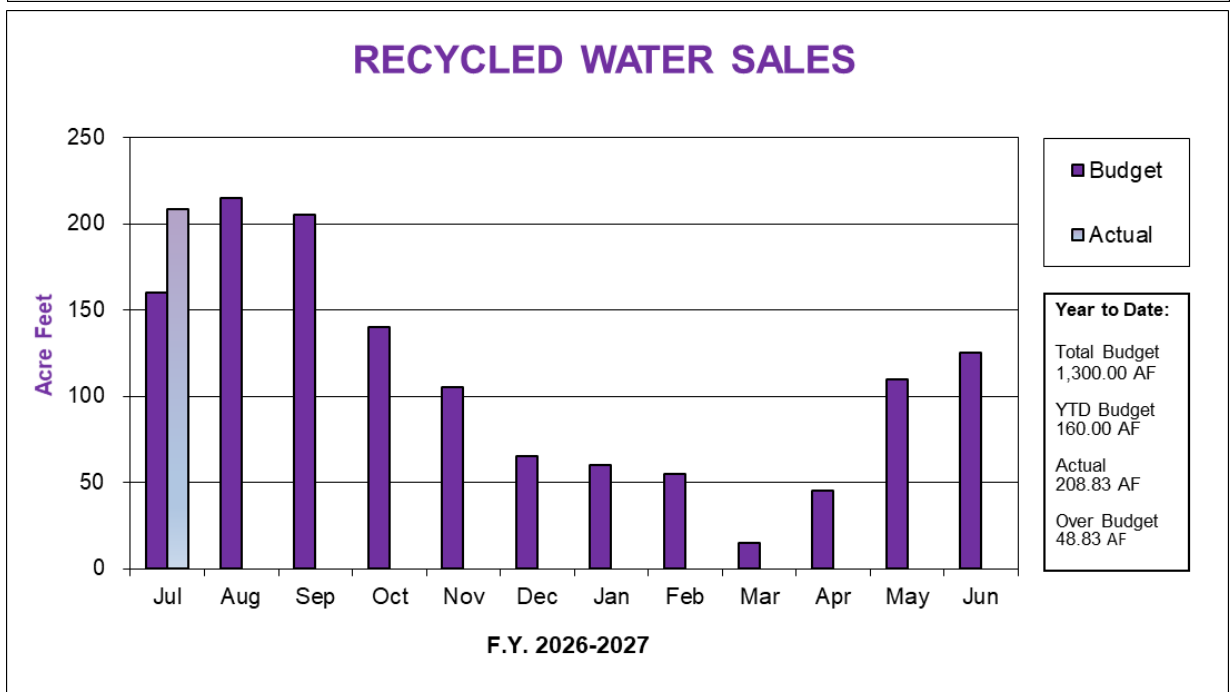
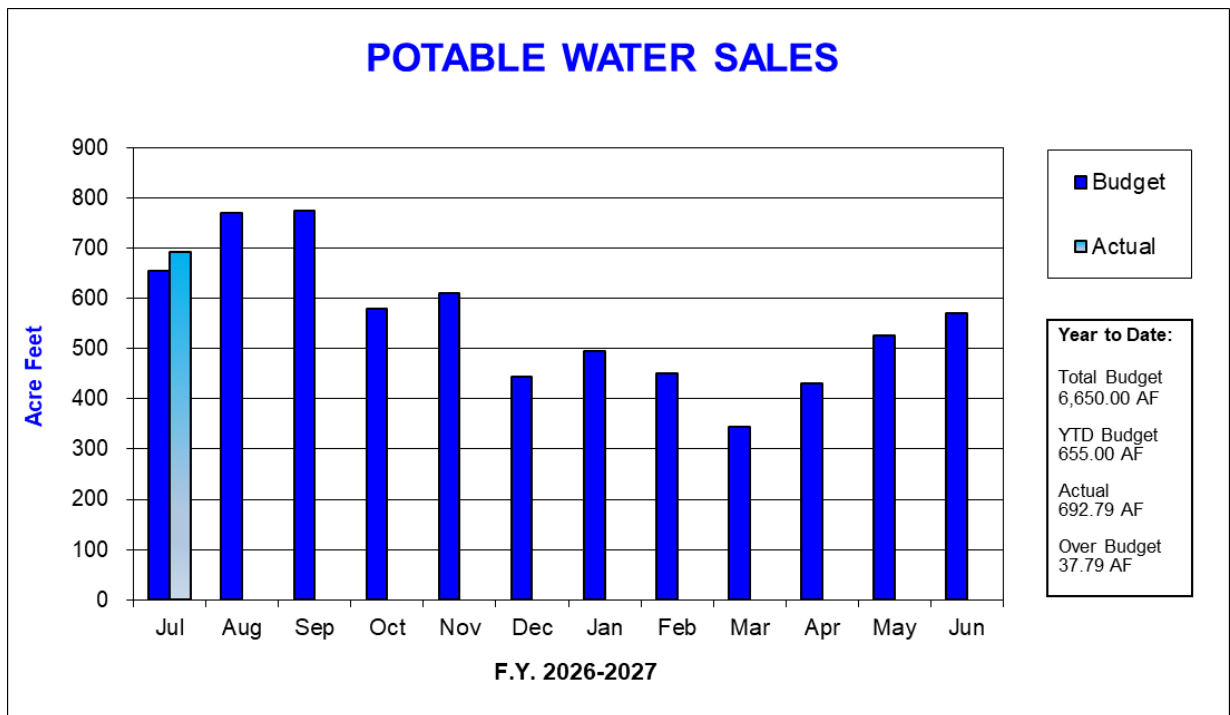
I. OFFICE OF THE GENERAL MANAGER

- MWDOC P&O Committee Meeting
- MWDOC A&F Committee Meeting
- MWDOC MET Directors Workshop
- SOCWA Board Meeting
- Meeting with United Mutual President
- Golden Rain Foundation Board Meeting
- United Mutual Board Meeting
- Meeting with SCE
- South Orange County Agencies Group Meeting
- ETWD President / Vice President / General Manager Meeting
- Meeting with General and Special Counsel
- Meeting with Empower
- ETWD AI Committee Meeting
- ETWD RRC Meeting
- ETWD All Employee Meeting
- ETWD Agenda Review Meeting
- ETWD Community Advisory Group Meeting
- ETWD Regular Engineering & Finance Committee Meetings
- ETWD Regular Board Meeting

II. DOMESTIC AND RECYCLED WATER SALES

Actual domestic sales for the year-to-date as of July 31, 2026, are 692.79 acre-feet. This compares to year-to-date budgeted domestic sales of 655.00 acre-feet. The year-to-date variation in actual to budgeted sales reflects an increase of 39.79 acre-feet. Actual sales are 46.04 acre-feet higher than last year-to-date actual sales for the same period.

Actual recycled sales for the year-to-date as of July 31, 2026, are 208.83 acre-feet. This compares to year-to-date budgeted recycled sales of 160.00 acre-feet. The year-to-date variation in actual to budgeted sales reflects an increase of 48.83 acre-feet. Actual sales are 7.05 acre-feet higher than last year-to-date actual sales for the same period.

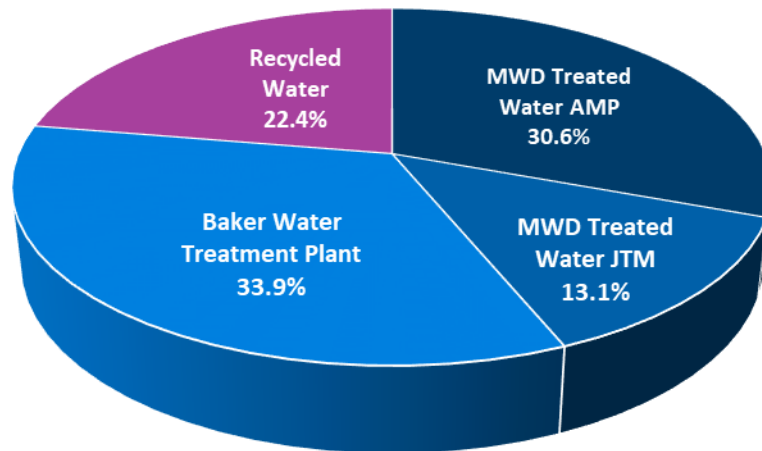


III. WATER SUPPLY SOURCES

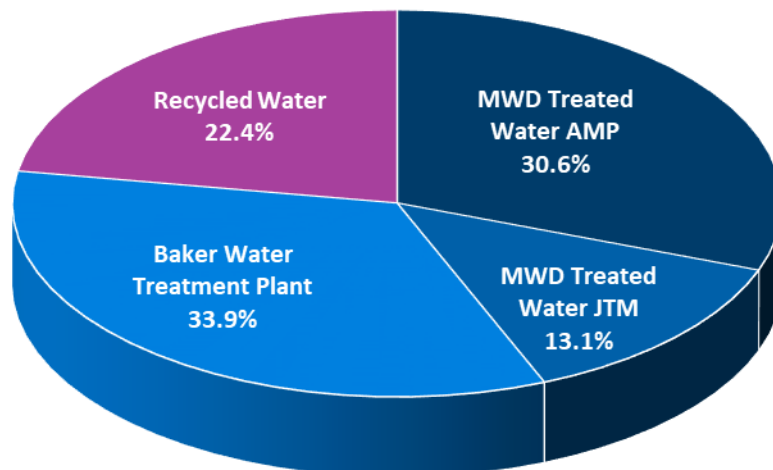
The charts below provide a summary of water supply sources for the month and fiscal year to date (FY 2026-2027). They illustrate the relative contribution of each supply source, including imported treated water from Metropolitan Water District (MWD) via the AMP and JTM connections, local production from the Baker Water Treatment Plant, interconnections with neighboring agencies, and recycled water. These charts help track supply trends and support planning and operational decisions.

Water Supply Sources (AF)				
	July 2026		FY 2026-2027 YTD	
MWD Treated Water AMP	286.2	30.6%	286.2	30.6%
MWD Treated Water JTM	122.7	13.1%	122.7	13.1%
Interconnections	-	0.0%	-	0.0%
Baker Water Treatment Plant	316.6	33.9%	316.6	33.9%
Recycled Water	208.8	22.4%	208.8	22.4%
TOTAL	934.3	100.0%	934.3	100.0%

Water Supply Sources
July 2026



Water Supply Sources
FY 2026-2027 YTD



Customer Service Activity Report

Regular Service Calls	JULY 2026	JULY 2025	Telephone Calls	JULY 2026	JULY 2025
Serviceman Dispatched to Read, Connect/Disconnect Service	104	117	Change of Service: Connections and Disconnections	83	79
Field Investigations:			Billing / Payments & Graph Inquires	181	259
Check for leaks - calls to CS Office:(irrigation,meter,street leaks)			Assistance with online payments and ETWD's portal (cc, e-checks, other.)	5	19
Customer Responsible	10	13	Variance / Adjustment Inquiries	6	18
District Responsible	4	4	Variance / Adjustment Requests Processed	7	12
None found/other	10	7	Ordinance Infraction / Water Waste Complaints	4	0
High Reads Checked - High Consumption (Billing Dept.)					
Cust Leaks: 17 No Leaks: 25	42	46			
Check Stopped Slowed Meters-Low Consumption (Billing)	9	0	Outside Utility Districts	34	54
Re-Check Read	11	7	Phone calls Transfer to other Departments within ETWD	25	40
Ordinance Infraction	1	0	Phone calls for the Board of Directors	0	0
Recycled Water	0	0	Recycled Water	2	0
Water Quality: Taste / Odor / Color	4	8	Water Quality Taste - Odor - Color	3	5
Phone response: _4 Field response: _0			Leaks / Breaks	19	16
Flooding (Hydrant) Meters issued	3	1	Flooding Meter calls (Hydrant)	3	2
Sewer - Odor/Stoppage/ Manhole Covers	1	3	Sewer Problems (odor / spills)	0	1
Meter Box:1 Lids:12 Covers Replaced: 16	19	18			
Meter Box Clean, Digout	0	3	Backflow / Cross Connection (questions or yearly testing forms)	4	5
Raised Meter Box	1	0	ETWD facilities inquiries: Boxes/Covers/Lids/Hydrants/Pump Stations/Graffiti/ "Gen. Maint"	0	2
Trim Bushes / Meter Obstruction	14	10			
General Maintenance Response	1	10	Tyco (ADT) Calls		
Fire Hydrants: Hit / Leaks / Caps	0	4	(Alarms to ETWD facilities)	1	1
Pressure(psi) Checks / Reads	0	6	ATT Calls (access to tower sites)	0	0
CSSOV (Angle Meter/Ball Valve/Gate Valve/Globe Valve) chk,repair,replaced	12	21	SCE Calls (access to tower sites)	1	0
AMS angle-meter-stop replace/repair	0	0	Pager Calls specifically for Pump Stations - SCADA	0	0
Bees Removed	0	2			
Backflow / Cross Connection	1	1	Payment Extensions	21	43
Fogged Registers	11	36	Delinquent Payment Calls to Customer 's prior to shut off per billing calendar (automatic courtesy dialer)	-	0
OMCOP: Old Meter Change - Out Program	0	3	Return Calls from customers left on our voice mail system. Ext. 500	7	11
Other: (uncommon non-maintenance calls)	0	6	Email Correspondence:	20	28
On-Call After Hrs. CS Response	16	30	Maintenance Service Order Requests (bees, psi, fogged-dirty registers)	13	17
# Posting Notice & 24 Hr. Door Hangers Hung	136	185	Misc. (other: employment, deliveries, sales calls)	28	33
#Shut Offs/Disconnect for Non-Payment (DNP)	31	51	Payment Processing Fee Complaints		0
Removed Meter	0	0	Customers Complaints non bill related.	0	0
New Meter	1	1	Billing Disputes	0	0
Unread Meters	5	4			
Total Field Investigations	447	596	Total Telephone Calls	467	645
Uncollectible Accounts:			Credit Card Payments	JULY 2026	JULY 2025
Budget YTD	\$ -	\$ 1,625.00	REGULAR	2,066	\$397,046.09
Actual YTD	\$ -	\$ -		2,025	\$350,826.70



The Metropolitan Water District of Southern California

Water Supply Conditions Report - <https://www.mwdh2o.com/WSCR>

Questions? Reach out via the form: <https://forms.office.com/g/Gj3aReAuCm>

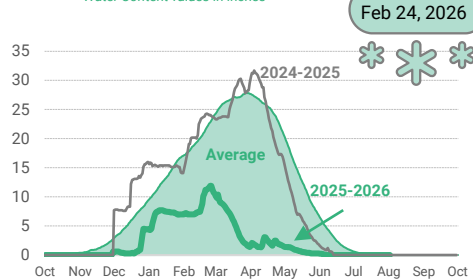
Water Year 2025-2026

As of: 08/02/2026

State Water Project

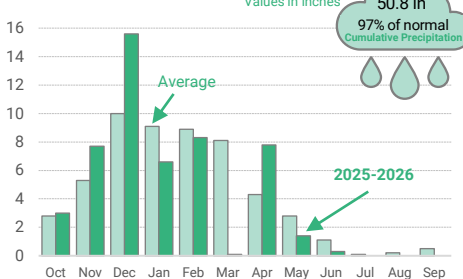
Northern Sierra Snow

Water Content values in inches



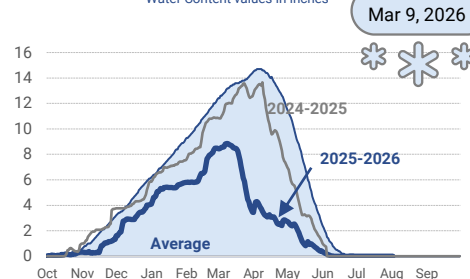
Northern Sierra 8 Station Rain

Values in inches



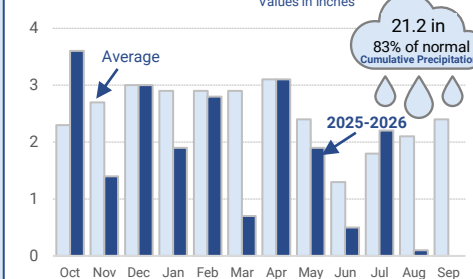
Colorado River Basin Snow

Water Content values in inches



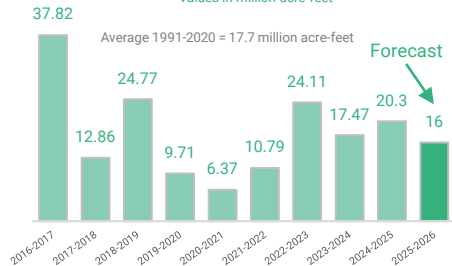
Colorado River Basin Rain

Values in inches

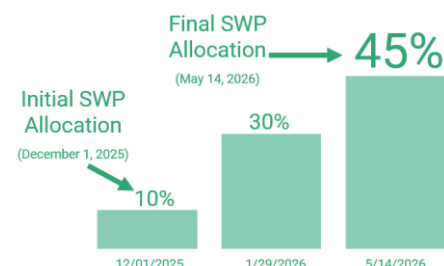


Sacramento River Runoff

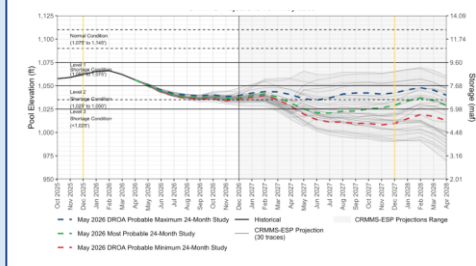
Values in million acre-feet



2026 State Water Project Allocation

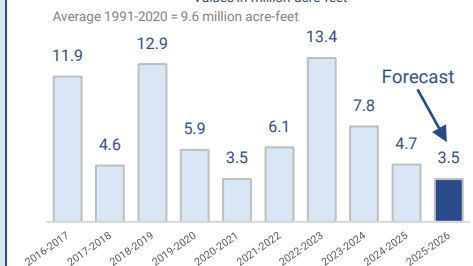


Lake Mead Elevation Projections



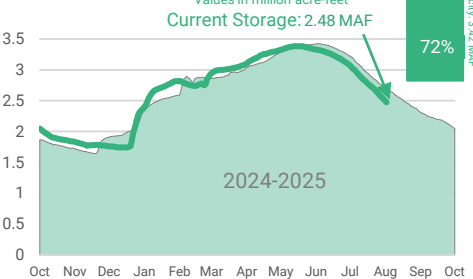
Unregulated Inflow into Lake Powell

Values in million acre-feet



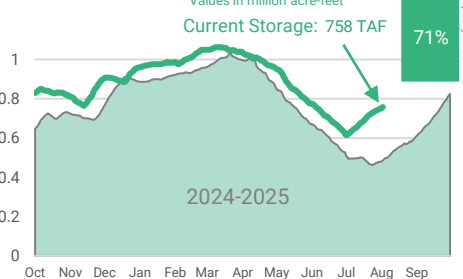
Oroville Reservoir Storage

Values in million acre-feet



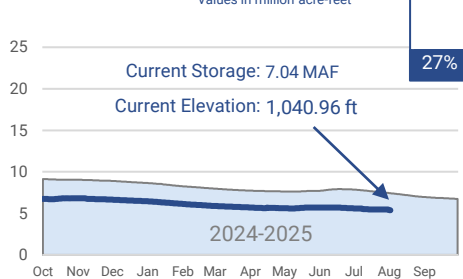
San Luis Reservoir SWP Storage

Values in million acre-feet



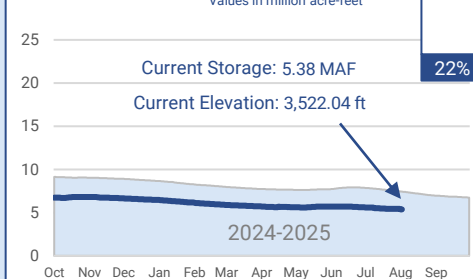
Lake Mead Storage

Values in million acre-feet



Lake Powell Storage

Values in million acre-feet



Explore the Colorado River Aqueduct : <https://www.mwdh2o.com/colorado-river-aqueduct-map/>

WILL SERVE SUMMARY REPORT

July 2026

PROJECT NAME	PROJECT DESCRIPTION	Will Serve Letter Date	PHASE	CFF
Burlington Backflow	Addition of a domestic backflow device	10/24/2025	Construction	\$ -
Heritage Market	Converting retail to market with kitchen	6/1/2026	Construction	Not Yet Calculated
Asia Spa	Coverting retail to beauty parlor	1/14/2026	Construction	\$ 1,912
Muirlands and Los Alisos Intersection Improvements	Relocation of water appurtenances and at-grade adjustments	3/19/2026	Plan Check	\$ -
The Village at Laguna Hills (Firestone Tire Demolition)	Removal of existing water, fire, and sewer services at former Firestone Tire site.	Forthcoming	Construction	\$ -
The Village at Laguna Hills (Phase 1A - Retail)	Installation of water, fire, and sewer services to support new retail development in Q4 2026 - Q4 2028.	Forthcoming	Plan Check	Not Yet Calculated
The Village at Laguna Hills (Phase 1A - Affordable Housing)	Installation of water, fire, and sewer services to support 200 new dwelling units in Q4 2026 - Q4 2028.	Forthcoming	Planning	Not Yet Calculated
The Village at Laguna Hills (Phase 1A - Hotel East)	Installation of water, fire, and sewer services to support new hotel in Q4 2026 - Q4 2028.	Forthcoming	Planning	Not Yet Calculated
The Village at Laguna Hills (Phase 1B - Village Park, Hotel West, Multifamily North)	Installation of water, fire, and sewer services to support new park, retail, hotel, and multifamily homes in Q2 2028 - Q2 2030.	Forthcoming	Planning	Not Yet Calculated
The Village at Laguna Hills (North Residential)	Installation of water, fire, and sewer services to support new townhomes and multifamily homes North of Health Center Drive starting in 2027.	Forthcoming	Planning	Not Yet Calculated
The Village at Laguna Hills (South Residential)	Installation of water, fire, and sewer services to support new townhomes and multifamily homes South of Health Center Drive starting in 2028/2029.	Forthcoming	Planning	Not Yet Calculated
Parentis Health Sewermain Relocation	Relocating an existing sewermain.	6/26/2025	Plan Check	Not Yet Calculated
Central Utilities Plant 24451 Health Center Drive	Additional domestic and fire services for a medical central utility plant.	12/20/2024	Construction	\$ 21,856
23272 & 23282 Mill Creek Terravita - Phase 1	Residential development for 43 dwelling units	Forthcoming	Plan Check	Not Yet Calculated
23161 Mill Creek Koshbin	Residential development for 36 attached condo units	6/30/2026	Construction	\$ 217,722
23172 Plaza Pointe Dr and 23441 S Pointe Laguna Hills	Residential development of 100 dwelling units	Forthcoming	Planning	Not Yet Calculated
Texas Roadhouse BBQ	Conversion of El Torito into Texas Roadhouse BBQ	4/23/2026	Plan Check	\$ -
23370 Moulton Pkwy Sewer Improvements	Modifications to the sewer lateral	5/8/2025	Construction	\$ -
23501 Avenida De La Carlota Bollmart	Converting retail to market with grocery store	11/26/2025	Construction	\$ 12,706
Laguna Woods City Center Project	Improvement of an existing city park	Forthcoming	Plan Check	\$ -
Laguna Woods Fire Station	Addition of a fire station adjacent to the Pump Station 1 Site	Forthcoming	Planning	Not Yet Calculated
Quick Quack Carwash	Conversion of a restaurant into a carwash	Forthcoming	Plan Check	Not Yet Calculated

WILL SERVE SUMMARY REPORT

July 2026

PROJECT NAME	PROJECT DESCRIPTION	Will Serve Letter Date	PHASE	CFF
24301 Paseo De Valencia	Conversion of a bank to medical offices	2/18/2026	Plan Check	Not Yet Calculated
IVX Health	Conversion of retail to a medical office	6/23/2026	Plan Check	\$ 3,790
The Artist Tree	Conversion of a pharmacy to a multi tenant unit with cannabis retail	N/A	Close-Out	\$ -
23022 La Cadena	Conversion of commercial to 29 townhomes	Forthcoming	Planning	Not Yet Calculated
Mill Creek Terravita - Phase 2	Residential development for 415 dwelling units	Forthcoming	Plan Check	Not Yet Calculated
Meeso Tofu House	Conversion of retail to a restaurant	Forthcoming	Plan Check	\$ 39,182

EL TORO WATER DISTRICT – LEGISLATIVE MATRIX

California State Legislative & Water Policy Priorities - Updated August 2026

Bill / Item	Author	Title	Brief Summary	ETWD Position	Status
CA SB 1153	Sen. Caballero (D–Merced)	Disaster preparedness: urban retail water suppliers and public water systems: wildfire	Beginning January 1, 2028, requires urban retail water suppliers serving 3,300 or more persons in high or very high fire hazard severity zones to add wildfire-specific response procedures and mitigation actions to disaster preparedness plans. The bill also states that public water systems have no duty to design, construct, or maintain systems for wildfire defense or suppression and provides liability-related protections tied to wildfire water supply/pressure.	Signed ACWA Sponsored Coalition Letter	Assembly Floor – Third Reading. Amended 08/17/2026 and ordered to third reading; listed on the Assembly Third Reading File as of 08/20/2026.
CA AB 2180	Asm. Ward (D–San Diego)	Local government: Proposition 218 Omnibus Implementation Act: proportional cost of service	Clarifies how local agencies may demonstrate proportionality for property-related water and sewer fees. Allows reasonable cost-allocation methods, including uniform or tiered customer classes, without requiring exact parcel-by-parcel measurement; tier costs may be supported by any reasonable allocation basis.	Signed ACWA Sponsored Coalition Letter	Enrolling. Senate passed the bill 29–9 on 08/18/2026; Assembly concurred in Senate amendments on 08/19/2026 and the bill was sent to Engrossing and Enrolling.
CA AB 2739	Asm. Soria (D–Fresno)	Water: affordability and system stabilization	Creates the Water Affordability and System Stabilization Trust/Fund. Under the current bill, annual trust income is generally allocated 45% to water rate assistance, 45% to a DWR community water affordability/infrastructure grant program, and 10% reinvested to build a perpetual funding source.	Signed IRWD Sponsored Coalition Letter	Senate Floor – Third Reading. Cleared Senate Appropriations on 08/13/2026 and was ordered to third reading; active as of 08/20/2026.
Sites Reservoir Coalition	Sites Project Authority / MWDSC coalition partners	Sites Reservoir Project – statewide off-stream water storage	Coalition advocacy supporting development of the proposed off-stream Sites Reservoir in the Sacramento Valley to improve dry-year water supply reliability, operational flexibility, and ecosystem/public benefits. Key 2026 work includes water-right permitting, participant agreements, financing, and preconstruction activities.	Signed MWDSC Coalition Letter	Project development / permitting. State water-right proceedings are advanced: a Draft Decision and Draft Permit were issued 03/20/2026, comments closed 05/22/2026, and State Water Board final action was scheduled for September 2026. The California Water Commission also approved \$268.9 million in supplemental funding in June 2026.

EL TORO WATER DISTRICT – LEGISLATIVE MATRIX

California State Legislative & Water Policy Priorities - Updated August 2026

Bill / Item	Author	Title	Brief Summary	ETWD Position	Status
Delta Conveyance Project Streamlining Trailer Bill	Governor Gavin Newsom / Department of Finance	Delta Conveyance Project: Streamling Proposal	Governor Newsom’s May 2025 budget revision proposed statutory changes to accelerate the Delta Conveyance Project by simplifying certain permitting and protest procedures, confirming DWR authority to finance the project with State Water Project revenue bonds repaid by participating water agencies, streamlining judicial review, and facilitating property acquisition and utility work. ETWD supported the streamlining proposal.	Signed Governor Newsom Coalition Letter	2025 proposal was not introduced for a legislative vote before the end of the 2025 session. No 2026 successor trailer bill was identified in the sources reviewed as of 08/20/2026. The Delta Conveyance Project itself continues to advance under existing processes: federal Endangered Species Act biological opinions were completed in June 2026, and DWR filed a revised Delta Plan consistency certification on 07/24/2026 following the Delta Stewardship Council’s April 2026 decision.
CA AB 259	Asm. Rubio (D–Baldwin Park)	Open meetings: local agencies: teleconferences	Would continue the modified Brown Act alternative teleconference procedures originally created by AB 2449, allowing qualifying remote participation under specified public-access, notice, quorum, and procedural requirements instead of allowing the provisions to sunset.	Support	Senate Committee Process – Local Government / Judiciary. Referred to both committees on 05/14/2025; a Senate Local Government hearing was postponed on 06/27/2025. No later substantive action shown as of 08/20/2026.
CA SB 496	Sen. Hurtado (D–Bakersfield)	Advanced Clean Fleets Regulation: appeals advisory committee: exemptions	Would have required the California Air Resources Board to establish an Advanced Clean Fleets Appeals Advisory Committee to review denied exemption requests and provide recommendations, with specified stakeholder representation.	Support	Dead / Inactive. Held in Senate Appropriations on 05/23/2025 and returned to the Secretary of the Senate on 02/02/2026 pursuant to Joint Rule 56.
CA SB 350	Sen. Durazo (D–Los Angeles)	Water Rate Assistance Program	Would have established a statewide Water Rate Assistance Program and fund for low-income residential water and wastewater customers, administered by the State Water Resources Control Board and contingent on legislative appropriation. The concept was reintroduced in 2026 as SB 1125.	Support	Dead / Inactive. Returned to the Secretary of the Senate on 02/02/2026 pursuant to Joint Rule 56. No further action.
CA SB 454	Sen. McNerney (D–Pleasanton)	State Water Resources Control Board: PFAS Mitigation Program	Would have established a PFAS Mitigation Program and fund at the State Water Resources Control Board to provide financial and technical assistance for PFAS remediation and treatment, subject to appropriation, and to accept eligible state, federal, private, and other nonstate funding.	Support	Vetoed / Inactive. Governor vetoed the bill on 10/01/2025; veto was sustained and the bill was stricken from file on 03/02/2026.

EL TORO WATER DISTRICT – LEGISLATIVE MATRIX

California State Legislative & Water Policy Priorities - Updated August 2026

Bill / Item	Author	Title	Brief Summary	ETWD Position	Status
CA AB 514	Asm. Cottie Petrie-Norris (D-Irvine)	Water: emergency water supplies	Declares state policy to encourage, but not mandate, local and regional water suppliers to develop emergency water supplies for use during droughts or unplanned service or supply disruptions. Emergency supplies must be water to which the supplier has an established legal right and that are identified in a water shortage contingency plan or drought plan. The bill does not require suppliers to modify operations, demand-management programs, water rights, contracts, or shortage plans.	Support	Dead. Held in the Assembly Appropriations Committee in 2025 and did not advance before the legislative deadline; the California Legislature currently lists AB 514 as “Assembly – Died – Appropriations.”



NATURAL RESOURCE RESULTS

To: Board of Directors, *Municipal Water District of Orange County*

From: Natural Resource Results

RE: Monthly Board Report – August 2026

Colorado River Post-2026 Negotiations

Department of the Interior Secretary Burgum convened a virtual meeting of the Basin States' governors on July 21. During the meeting, Burgum provided an overview of the current schedule and the status of negotiations.

The Bureau of Reclamation is expected to release the Final Environmental Impact Statement (FEIS) for Post-2026 Colorado River Operations this week, with a Record of Decision anticipated the same day or shortly thereafter. The FEIS provides the NEPA framework for a wide range of potential operating scenarios over the next decade, while specific reservoir operating rules will continue to be established through separate decision documents issued approximately every two years, beginning with the 2027–2028 Operating Guidelines.

Meanwhile, the Lower Basin states have largely finalized provisions governing shortage sharing and Intentionally Created Surplus (ICS). Under the agreement, the Lower Basin will implement 1.25 million acre-feet (MAF) of annual reductions—760,000 acre-feet in Arizona, 440,000 acre-feet in California, and 50,000 acre-feet in Nevada—along with 700,000 acre-feet of cumulative system conservation through 2028. The agreement also extends the creation and delivery of ICS by an additional two years.

Delta Conveyance Project

On July 8, 2026, the U.S. Army Corps of Engineers (USACE) completed its Record of Decision (ROD) for the Delta Conveyance Project, finalizing the agency's programmatic environmental review under the National Environmental Policy Act. This milestone authorizes USACE to begin evaluating future permit applications for specific project components within its regulatory jurisdiction. The ROD was preceded by Biological Opinions from the U.S. Fish and Wildlife Service and the National Marine Fisheries Service — both issued in early June 2026 — covering construction and construction-related maintenance activities under the Endangered Species Act. Governor Newsom's office characterized the issuance of the Biological Opinions as "critical federal clearance" for the project to advance toward construction.

With the USACE ROD now complete and the ESA Biological Opinions in hand, DWR has updated its permitting schedule and is charting a three-year pathway to obtain remaining key

state and federal permits, with additional permitting milestones anticipated throughout the remainder of 2026.

Appropriations

The FY2027 Energy and Water Development bill remains unfinished. The House Appropriations Committee cleared its version (34–25) but has yet to schedule floor action, which leadership is expected to take up after the August recess, while the Senate has not released an Energy and Water bill at all amid a top-line spending impasse. Both chambers are instead pursuing dueling continuing resolutions to avert an October 1 shutdown — the House has already passed a CR (H.R. 9770) extending funding through December 4, 2026 — making a stopgap the likeliest near-term path and pushing full-year decisions into the winter.

Water Resources Development Act of 2026

The Water Resources Development Act (WRDA) is the biennial bill through which Congress authorizes U.S. Army Corps of Engineers water infrastructure projects and studies — spanning navigation, flood risk management, and ecosystem restoration — typically enacted on a two-year cycle. The House Committee on Transportation and Infrastructure approved its version, H.R. 9497, by a 66–0 vote on July 14, and the Senate Environment and Public Works (EPW) Committee followed one day later, unanimously reporting its own version, S. 4949, on July 15. The Senate measure is a bipartisan package authorizing more than \$35 billion in water infrastructure funding over four years.

Because the EPW Committee's jurisdiction extends to EPA programs, S. 4949 carries financing provisions absent from the House bill. The bill reauthorizes the WIFIA program — which provides low-cost federal credit assistance for high-cost water infrastructure projects, generally those exceeding \$20 million — and, like the SRF programs, WIFIA received a four-year reauthorization.

**July 29, 2026****To:** Municipal Water District of Orange County**From:** Michael Boccadoro
Beth Olhasso**RE:** July Report

California enters the peak summer water-use season with strong reservoir conditions following a wet year, providing water managers with increased flexibility heading into the hottest months of the year. Statewide reservoir storage was approximately 27.4 million acre-feet as of July 22, or about 105 percent of the historical average for this time of year. Major reservoirs remain well positioned, with Lake Shasta at 81 percent of capacity and 111 percent of historical average, Lake Oroville at 81 percent of capacity and 111 percent of historical average, with approximately 2.79 million acre-feet of storage, and San Luis Reservoir at about 1.15 million acre-feet, or 56 percent of capacity.

The Sites Reservoir Project, is facing renewed questions over how much water it will ultimately be able to capture from the Sacramento River. The \$6 billion project received a draft water right approval earlier this year, but project officials warn that environmental restrictions intended to protect fish and downstream ecosystems could significantly reduce available supplies, potentially affecting the project's financial feasibility.

The Department of Water Resources has transitioned the State Water Project into summer operations, allowing increased water movement through the Delta while continuing protections for endangered fish species. Beginning July 1, seasonal regulatory changes allow for greater flexibility in Delta pumping as certain fish species move away from areas most affected by project operations. DWR is balancing water deliveries with environmental requirements by adjusting releases from Oroville.

Recent polling shows water remains a top concern for California voters, with strong support for improving reliability, upgrading infrastructure, and preparing for future droughts and climate impacts. Separate surveys by PPIC and ACWA found that Californians continue to view water as one of the state's most important environmental challenges, while also expressing concerns about affordability and the cost of environmental programs.

Researchers at UC Riverside have developed a new catalyst that could improve treatment of perchlorate, a persistent groundwater contaminant found in parts of California. The technology uses ruthenium nanoparticles to break down concentrated perchlorate captured during traditional treatment processes, converting it into harmless chloride and reducing the hazardous waste challenges associated with current methods.

The Bureau of Land Management has approved a key step for the Cadiz water project, allowing the company to convert an existing oil and gas pipeline into a water conveyance system capable of transporting groundwater from the Mojave Desert to potential Southern California users. The

project proposes moving up to 25,000 acre-feet of groundwater annually through approximately 162 miles of pipeline.

The Legislature returns for the final month of the two-year session on August 3. Senate and Assembly Appropriations Committees will take up their respective Suspense Files on August 13 and then it will be two-weeks of floor session. Tribal rights bills are still moving, as is WaterReuse CA and CASA's bill to modernize the Clean Water SRF program. Unfortunately, the SWC's AB 2218 (Calderon) concerning the SW water rights extension is not moving forward nor is AB 1436 (Avila Farias) on Advanced Clean Fleets

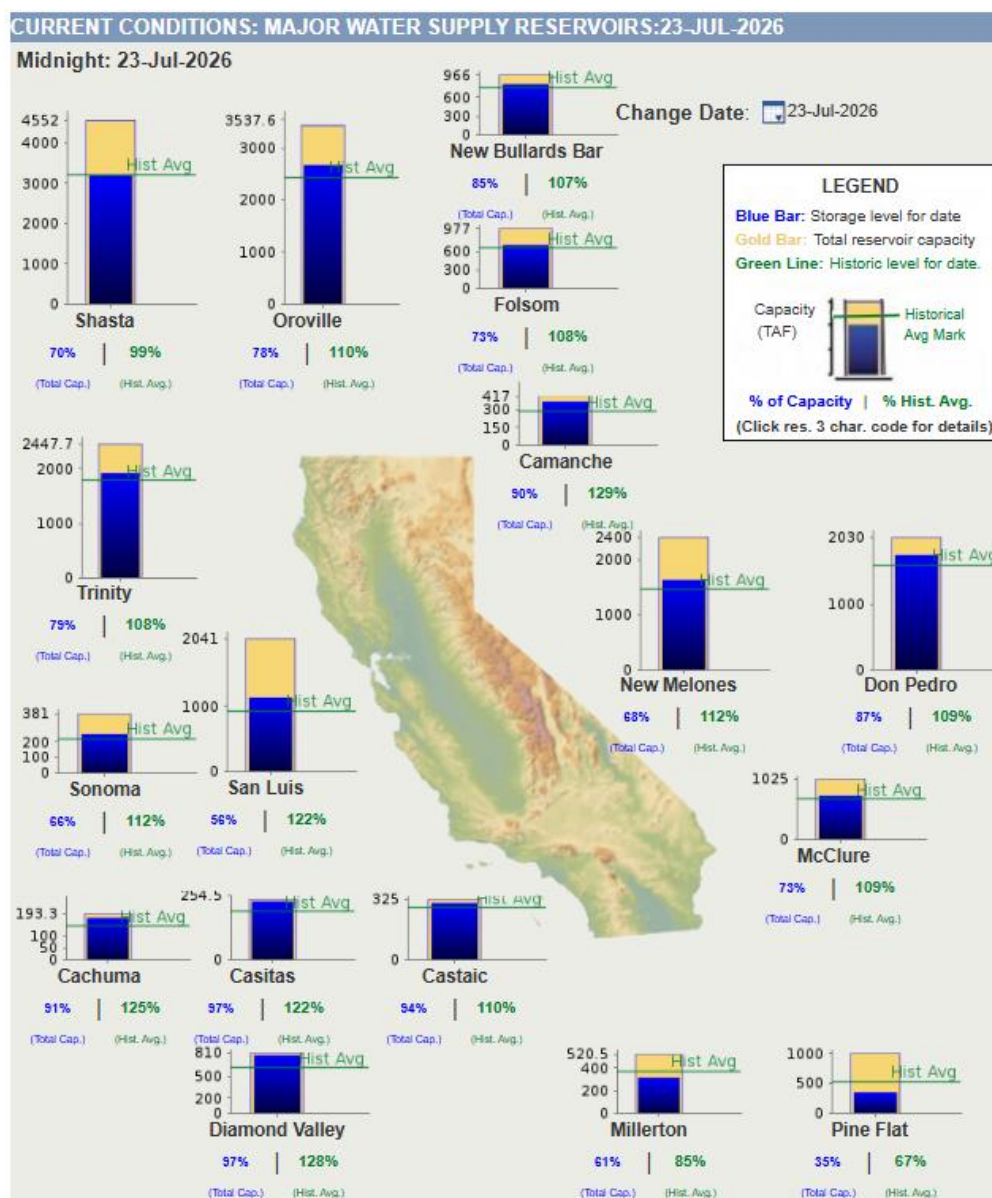
SB 872 (McNerney) is still moving, but is expected to be addressed in final budget negotiations that will allocate Proposition 4 funds.

Municipal Water District of Orange County Status Report – July 2026

Water Supply Conditions

California enters the peak summer water-use season with above-average storage in several key reservoirs, providing a measure of water supply stability following a wet year. Statewide reservoir storage was estimated at approximately 27.4 million acre-feet as of July 22, or about 105 percent of the historical average for this time of year, reflecting continued variability among individual reservoirs and regions.

The state's largest reservoirs remain in relatively strong condition. Lake Shasta, at 81 percent of capacity and about 111 percent of its historical average for this time of year. Lake Oroville, at 81 percent of capacity and 111 percent of historical average, with about 2.79 million acre-feet of storage reported in mid-July. San Luis Reservoir 1.15 million acre-feet, or 56 percent of total capacity.



Sites Reservoir Faces New Questions Over Water Availability

California's largest proposed reservoir project is facing a new challenge as state regulators consider how much water the project will ultimately be allowed to capture from the Sacramento River. The \$6 billion Sites Reservoir project received a draft water right approval earlier this year, but project officials warn that restrictions designed to protect fish and downstream ecosystems could reduce the reservoir's water supply by as much as 50 percent, potentially affecting the project's financial feasibility.

Sites Reservoir is intended to store water during wet years and provide additional supplies during droughts, with supporters arguing the project is a critical component of California's long-term water resilience strategy. The off-stream reservoir would have a capacity of approximately 1.5

million acre-feet and is expected to serve urban and agricultural water users across the state. Environmental groups and some tribes, however, continue to raise concerns about impacts on Sacramento River flows, fisheries, and cultural resources. A final decision on the project's water right is expected later this year.

State Water Project Moves Into Summer Operations

The Department of Water Resources has shifted the State Water Project into its summer operating mode, allowing increased water movement through the Delta while continuing efforts to protect endangered fish species. Beginning July 1, regulatory conditions change as many fish species move away from areas affected by State Water Project pumping, allowing exports to increase.

DWR is balancing water supply deliveries with environmental protections by adjusting releases from Lake Oroville, increasing Delta pumping, and operating salinity control gates in Suisun Marsh. The agency said improved real-time monitoring and adaptive management have helped increase flexibility, including allowing additional Delta outflow benefits while maintaining relatively low impacts to listed species.

Two Polls Show Water Remains a Major Environmental Concern

The latest Public Policy Institute of California (PPIC) statewide survey shows Californians continue to rank water issues among the state's most important environmental challenges. While the survey focused broadly on environmental priorities, it found that concerns about climate impacts, natural resources, and state environmental policies remain high.

The poll found that Californians generally support continued state action on environmental issues, but public support is closely tied to concerns about affordability and practical impacts. A majority of residents support California maintaining its own environmental policies separate from federal requirements, while many remain concerned about the costs associated with achieving climate and environmental goals.

Additionally, a new statewide survey conducted by the Association of California Water Agencies (ACWA) and FM3 Research found that 77 percent of California voters are more likely to support a candidate for governor who prioritizes improving water reliability and affordability. Support was broad across political parties, including 83 percent of Democrats, 77 percent of independents, and 67 percent of Republicans.

The survey found strong voter support for additional water investments, with 93 percent of respondents saying safe and reliable water supplies are critical to California's future, 88 percent supporting modernization of water infrastructure to protect clean drinking water, and 87 percent supporting accelerated construction of water infrastructure to prepare for droughts, floods, and climate impacts. Nearly seven in ten voters also supported using state funds to improve water systems, prepare for extreme weather, and help keep water rates affordable.

UC Riverside Researchers Develop New Catalyst That Could Improve Drinking Water Treatment

Researchers at the University of California, Riverside have developed a new catalyst that could make drinking water treatment more efficient by helping destroy perchlorate, a persistent contaminant found in groundwater supplies across California and other parts of the country. The breakthrough could reduce hazardous waste generated by current treatment methods and improve the ability of water agencies to manage contaminated water supplies.

Perchlorate, a chemical used in rocket propellants, explosives, fireworks, and other industrial applications, can interfere with the thyroid gland's ability to absorb iodine and is considered a particular concern for infants, children, and pregnant women. California has regulated perchlorate in drinking water for nearly two decades, with a maximum contaminant level of 6 parts per billion, and federal regulators are moving toward establishing a national standard.

Currently, many water utilities use ion-exchange treatment systems that capture perchlorate on specialized resin beads. While effective at removing the contaminant from drinking water, the process creates a secondary challenge: the contaminated resin must be regenerated or disposed of as hazardous waste. UC Riverside researchers developed a catalyst made from ruthenium nanoparticles that can break down concentrated perchlorate after it has been captured, converting it into harmless chloride, the same naturally occurring ion found in table salt.

The researchers say the new catalyst is significant because it works rapidly at neutral pH and room temperature—the conditions commonly found in drinking water treatment facilities. Earlier versions of the technology worked only under more extreme chemical conditions. The new approach also remains effective in water containing nitrate, another common groundwater contaminant, potentially simplifying treatment processes.

The technology is not intended to replace existing treatment systems but rather complement them by addressing the concentrated waste streams created after contaminants are removed. Researchers believe the approach could be particularly useful for highly contaminated sites, including groundwater affected by defense facilities, industrial operations, and other sources of perchlorate pollution.

Federal Approval Advances Controversial Cadiz Water Pipeline Project

A decades-old proposal to pump groundwater from California's Mojave Desert and transport it to Southern California communities has cleared a major federal hurdle after the Bureau of Land Management (BLM) approved the conversion of an existing oil and gas pipeline into a water conveyance system. The approval allows Cadiz Inc. to repurpose approximately 162 miles of an underground pipeline to move groundwater from the company's property in the eastern Mojave Desert toward potential water users in Southern California.

Cadiz plans to use the pipeline to transport up to 25,000 acre-feet of water annually, which the company says could provide a new drought-resilient supply source for communities facing long-term water shortages. The company argues the project could diversify regional water portfolios, reduce reliance on imported supplies, and provide a relatively low-cost source of new water. The

federal approval allows the project to move toward construction, although additional state and local approvals remain necessary before groundwater extraction can begin.

The project remains highly controversial. Environmental organizations, tribal leaders, and some elected officials argue that pumping from the Fenner Basin aquifer could harm desert springs, wildlife habitat, and culturally significant resources. Critics contend that the groundwater extraction itself—not just the pipeline conversion—requires more extensive review because of potential impacts on the fragile Mojave ecosystem

Cadiz has faced regulatory and legal challenges for more than two decades, with previous approvals and permits reversed or delayed. California law requires additional state review before the project can export groundwater, including scientific analysis and approval processes involving state agencies. The latest federal action renews debate over the role of new groundwater supplies in California's water future and highlights the ongoing tension between developing new sources of water and protecting sensitive desert ecosystems.

Legislative Update

The Legislature is in the middle of their month-long summer recess. They left Sacramento on July 3, but not before taking final action on legislation in second house policy committees. When they return on August 3 they will be in Sacramento for the final month of the session before adjourning the second year of the two-year session on August 31.

State Water Contractors Sponsored Legislation:

SB 872 (McNerney) has been amended into a major climate and water infrastructure funding bill.

Under the revised language, SB 872 would create the Delta Levees and Canal Subsidence Fund that would fund toward critical water system upgrades over the next two decades — beginning in the 2026–27 fiscal year through 2046–47.

Key provisions include:

- \$150 million annually to the California Department of Water Resources for capital improvements aimed at restoring original conveyance capacity in state water facilities affected by land subsidence — a growing problem as pumping lowers groundwater levels and damages canals.
- \$150 million annually to the Sacramento-San Joaquin Delta Conservancy for levee repairs and related projects in the Delta, strengthening flood protection and habitat conditions.

The bill was amended to take out a specific funding source, which will lead to more discussions on the concept during the budget process.

The bill also includes a restriction that these funds cannot be used for the design, construction, operation, mitigation, or maintenance of new Delta conveyance facilities beyond existing infrastructure.

The bill has received bipartisan support throughout the process, passing to the Assembly on a 39-0 vote. The bill will be heard on June 30 in the Assembly Water, Parks and Wildlife Committee.

Funding for at least one year of Delta levee and conveyance subsidence repair is being discussed in the final budget negotiations.

AB 2215 (Calderon): moves a portion of the DCP Trailer Bill from 2025 into a policy bill. AB 2215 would adjust the beneficial use timeline for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project by December 31, 2045. The bill passed out of the Assembly Water, Parks and Wildlife Committee 11-0 and the Appropriations Committee and was approved by the full Assembly 57-1. ACWA recently took a support position on the bill. The bill was pulled from hearing the Senate Natural Resources and Water Committee on July 1 due to a lack of support from committee members and unfortunately will not move forward in 2026.

CASA & WaterReuse CA:

CASA and WaterReuse CA's co-sponsored legislation, AB 2777, to add more capacity to the Clean Water State Revolving Fund and make it easier for agencies to get larger loans or reduce burdensome requirements in the contract has passed out of the Environmental Safety & Toxic Materials Committee and Appropriations Committee and passed off the Assembly Floor 75-1. The bill passed the Senate Environmental Quality Committee 7-0 and is in the Senate Appropriations Committee.

Other significant legislation:

- **AB 1881 (Ramos) and AB 2218 (Kalra)** on tribal water rights. Both bills give tribes significant powers over infrastructure projects. Stakeholders have been working with the authors and sponsors to work out mutually agreeable language. Both bills passed out of Senate policy committees and are in the Senate Appropriations Committee. Both bills, especially AB 2218 have very high costs to the state, so there is a possibility they get held in Appropriations.
- Golden Mussels Bills
 - **AB 2032 (Ransom):** specifies specific actions for the state to undertake to research and provide best management practices for eradication. The bill has an urgency clause, but passed off the Assembly Floor well ahead of the 2/3 vote threshold with 78 "aye" votes. The bill passed out of the Senate policy committees and is in the Appropriations Committee.
 - **AB 1772 (Papan):** creates a standardized boat inspection program for all reservoir operators. The bill passed out of the Senate policy committees and is in the Appropriations Committee, but still faces some concerns from the state and stakeholders.
 - **AB 1894 (Rubio):** Addresses some agencies forbidding SWP water from entering a local system. The bill has been amended to address some concerns of other water users, including MWD. The bill was passed by the Senate Natural Resources and Water Committee 7-0 and is in the Appropriations Committee.

- **Advanced Clean Fleets:** AB 1436 (Avila Farias) was a late “gut and amend” intended to address the latest 15-day changes from CARB on the State and Local Government rules in the ACF program. The bill proposed to prohibit CARB from regulating private fleets through requirements on public agency contracts. The bill was heard in the Senate Environmental Quality Committee but was one vote short of passing out of the committee. The Chair of the committee committed to bringing parties together to discuss the issue.

ACKERMAN CONSULTING

Legal and Regulatory

August 5, 2026

1. **Cloud Seeding 2.0:** A 26-year-old Berkeley student has formed a new company called Rainmaker. This company is using high-tech drones to prove that cloud seeding can work. Augustus Doricko started his work at Berkeley but moved to Texas during Covid that so he could continue the experimentation. He knows the biggest challenge is to validate the science through testing. He spent time in Pendleton, Oregon, at a 9-million-square-mile drone sanctuary where the FAA, Anduril, and Lockheed hang out. He developed his own drones that could withstand the intense cold conditions. His company, headquartered in El Segundo, has run tests in Texas and other venues. He also works with the State of Utah, which has invested in cloud seeding for many years. His estimate is that seeding can increase precipitation by as much as 15%. The basic process still uses silver iodide. The key to successful seeding is proper location of the process in the clouds. By use of satellites and radar, he believes that the evidence is conclusive. The cost is about \$55 to 60 per acre-foot. Scaling is the next step.
2. **More Rain in Cities?:** Data from satellites has consistently shown that cities are experiencing more rain events. This data is becoming more accurate as it uses both infrared and microwave readings. The study looked at the 15 largest cities which include different climates, topography, coastal and inland. While it showed more rain events, it did not show more rain. This was contrary to the former thinking that the cities were actually getting more water. Before the tests used only one form of testing, while this study combined the results which produces a more accurate picture.
3. **Genki Balls:** The University of Hawaii has developed a novel way to clean contaminated waterways. Their Genki Ball project uses volunteer helpers and students to distribute mud balls containing billions of microorganisms. The balls sink to the bottom and work their magic, breaking down sludge and cleaning the water. This technology has been used in over 100 countries since 2019. They encourage the communities to get involved as part of the education process and to actually fix a problem. This teaches kids about the environment and encourages them to pursue STEM courses in school.
4. **West Coast Hurricanes?:** We are currently in hurricane season for both the Atlantic and Pacific Oceans. The Pacific season is generally longer and more active as it is a bigger space for activity. However, the West Coast (us) usually never gets any hurricanes. There are two reasons. The trade winds, which are usually strong, steer the storms away from us. Secondly, hurricanes like warmer water which the Atlantic has and the Pacific does not. Water temps in the 80 make for good hurricanes. The Gulf Stream keeps the Atlantic warmer. The Pacific currents start near Alaska and are therefore generally colder. When hurricanes hit cold water, they are reduced in force. The last big hurricane in the Pacific was in 1858 near San Diego. It had 75 mph winds. All of the hurricanes now have names and the Pacific has one....the San Diego Hurricane.

5. **Data Center Thermal Batteries:** The University of Illinois has been studying aquifer thermal energy storage (ATES) which are underground geothermal systems associated with aquifers. It turns out they can be used to cool data centers and also save on water consumption. Not all parts of the country will have this type of geography but where it is present, it can be an opportunity to save energy and water. The process takes cool water from the aquifer to absorb the heat generated from the center and return the warm water back to the aquifer. Also, the warm water can be used in the winter to heat the facility. The generally constant temperature of the aquifer is much easier to deal with than the large swings in temperature outside above ground. In Illinois, from 90° in summer to -10° in winter. The more temp variation on land along with the underground aquifer location, make this concept a viable option. A final consideration is that the salinity or contamination factors of the water are irrelevant. You can use any kind of water.
6. **Winter Grains:** It is estimated that the Sustainable Groundwater Management Act will take 500,000 to 900,000 farm acres out of production. This equates to around 20% of the San Joaquin Valley's ag land that requires outside water. UC Davis folks offer that planting crops like wheat, barley, oats, rye, and triticale during the winter may be a solution. These crops use only slightly more water than fallowing the land. It also serves as shade for the soil, reduces soil evaporation and allows water to soak down to aquifers. Of course, the farmers have to decide which will make the most economic sense.
7. **Mountain Pond Study:** The health and condition of the many mountain ponds can determine the overall health of forests in the Sierra Nevadas. These small, shallow ponds are very sensitive. In wet years, the ponds were larger, colder, had low nutrient levels. In dry years, the ponds were smaller, warmer, had high nutrient levels and more aquatic life. The microscopic life provides food for those up the food chain. The study also showed that as a result of temperature changes, the pool water mixes daily, especially during the summer. This also impacts growth and activity in the pools. These small ecosystems have great impact on the big forests. The nutrient processing, carbon cycling and biodiversity changes from season to season. Students from UCI and UC Davis contributed to this work.
8. **Predicting Cliff Collapses:** UC San Diego Scripps Institute has developed a system to predict cliff collapses hours to days in advance of the event. Scientists have developed early warning systems for hurricanes, tsunamis and earthquakes. But cliff collapses have been a little more difficult. Backed by a \$2.5 million grant from the State, UCSD has cracked the code. This proof of concept pilot study has been able to predict 5 collapses in San Diego County several hours to several days prior to the event. This has become a greater problem in Southern California around the coast, beaches, railroad line, roads and other infrastructure. At least 25 folks have died in the past few years from these collapses. The sensor technology using seismometers, wave pressure sensors and tiltmeters are the key. This same equipment is used in measuring movements for earthquakes. These sensors can read movement to 1/8th the width of a human hair. Lidar is also used, laser imaging technology and old fashioned rain gauges. Patterns emerge on each site including a rapid increase in tilting motion. These sensors have been installed in critical rail corridors in Del Mar. This equipment is earning its keep as two major collapses have been identified and authorities notified to save lives. While all of this work has been done in San Diego County, scalability is being studied to try and protect California's 530 miles of coast.

9. **High Severity Fires:** UCLA is looking at current fires compared to older fires. Climate change is creating a warmer and more arid condition. Also, high fuel density has increased over time as a result of inadequate forest management. These factors have made our recent fires burn 30 times more acreage than fires 40 years ago. Since we are not likely to change climate cycles anytime soon, action on good forest management is a must.
10. **PFAS Update:** The overall PFAS report card is much better than expected. Initially, the task of tracing 14,000 forever chemicals seemed impossible. Usually, the trace would follow each particular chemical individually. However, scientists quickly discovered that you did not need that specific a breakdown and you could follow combinations of these chemicals to determine hazard levels. As we know, the jury is still out on exact health hazards and degrees thereof. Also, testing showed that only about 17% of all wells tests showed any contamination. The overall problem is certainly not as scary as originally thought. The treatment options have been effective and more satisfactory than it seemed.
11. **Cadiz:** The Cadiz project is again moving forward. The Trump administration in the first term gave it the green light. The Biden Administration stopped it, and now the current administration has returned the green light. The project is still opposed by environmentalists, tribes and the State of California. Spokeswoman Susan Kennedy says the project is now a water treatment project and that Cadiz portion is critical. The viability of the project developer has always been an issue. The largest stockholder of Cadiz is Heerema International Services (Netherlands), which has yearly revenue exceeding \$5 billion. Stay tuned.

TO: MWDOC Board of Directors

FROM: Whittingham Public Affairs Advisors

DATE: August 5, 2026

SUBJECT: August 2026 Local Legislative Report

Following is a few of the more notable developments and issues that have transpired in Orange County over the last several weeks:

- Costa Mesa is one of five California cities that Attorney General Bonta is suing for allegedly failing to comply with the Housing Element Law. Along with the cities of Calexico, Half Moon Bay, Ridgecrest, and Turlock, Costa Mesa has not been able to obtain State certification of its Housing Element, nearly five years after the deadline to achieve this mandate. Enacted in 1969, California's Housing Element Law requires every city and county to adequately plan to meet the housing needs of all residents. Instead of forcing local governments to build houses directly, the state law requires governments to update zoning and land-use policies so the private market can build enough housing to meet demand. Elected officials in Costa Mesa believe the lawsuit to be unnecessary, noting that the City has been submitting documents to state officials to get an approved housing plan while actively rezoning and approving proposed housing developments.
- The City of Anaheim experienced a drop in water pressure last week that impacted a considerable portion of the city, including the Disneyland Resort and Angel Stadium. A spokesman attributed the issue to technical problems drawing water from four of the City's 14 groundwater wells. Approximately 75% of the city's water comes from groundwater wells, with the remainder imported from the Colorado River. Imported water was used to ensure flows continued, albeit at a much lower level, during the incidents.
- Cleanup at the GKN Aerospace facility in Garden Grove began June 29 after a three-week delay, with crews removing the neutralized methyl methacrylate from two storage tanks in sealed, temperature-controlled containers. The removal marks the first phase of a broader remediation effort overseen by a unified command made up of the Orange County Health Care Agency, the South Coast Air Quality Management District, Orange County Fire Authority, and the company. Meanwhile, the federal investigation opened last month continues, and GKN now faces a growing number of lawsuits, among them a class action brought on behalf of residents displaced during the Memorial Day

weekend evacuations. With the company's \$3 million United Way relief fund depleted within roughly two weeks, Supervisor Janet Nguyen directed \$500,000 in County funds toward continued resident assistance and indicated she expects GKN to repay the County. The U.S. Small Business Administration has also opened a Business Recovery Center in Garden Grove to assist affected businesses. Officials in Garden Grove, Westminster, Stanton, and surrounding communities continue to call on GKN to convene a town hall meeting it committed to in June, where residents can hear directly from the company about the future of the facility and any further assistance.

- Communities across the nation are following the discussion and debate locally regarding health impacts related to the use of herbicides and potential cancer clusters stemming from such use. Roughly 400 people packed into Ladera Ranch Middle School recently to address the issue at a meeting of the Ladera Civic Council, in the wake of news reports that at least six young Ladera Ranch residents have been diagnosed with a rare form of cancer.
- Orange County Public Works crews that were planning to trim large portions of San Juan and Trabuco Creeks near Doheny Beach were instructed to hold off on this work pending a meeting with State Fish and Wildlife representatives. In June, the County Board of Supervisors voted to halt the use of herbicides in the two creeks and to study how best to manage vegetation in and near endangered species habitat.
- Former Moulton Niguel Water District General Manager Joone Kim-Lopez's tenure as Executive Director and General Manager of the City of Los Angeles Bureau of Sanitation and Environment began July 27. The MNWD Board is expected to officially name longtime Assistant General Manager Matt Collings to succeed Ms. Kim-Lopez at its August 13 meeting.
- The Irvine City Council has brought back former City Manager Sean Joyce to once again serve in that capacity. Current City Manager Sean Crumby announced in June his intention to resign effective August 14. Mr. Joyce previously served as City Manager for 13 years, during which he guided the city through the Great Recession.
- The City of Tustin is inviting interested parties to propose potential uses for the remaining South Hangar at the former Marine Corps Air Station, encouraging private companies, nonprofit organizations, or other government agencies interested in preserving, managing or redeveloping the massive structure to submit competitive offers. The 17-story-tall historic building, which is featured in the city's logo, was built in 1942 to house blimps that patrolled the coastline during World War II, scanning for Japanese submarines. The mostly wooden structure is about 1,000 feet long and 300 feet wide and sits on roughly 32 acres. City officials expect to start evaluating submitted proposals by early next year and return to the council with possible recommendations by the middle of 2027.
- New tipping fees at the County's three landfills took effect July 1, increasing from \$43.76 to \$67 per ton, with further scheduled increases to \$74 per ton in 2027-28 and \$81 per ton in 2028-29. The rates were negotiated over the past two years through the

Waste Infrastructure System Enterprise (WISE) Agreements and reflect, among other factors, the cost of complying with SB 1383.

- The CEQA process related to Orange County Waste & Recycling's plan to increase the daily maximum trash intake at Prima Deshecha Landfill is currently on hold. Residents of San Juan Capistrano and San Clemente's Talega community continue to express concerns regarding the plan, and multiple members of Orange County's state legislative delegation have signed on to a letter opposing the proposed increase.
- In more positive news for Waste & Recycling, Prima Deshecha Landfill has been officially certified as a California Voluntary Protection Program (VPP) Star Site, the highest level of recognition within this program, which is reserved for worksites that demonstrate an exemplary commitment to safety and health, going well beyond regulatory compliance. Fewer than 1% of the country's worksites achieve this designation nationwide, and with this achievement, Prima Deshecha becomes the first municipal solid waste landfill in California and the second in the nation to earn VPP Star Certification.
- Orange County's Mosquito and Vector Control District has confirmed an outbreak of a mosquito-borne illness that can be deadly. Just last week, the district saw more than one hundred mosquito pools - mosquitoes collected in batches - test positive for West Nile Virus county-wide. According to Vector Control data, the number of West Nile positive mosquito pools at the end of 2025 came out to 186, leading the District to estimate that the county will potentially be dealing with 500 positive samples county-wide by the end of 2026.
- The South Coast Air Quality Management District (SCAQMD) convened a working group meeting in late June on Proposed Rule 1110.4, which targets emissions from emergency standby generators. Much of the discussion centered on replacing older diesel units, which account for roughly 30% of the NOx reductions the District is seeking through the rule. District staff are focusing first on facilities with large amounts (>2.5MW) of installed generator capacity, such as data centers, but the many aging generators that water and wastewater agencies rely on at lift stations and other critical facilities remain a longstanding concern. The proposed rule is expected to reach the AQMD Governing Board in the fourth quarter, and many MWDOC member agencies are closely following its progress to ensure potential concerns of the District and similar agencies are clearly communicated to AQMD staff and Board members.

Whittingham Public Affairs Advisors continues to monitor the agendas of the 26 city and water district MWDOC members to identify items of relevance to MWDOC, as well as activities at the SCAQMD and Orange County Water District. It is a pleasure to work with you and to represent the Municipal Water District of Orange County.

Sincerely,



Peter Whittingham

Municipal Water District of Orange County Legislative Matrix

Updated 7/29/26

Measure	Author	Topic	Status	Location	Brief Summary	Position
Support						
AB 2215	<u>Calderon, D</u>	Water rights: permits: State Water Project.	Pulled from committee consideration by author.		This bill would require that the time periods for the application of water to beneficial use and for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project be December 31, 2046. (Based on 04/16/2026 text)	Support
AB 1436	<u>Avila-Farias, D</u>	State Air Resources Board: air pollution regulations: private fleets: exception	Failed in Senate Env. Quality Committee		This bill would prohibit the State Air Resources Board from enforcing any regulation that directly or indirectly compels compliance by private fleets, as provided, until the state has obtained a required waiver or authorization under the federal Clean Air Act.	Support
AB 2739	<u>Soria, D</u>	Water: affordability and system stabilization	Senate Appropriations Committee	Senate Appropriations Committee	This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund for holding the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create.	Support (Sponsored by IRWD and Rancho Water)
SB 872	<u>McNerney, D</u>	Delta Levees and Canal Subsidence Fund.	ASSM. Appropriations Committee	ASSM. Appropriations Committee	This bill would establish the Delta Levees and Canal Subsidence Fund in the State Treasury and, upon appropriation, would make the moneys in the fund available to the Secretary of the Natural Resources Agency for expenditure consistent with the allocations described below. The bill would authorize the secretary to seek out, and the fund to accept, state moneys from, among other sources, any bond funds, the General Fund, or the Greenhouse Gas Reduction Fund. The bill would authorize the fund to accept moneys from nonstate sources, including federal and private moneys, and would continuously appropriate those moneys without regard to fiscal year, for allocation as described, thereby making an appropriation. (Based on 05/14/2026 text)	Support
SB 952	<u>Laird, D</u>	State Water Project: renewable energy resources and zero-carbon resources	Proposed Consent	Sen. Appropriations	The bill would authorize, on and after January 1, 2036, excess procurement, as defined, of eligible SWP renewable energy resources and zero-carbon resources in one year to be applied to any subsequent year's obligation, as provided.	Support
SB 1048	<u>Becker, D</u>	State Seal of Climate Literacy	Assm. Appropriations	Assm. Appropriations	This bill would establish the State Seal of Climate Literacy for the purpose of giving high school pupils personal agency to help them and their communities understand and adapt to the effects of climate change.	Support

Measure	Author	Topic	Status	Location	Brief Summary	Position
SB 1125	Menjivar, D	Water Rate Assistance Program	Assm. Appropriations	Assm. Appropriations	Would establish the Water Rate Assistance Fund in the State Treasury, available upon appropriation by the Legislature, to provide water affordability assistance for residential water services to low-income residential ratepayers, as specified.	Support
Watch						
AB 1603	Schultz, D	Perfluoroalkyl and polyfluoroalkyl substances (PFAS): Department of Pesticide Regulation.	Senate Appropriations Committee	Senate Appropriations Committee	This bill would, commencing January 1, 2030, prohibit a person from using or marketing for agricultural use a pesticide, and from manufacturing, selling, delivering, holding, or offering for sale in commerce a pesticide registered for agricultural use, that contains specified PFAS pesticide ingredients and prohibit the registration for agricultural use of any pesticides containing these specified PFAS pesticide ingredients. (Based on 05/21/2026 text)	
AB 1752	Lackey, R	Eminent domain: appraisals.	Senate Appropriations Committee	Senate Appropriations Committee	This bill would require a public entity that offers to purchase property under a threat of eminent domain related to specified purposes to pay the full reasonable costs of an independent appraisal ordered by the owner, not to exceed \$8,000. (Based on 05/18/2026 text)	
AB 1772	Papan, D	Fish and wildlife: invasive mussels.	Senate Appropriations Committee	Senate Appropriations Committee	Existing law, until January 1, 2030, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water in the state, invasive mussels, and authorizes the Director of Fish and Wildlife or the director's designee to engage in various enforcement activities, including ordering the areas in conveyance that contain water be drained, dried, or decontaminated, as provided. This bill would prohibit a conveyance from being launched until a specified drying period has completed, as provided. By expanding the scope of a crime, this bill would impose a state-mandated local program. The bill would require the department to require water supply system operators to update their plans to address all invasive mussel species present in the operator's water system as of January 1, 2026, as provided. (Based on 04/27/2026 text)	

Measure	Author	Topic	Status	Location	Brief Summary	Position
<u>AB 1821</u>	<u>Pacheco, D</u>	California Public Records Act: agency response time.	Senate Appropriations Committee	Senate Appropriations Committee	The California Public Records Act requires each state or local agency, upon a request for a copy of records that reasonably describes an identifiable record or records, to make the records promptly available to any person upon payment of fees covering direct costs of duplication, or a statutory fee if applicable, except with respect to public records exempt from disclosure by express provisions of law. Existing law requires each agency, within 10 days of a request for a copy of records, to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person of the determination and the reasons therefor. Existing law authorizes that time limit to be extended by no more than 14 days under unusual circumstances, as defined. This bill would instead require each agency to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person as described above within 10 business days of a request for a copy of records. (Based on 04/06/2026 text)	
<u>AB 1881</u>	<u>Ramos, D</u>	California Indian Freedom Act of 2026.	Senate Appropriations Committee	Senate Appropriations Committee	This bill, the California Indian Freedom Act of 2026, would prohibit a governmental agency from substantially burdening a California Indian or California Native American tribe's exercise of religious beliefs or spiritual practices on state lands, including their access to and use of sacred sites and objects, and their ability to perform religious ceremonies and rites, even if the burden results from a rule of general applicability, unless the governmental agency demonstrates that application of the burden is in furtherance of a compelling governmental interest and is in the least restrictive means of furthering that interest. (Based on 05/19/2026 text)	
<u>AB 1893</u>	<u>Gallagher, R</u>	Wildfire prevention: local assistance grant program: eligible activities.	05/14/2026 - Failed Deadline pursuant to Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/22/2026)	05/14/2026 - Assembly DEAD	<i>This bill would expand eligible activities under the local assistance grant program to include projects undertaken by a local governmental entity involving the acquisition or installation of mobile rigid dip tanks or similar mobile and permanent infrastructure that is capable of providing helicopter-accessible water supplies for firefighting response or suppression purposes in very high fire and high fire hazard severity zones, as provided. (Based on 02/12/2026 text)</i>	

Measure	Author	Topic	Status	Location	Brief Summary	Position
<u>AB 1894</u>	<u>Rubio, Bianca, D</u>	Fish and wildlife: invasive mussels: imported water.	Senate Floor	Senate Floor	This bill would prohibit a public agency from prohibiting imported water deliveries, as defined, for groundwater replenishment due to invasive mussels unless there is substantial, documented evidence of a proven health and safety risk as a result of the invasive mussels. (Based on 04/16/2026 text)	
<u>AB 2013</u>	<u>Bennett, D</u>	High and very high fire risk areas: community water systems: preparedness and resiliency.	04/23/2026 - Failed Deadline pursuant to Rule 61(b)(5). (Last location was EMERGENCY MANAGEMENT on 4/7/2026)	04/23/2026 - Assembly DEAD	Existing law requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. This bill would require a community water system that services more than 100 customers that are located in a high or very high fire risk area, as defined, to include an annex to its disaster preparedness plans, as provided, that includes information regarding system preparedness and resiliency during a wildfire. The bill would require the annex to contain several things, including, among others, an assessment that identifies the minimum number of and type of water pumps that are necessary to maintain average daily capacity, including, but not limited to, the operation of fire hydrant systems at the rated capacity. (Based on 04/06/2026 text)	
<u>AB 2032</u>	<u>Ransom, D</u>	Fish and wildlife: golden mussels.	Senate Appropriations	Senate Appropriations	This bill would exempt from the requirement to obtain a restricted species permit for golden mussels a public or private agency that operates a water supply system and has submitted a control plan to the department for maintenance and operational activities to control the spread of golden mussels in the water supply system, as specified. (Based on 05/18/2026 text)	
<u>AB 2045</u>	<u>Connolly, D</u>	Habitat Restoration and Enhancement Act.	Senate Appropriations	Senate Appropriations	The Habitat Restoration and Enhancement Act authorizes a project proponent to submit a habitat restoration or enhancement project to the Director of Fish and Wildlife for approval. The act makes moneys in the Habitat Restoration and Enhancement Account available to the department, upon appropriation by the Legislature, for the purposes of administering and implementing the act. Existing law repeals the act on January 1, 2027. This bill would extend the operation of the act until January 1, 2032, and would require the department to submit a report on the implementation of the act to the Legislature no later than December 31, 2029. (Based on 04/16/2026 text)	

Measure	Author	Topic	Status	Location	Brief Summary	Position
AB 2218	<u>Kalra, D</u>	Water policy: California Native American tribes.	Senate Appropriations.	Senate Appropriations	Would require the state government to support California Native Americans to maintain cultural and linguistic traditions, practice ecosystem stewardship, and engage in good faith government-to-government consultations with all California Native American tribes regarding policies that may affect tribal communities. (Based on 04/16/2026 text)	
AB 2381	<u>Johnson, R</u>	Local Agency Public Construction Act: municipal water districts: sanitation districts: lowest responsible bidder.	04/23/2026 - Failed Deadline pursuant to Rule 61(b)(5). (Last location was L. GOV. on 3/9/2026)	04/23/2026 - Assembly DEAD	The Local Agency Public Construction Act sets forth the requirements for competitive bidding on various types of contracts awarded by local agencies. Under current law, a municipal water district and a sanitation district, when letting a contract for \$35,000 or more, is required to let the contract to the lowest responsible bidder. This bill would increase that threshold dollar amount to \$220,000. The bill would require the Controller, commencing January 1, 2028, to adjust that amount annually to reflect the percentage change, as specified, and publish the adjusted amount on its internet website. (Based on 02/20/2026 text)	
AB 2568	<u>Johnson, R</u>	Water district directors: compensation.	Senate Floor	Senate Floor	Existing law authorizes a water district, as defined, to adopt an ordinance that provides compensation to members of the governing board, as specified. Existing law prohibits a water district from adopting an ordinance that compensates members of the governing board for more than a total of 10 days in any calendar month. This bill would, until January 1, 2032, authorize a water district that has at least 90,000 residents within its jurisdiction to adopt an ordinance that compensates members of the governing board for up to a total of 15 days in any calendar month, but would require the members of the governing board of a water district that compensates its members for more than 10 days in a calendar month to annually adopt a written policy describing, based on a finding supported by substantial evidence, why providing compensation for more than 10 days per calendar month is necessary for the effective operation of the water district. (Based on 04/27/2026 text)	

Measure	Author	Topic	Status	Location	Brief Summary	Position
AB 2619	Papan, D	Water resources: data centers.	Senate Appropriations.	Senate Appropriations	Existing law authorizes the legislative body of an incorporated city and the county board of supervisors to license businesses carried on within their respective jurisdictions and to set license fees, as specified. This bill 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, the anticipated source of water, and the data center's projected water use for the maximum day, maximum month, and average year. 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 report, under penalty of perjury, on the application, an estimate of the expected water use, the anticipated source of water, and the data center's projected water use volume for the maximum day, maximum month, and average year. 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 report, under penalty of perjury, on the application, the data center's annual water use for the preceding calendar year, including total water use, direct water use, and indirect water use, as prescribed. (Based on 04/08/2026 text)	
AB 2630	Bennett, D	Water diversion and use: adoption of regulations.	04/23/2026 - Failed Deadline pursuant to Rule 61(b)(5). (Last location was NAT. RES. on 3/24/2026)	04/23/2026 - Assembly DEAD	Existing law authorizes the State Water Resources Control Board to adopt regulations requiring measurement and reporting of water diversion and use by persons, including, among others, those authorized to appropriate water under a permit, a license, a registration for small domestic, small irrigation, or livestock stockpond use, or a certificate for livestock stockpond use. For the initial regulations, existing law requires that they be adopted as emergency regulations and provides that the emergency regulations remain in effect until revised by the state board. Existing law also exempts the initial regulations from the California Environmental Quality Act. This bill would require, until January 1, 2032, that all further regulations adopted by the state board pursuant to these provisions be adopted as emergency regulations and remain in effect until revised by the state board, and would exempt them from the California Environmental Quality Act. (Based on 03/26/2026 text)	

Measure	Author	Topic	Status	Location	Brief Summary	Position
<u>SB 986</u>	<u>Sevarto, R</u>	Major regulations.	05/14/2026 - Failed Deadline pursuant to Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/27/2026)	05/14/2026 - Senate DEAD	harm to the public peace, health, safety, or general welfare. This bill would prohibit a major regulation from taking effect until submission to, and expiration of a 60-day review period by, the Legislature, except as provided for emergency regulations. The bill would, prior to the expiration of the 60-day review period, require the Legislature to hold an informational hearing on the major regulation. (Based on 04/15/2026 text)	
<u>SB 994</u>	<u>Cabaldon, D</u>	Local agencies: nondisclosure agreements.	Assembly Appr	Assembly Appr	This bill would prohibit a local agency official, as defined, acting in their official capacity from entering into, or requesting that another individual enter into, a nondisclosure agreement relating to public business that precludes their ability to share information with fellow local agency officials serving on the same council, board, commission, district, or agency. The bill would require a local agency official in violation of that provision to, among other things, disclose the existence of the nondisclosure agreement, as specified, and would provide that these requirements imposed on a local agency official also apply to a local agency official acting in their official capacity who entered into, or requested that another individual enter into, a nondisclosure agreement described above before January 1, 2027. (Based on 04/23/2026 text)	
<u>SB 1001</u>	<u>Archuleta, D</u>	Local agency, public utility, or mutual water company: personnel access: Personal Identity Verification-Interoperable.	05/14/2026 - Failed Deadline pursuant to Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 4/27/2026)	05/14/2026 - Senate DEAD	Existing law authorizes officers of the Department of the Office of Emergency Services, upon request, to issue a local agency, public utility, or mutual water company responsible for public works and critical infrastructure with specified credentialing to facilitate personnel access to an area during or following a natural disaster, act of terrorism, or other man-made disaster. The bill would specify that the credentialing, a Personal Identity Verification-Interoperable (PIV-I), would conform with the federal Personal Identity Verification standards pursuant to federal National Incident Management System guidelines. (Based on 04/21/2026 text)	

Measure	Author	Topic	Status	Location	Brief Summary	Position
<u>SB 1085</u>	<u>Durazo, D</u>	Water supply planning: housing developments.	Assembly Appropriations	Assembly Appropriations	Existing law requires a city or county that determines a certain type of project is subject to the requirements of CEQA to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment, as provided. This bill, among other things, would instead require a city or county, upon receipt of a preliminary application for a housing development project that meets certain conditions, or upon a development application for certain projects being determined as complete or deemed complete, to make that identification of public water systems. The bill would require a city or county, within 15 days of receiving an application that meets either of the above-mentioned criteria, to request each identified public water system to determine whether the projected water demand associated with the proposed project was included in the most recently adopted urban water management plan. (Based on 04/23/2026 text)	
<u>SB 1123</u>	<u>Wiener, D</u>	Administrative Procedure Act: major regulations.	Did not get hearing in Assm	DEAD	<i>This bill would require an agency, in estimating the economic impact of adopting, amending, or repealing a regulation, to identify and calculate any offsetting benefits, impacts, or savings that might result directly or indirectly from that adoption, amendment, or repeal and factor those benefits, impacts, or savings into its economic impact estimate. (Based on 02/17/2026 text)</i>	
<u>SB 1153</u>	<u>Caballero, D</u>	Disaster preparedness: urban retail water suppliers and public water systems: wildfire.	Assembly Appropriations	Assembly Appropriations	This bill, beginning January 1, 2028, would require all urban retail water suppliers, as defined, serving a high or very high fire hazard severity zone to include incident-specific response procedures for wildfires as part of their disaster preparedness plans, including any applicable emergency response plan as required by federal law. The bill would require these plans to include, among other things, mitigation actions, including actions, procedures, and equipment, that can obviate or significantly lessen the impact of a wildfire on the water system and the supply of drinking water provided by the water supplier. Because violation of these requirements by certain urban retail water suppliers would constitute a misdemeanor, the bill would expand the scope of a crime, thereby imposing a state-mandated local program. (Based on 04/28/2026 text)	

Measure	Author	Topic	Status	Location	Brief Summary	Position
<u>SB 1187</u>	<u>Durazo, D</u>	Open meetings: majority.	Assembly Second Reading	Assembly Second Reading	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. Existing law defines "meetings" for these purposes to mean any congregation of a majority of the members of a legislative body at the same time and location, as specified, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body. This bill would define "majority" for purposes of the act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body. This bill contains other related provisions and other existing laws. (Based on 02/19/2026 text)	

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Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 35 D. Alvarez (D – San Diego) Sponsor: San Diego County	Amended 6/11/2026. Senate Appropriations Committee	Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria. This bill exempts the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4) from the Administrative Procedure Act (APA), which establishes rulemaking procedures and standards for state agencies in California, to expedite funding allocations.	Support Based on 2026 Legislative Priorities and Principles.	AB 35 would streamline the funding process for Proposition 4 projects and allow Metropolitan, its member agencies, and partner agencies to access funds more quickly and accelerate project timelines. Proposition 4 funding includes multiple critical areas for Metropolitan, including funding for groundwater management, water recycling, Delta levees, and repairs to regional conveyance.
AB 259 B. Rubio (D – Baldwin Park) Sponsors: California Special Districts Association, Three Valleys Municipal Water District	Amended 4/21/2025. Two-Year Bill	Open meetings: local agencies: teleconferences. This bill eliminates the sunset on provisions added to the Brown Act by AB 2449, a bill that provided additional flexibility with Brown Act meeting procedures in the event of a board member's physical absence in connection with a "just cause" or "emergency circumstances," allowing those members to participate in the meeting remotely consistent with the process detailed in the bill.	Support Based on 2026 Legislative Priorities and Principles.	By removing the sunset on the Brown Act provisions, AB 259 preserves flexibility for Metropolitan and member agency board members to meet remotely and continue providing the public with essential services.

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Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 794 J. Gabriel (D – Encino) Sponsors: Clean Water Action, Environmental Working Group	Amended 4/10/2025. Two-Year Bill Dead	California Safe Drinking Water Act: emergency regulations This bill would authorize the State Water Resources Control Board (SWRCB) to adopt an emergency regulation for water quality based on federal regulations 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 requirements that are more stringent than the requirements of the federal regulation. The bill would require, on or before January 1, 2026, the SWRCB to adopt an emergency regulation and to initiate a primary drinking water standard for perfluoroalkyl and polyfluoroalkyl substances (PFAS).	Oppose Unless Amended Based on 2026 Legislative Priorities and Principles.	While AB 794 aims to protect public health, its approach circumvents the established regulatory process for setting Maximum Contaminant Levels (MCLs). Metropolitan's Legislative Priorities and Principles call for using the best available science to protect public health and improve water quality when setting MCLs. The broad scope of this bill, which would allow the SWRCB to set through emergency action primary and secondary MCLs for any chemical with a federal MCL, sets a dangerous precedent and fails to align with well-established regulatory principles.
AB 1881 J. Ramos (D – Highland) Sponsor: Indigenous Justice	Amended 05/19/2026 Assembly Appropriations Committee	California Indian Freedom Act of 2026 This bill requires all state governmental agencies to allow California Native American tribes to access sacred sites located on state lands for Native American activities, except where public safety or resource protection make access impossible. The bill would also require state governmental agencies to obtain prior, informed consent of a California Native American tribe before undertaking a project on state land that may pose a risk to tribal sacred sites. The bill would also prohibit state agencies from substantially burdening a tribe's spiritual practices on state lands unless the governmental agency demonstrates that application of the burden is both: (1) in furtherance of a compelling governmental	Watch and Amend Based on 2026 Legislative Priorities and Principles.	While AB 1881 would expand protections for California tribes engaging in religious practices on state land, its broad language would likely result in indirect impacts to Metropolitan's priority projects and programs. The prior consent provisions of the bill provide California tribes with the discretion to withhold consent for actions that may risk altering sacred sites, which could impact critical water projects and programs. The private right of action created to enforce the bill's prohibition on substantially burdening a tribe's right to religious practice on state land could be utilized in any court or administrative hearing, likely leading to increased litigation and administrative proceedings.

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		interest; and (2) the least restrictive means of furthering that interest. The bill would hold government actions that infringe upon religious exercise to a strict scrutiny standard. California tribes, and their individual members, would also have standing in any court or administrative proceeding to enforce the prohibition.			Metropolitan staff have requested amendments to refine the scope of the bill to a more practical approach that includes clear definitions and timelines. Among other things, these amendments would define what qualifies as public infrastructure and public service under the bill's exemption language.
AB 1894 (Rubio) (D- City of Industry) Sponsors: Upper San Gabriel Valley Municipal Water District, San Gabriel Valley Municipal Water District	Amended 5/28/2026 Senate Floor	Fish and wildlife: invasive mussels: imported water This bill would prevent a public agency from prohibiting imported water deliveries for groundwater replenishment, as defined, due to invasive mussels if the importation complies with a specified invasive mussel control plan and unless there is substantial, documented evidence of a proven health and safety risk as a result of the invasive mussels.	Pending Board Action		AB 1894 seeks to respond to member agency challenges with a current LA County prohibition on receiving imported water due to concerns around the spread of invasive mussels. This proposal seeks to balance the importance of controlling the spread of invasive species while continuing to allow for deliveries of critically needed groundwater replenishment supplies.
AB 2218 A. Kalra (D – San Jose) Sponsors: Shingle Springs Band of Miwok Indians, Karuk Tribe.	Amended 04/16/2026 Senate Environmental Quality Committee	Water policy: California Native American tribes. This bill would establish a statewide policy addressing historic inequities in California Native American tribes' access to and control over water through financial assistance, consultation on water projects, plans, and policies, protection of tribal water uses, and incorporation of indigenous knowledge to restore and protect ecosystems. AB 2218 would require state agencies to implement this policy when revising, establishing, or adopting permits, regulations, policies, and grant criteria to address identified inequities, as well as identify and offer financial assistance to the tribes. It also requires the State Water Resources Control Board to consult with California Native American	Watch and Amend Based on 2026 Legislative Priorities and Principles.		Under the existing CEQA process, Metropolitan engages in cooperative and productive consultations with California tribes to limit impacts of drinking water infrastructure projects and engage in mitigation when impacts do occur. AB 2218 would create an additional tribal consultation process for every state entity that issues a permit for a water-related project. This duplication risks confusion, delay, and increased costs for critical Metropolitan and State Water Project permits or projects. The bill is also silent on how it will fund the required financial assistance for California Native American tribes.

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		tribes when investigating water rights on tribal ancestral lands.		Metropolitan staff have requested amendments to attempt to bring further clarity to the wide-ranging obligations the bill would place on water permitting and policy. The proposed amendments would require state agencies to consider implementing the bill's policies instead of mandating they implement the bill. The amendments additionally clarify that the bill's financial assistance requirement would not be imposed on state and local agencies and would ensure the bill does not result in impacts to existing water rights or permits.
AB 2215 L. Calderon (D – Whittier) Sponsor: State Water Contractors	Amended 4/16/2026. Senate Natural Resources and Water Committee	Water rights: permits: State Water Project. This bill would extend the timeline for the full development of the State Water Project water right permits to December 31, 2046, the same term as existing, validated contracts for the State Water Project water supply.	Support Based on 2026 Legislative Priorities and Principles.	AB 2215 would grant a necessary time extension to more fully modernize the State Water Project infrastructure in response to climate change. This bill is consistent with the Governor's Executive Order N-16-15 (CA EO), January 31, 2025, which ordered the minimization of administrative obstacles to maximize water supplies. This legislative proposal implements this order without weakening environmental protections and while protecting existing due process protections.

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AB 2739 E. Soria (D – Merced) Sponsors: Irvine Ranch Water District, Rancho California Water District	Amended 6/11/2026. Senate Environmental Quality Committee	Water: affordability and system stabilization. This bill would require the Department of Water Resources (DWR), upon appropriation, to develop the Community Water Affordability Program and would establish the Community Water Affordability Assistance Fund within the State Treasury. The program would provide funding in the form of grants to local water suppliers for water system repairs, rehabilitation and enhancements, water safety and quality, and other local water system infrastructure projects, for the purpose of reducing the amount of local ratepayer funding required for those projects.	Support Based on 2026 Legislative Priorities and Principles.	AB 2739 aims to establish a durable statewide funding framework to address water affordability by targeting key cost drivers and by creating a sustainable funding source for a Low-Income Rate Assistance (LIRA) program and a system stabilization fund. This bill would support rate payer affordability for our member agency retailers and also includes a fund that supports local infrastructure projects, which could be used to support upgrades to Metropolitan's water supply system and reductions in energy costs.
SB 601 B. Allen (D – Santa Monica) Sponsors: California Coastkeeper Alliance, Defenders of Wildlife	Amended 7/10/2025. Two-Year Bill	Water: waste discharge The intent of this bill is to restore Clean Water Act protections in California that were removed per the U.S. Supreme Court's 2023 Sackett v. Environmental Protection Agency (EPA) decision. However, the bill goes beyond restoring statute and includes several provisions that expand regulatory requirements without the benefit of scientific analysis.	Oppose Based on 2026 Legislative Priorities and Principles.	Currently, SB 601 poses risks to Metropolitan and its member agencies by: increasing costs of waste discharge requirements (WDRs) permits for discharges of water when dewatering or operating water supply infrastructure, potentially requiring all such water to be recycled regardless of cost to comply; exposing Metropolitan and its Member Agencies to citizen suits in state court, and, for certain nexus waters, both state and federal court; and creating uncertainty in discharge permitting as the bill's ambiguous provisions and implications are likely to be litigated.
SB 872 J. McNerney (D – Pleasanton)	Amended 5/14/2026. Assembly Water, Parks, and Wildlife Committee	Delta Levees and Canal Subsidence Fund. This bill would establish the Delta Levees and Canal Subsidence Fund in the State Treasury and require funds to be appropriated to the Department of Water Resources (DWR) to support capital improvements to restore water conveyance capacity for state water conveyance systems affected by subsidence. Additionally, this bill would require funds to be	Support Based on 2026 Legislative Priorities and Principles.	The proposed appropriations to fund capital costs of subsidence repairs could reduce State Water Project charges to contractors. The total cost of SWP subsidence repairs is estimated at \$3 billion, meaning this proposal could result in substantial savings for Metropolitan ratepayers. Subsidence in the Central Valley has been caused by decades of over pumping of groundwater and was not caused by Metropolitan or the State

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		appropriated to the Sacramento-San Joaquin Delta Conservancy for levee improvements that would improve the sustainability of local or state water supplies, and projects that improve instream, riparian, flood plain, and wetland habitat.		Water Contractors. However, in the absence of state and federal funding, the costs for these critical repairs will be shifted to our agencies. The proposed allocations for improvements to levees within the Delta and other actions to improve the sustainability of local or state water supplies and projects that that improve instream, riparian, floodplain, and wetland habitat would directly benefit Metropolitan by providing additional funding streams for levee improvements and indirectly through improvements within the Delta region.
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Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 935 S. Choi (R – Irvine)	Assembly Floor	Local agency design-build projects: authorization. This bill would repeal the sunset date of January 1, 2031, authorizing local agencies to use the design-build procurement process for public works construction projects more than \$1,000,000 indefinitely.	Support Based on 2026 Legislative Priorities and Principles.	Repealing the sunset date for alternative project delivery processes is aligned with Metropolitan's policy to streamline procurement of public works construction contracts.

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SB 952 J. Laird (D – Santa Cruz) Sponsor: State Water Contractors	Amended 5/18/2026. Assembly Appropriations Committee	State Water Project: renewable energy resources and zero-carbon resources. Existing law mandates that the Department of Water Resources (DWR) achieve a power portfolio that consists of 100% of renewable and zero-carbon energy by 2035. This bill would require DWR to also consider portfolio diversity, resource type, location, and hours of typical peak operation when procuring eligible resources to satisfy state agency obligations imposed on the State Water Project; and allow DWR to shift energy credits from one year to the next if DWR procures more energy than necessary in a given year.	Support Based on 2026 Legislative Priorities and Principles.	SB 952 is an important affordability measure for the 27 million customers within the SWP service area, as it would clarify generation attributes DWR may consider for procurement and create certainty for DWR by allowing excess energy procured in low water years be applied to years when SWP energy needs are high. Metropolitan pays a significant portion of the State Water Project's energy cost. This proposal provides a continued commitment to environmental sustainability while adding flexibility that maintains affordability.
Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 1125 C. Menjivar (D – San Fernando Valley) Sponsors: Clean Water Action, Community Water Center, Leadership Council for Justice and Accountability.	Amended 06/09/2026 Assembly Appropriations Committee	Water Rate Assistance Program. This bill would establish the Water Rate Assistance Program, and Fund, upon appropriation by the Legislature, administered by the State Water Resources Control Board (State Board) to help provide water affordability assistance for drinking water to low-income residential ratepayers. This bill would authorize the State Board to provide for the deposit of the following moneys into the Fund: federal or state funding; voluntary contributions, including gifts, grants, or bequests; and returned funds.	Support Based on 2026 Legislative Priorities and Principles.	SB 1125 proposes a viable, reasonable path forward for Low-Income Rate Assistance that protects existing programs and limits the administrative burden on water suppliers. This bill is intended to be a companion measure to AB 2739 and would guide the State Board's implementation of a low income water rate assistance program. Water rate assistance would provide needed relief at the local retail level, leading to improved revenue stability for local water systems.

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SB 1326 A. Wahab (D – Hayward) Sponsors: Federated Indians Graton Rancheria, United Auburn Indian Community, Habematolel Pomo of Upper Lake, Picayune Rancheria of the Chukchansi Indians.	Amended 06/11/2026 Assembly Appropriations Committee	California Environmental Quality Act: tribal cultural resources: mitigation measures This bill would revise the existing AB 52 (Gatto, 2014) tribal consultation requirements under CEQA to expand the definition of a tribal cultural resource to include: anything listed in a local tribal register and provided to the lead agency, included or eligible for inclusion in the California Register of Historical Resources or National Register of Historic Places, included in a local register of historical resources, or locations identified by the Native American Heritage Commission as a sacred place, including tribal cemeteries or burial areas. The bill would also require, when requested by a tribe, a lead agency to consider avoidance and preservation of a tribal cultural resource in place. If avoidance and preservation of the resource in place are not possible, the bill would require the lead agency to document the basis for that determination with substantial evidence and, when feasible, to adopt mitigation measures to avoid or minimize significant adverse impacts and incorporate culturally appropriate mitigation in consultation with the tribe.	Watch and Amend Based on 2026 Legislative Priorities and Principles.	In its consultation with tribes, Metropolitan works to ensure tribal voices are heard in the CEQA consultation process. By adding resources identified in a local tribal register to the definition of tribal cultural resources in CEQA, without specifying standard criteria for identification or a definition of local tribal register, SB 1326 could greatly increase the number of resources subject to AB 52's heightened requirement to avoid and minimize significant adverse impacts to the resource, when feasible. Without defined eligibility criteria for a tribal culture resource in law, lead agencies and the public would not have the opportunity to understand the nature of the resource. Metropolitan staff have requested amendments to include eligibility requirements for designating cultural landscapes and sites and objects included in a local tribal register as tribal cultural resources under CEQA.
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STAFF REPORT

To: Board of Directors

Meeting Date: August 27, 2026

From: Sherri Seitz, Public Affairs Manager

Subject: Public Education and Outreach Report`

Laguna Woods Village Television (LWVT)

Director Wyatt McClean is scheduled to participate in Laguna Woods Village Television's This Day program on August 25, 2026. The appearance provides an opportunity to share District information with Laguna Woods Village residents and continue ETWD's outreach through the community television program.

ETWD Newsletter

The Summer 2026 edition of Water Views features a broad range of District information and customer education topics. Content includes America's 250th Anniversary and ETWD's 66 years of service; recognition of employees and a Board member who have served in the U.S. military; the 2026 Drinking Water Quality Report; fire hydrant and water mainline flushing; information about PFAS and ETWD's water supply; a Behind the Scenes at ETWD employee feature; promotion of the Community Advisory Group; community outreach highlights; and notice of the District's new website. A copy of the newsletter follows this report.

Website Implementation Update

Staff is completing final preparations for the launch of the District's redesigned website. A demonstration of the new website will be provided to the Board of Directors, highlighting the updated design at the August Board meeting. Staff is planning to launch the new website during the week of August 24, 2026.

ETWD Hydraulic Modification Project

Staff distributed project communications to United Mutual residents in the affected area around Gate 4 area regarding ETWD's Hydraulic Modification Project. The outreach explained that the District began evaluating resident concerns regarding low water pressure and is developing a project to install approximately 500 feet of new pipeline and a pressure regulating station along Avenida Sevilla between Gate 4 and Via Los Altos to improve pressure in the area.

The project alert also provided notice that ETWD would discuss the project at the United Town Hall Meeting on August 14 at Clubhouse 3. This communication is part of the District's effort to keep residents informed as the project advances. A copy of this project flyer follows this report.

Community/Speaking Engagement Events

City of Lake Forest National Night Out – August 4, 2026

ETWD staff Vu Chu, Garth Botha and Sherri Seitz participated in the City of Lake Forest's National Night Out at the Lake Forest Sports Park. Staff provided the District's Water Trailer to offer complimentary drinking water to attendees and engaged with community members during the event. The event draws hundreds of community members and was once again a successful event.









El Toro Water District • Summer 2026

WATER VIEWS

SERVING THE PUBLIC, RESPECTING THE ENVIRONMENT

CELEBRATING AMERICA'S 250TH ANNIVERSARY

Honoring our nation's history and ETWD's legacy of service

On July 4, our nation celebrated the 250th anniversary of the adoption of the Declaration of Independence. This historic milestone offered an opportunity to reflect on the values of freedom, democracy, innovation and public service. The ETWD Board of Directors adopted a resolution commemorating the 250th anniversary and reaffirming the District's commitment to serving our community.

Public service is one of the ideals that have helped shape America since its founding. Every day, ETWD employees carry that tradition forward by maintaining critical infrastructure, responding to emergencies, planning for future water reliability and providing exceptional customer service.

As we look toward the future, ETWD remains committed to investing in reliable infrastructure, protecting our water resources, embracing innovation and delivering outstanding service for generations to come.

ETWD Marks 66 Years of Serving the Community

While our nation celebrates 250 years of history, ETWD is proud to celebrate 66 years of serving our community. Since the District was formed in September 1960, our mission has remained steadfast: to provide safe, reliable, and high-quality drinking water, recycled water and wastewater services while protecting public health and investing in the future of our communities.

"As America celebrates its 250th anniversary, we also celebrate the dedicated employees, directors, customers and community partners who have made our District's legacy of public service possible." ETWD General Manager Dennis P. Cafferty said. "For 66 years, El Toro Water District has been proud to provide the essential water, recycled water and wastewater services our community depends on. As we honor our past, we remain focused on building a resilient and reliable future for the customers we serve."



ETWD staff brought the District's water trailer to the City of Laguna Hill's America 250 Fourth of July Celebration event to provide drinking water to attendees.



SALUTING THOSE WHO HAVE SERVED

As we reflect on our nation's 250th anniversary, ETWD sincerely thanks our employees, an ETWD Board member and our community members who have proudly served in the United States military, along with their families. We extend our sincere appreciation to ETWD staff members Michael Snow and Robert McKern for their military service and for their continued commitment to serving our community through their work at ETWD. Their dedication exemplifies our values of service, integrity and commitment.

"SERVING IN THE ARMY SHOWED ME THAT TRUE SERVICE ISN'T ABOUT RECOGNITION. IT'S ABOUT COMMITMENT, SACRIFICE AND DOING WHAT'S RIGHT, EVEN WHEN IT'S DIFFICULT."

– ETWD Chief Plant Operator WRP
Michael Snow, U.S. Army Veteran

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2026 DRINKING WATER QUALITY REPORT AVAILABLE NOW



ETWD's latest Drinking Water Quality Report provides quick, easy access to clear information about your water, from source to tap. In the 2026 report, we are proud to share exactly how your drinking water continues to meet all state and federal standards.

Review the report to learn:



The actions ETWD takes every day to deliver safe reliable drinking water to you



How ETWD's water quality test results reveal water quality you can trust



How ETWD's constant water monitoring ensures continued excellence



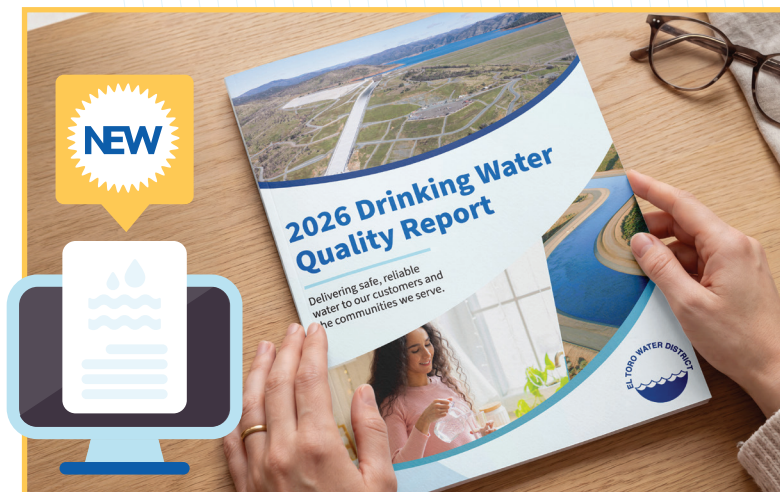
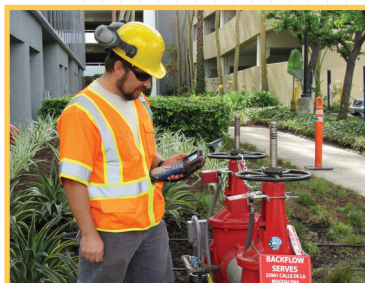
How your water compares to state standards



Where your water comes from



View the Water Quality Report at [ETWD.com](https://www.ETWD.com)



FIRE HYDRANT & WATER MAINLINE FLUSHING HELPS KEEP YOUR WATER SYSTEM RELIABLE

As part of El Toro Water District's ongoing commitment to providing safe, high-quality water and maintaining a reliable distribution system, ETWD crews regularly perform preventative flushing of fire hydrants and water mains throughout the District.

During this routine maintenance, you may see ETWD personnel releasing water from fire hydrants or water mains. Flushing removes naturally occurring sediment that can build up inside water pipes, helping to maintain water quality and improve the appearance of your tap water. It also allows crews to inspect and test fire hydrants to ensure they are operating properly and capable of providing the necessary flow and pressure during a fire or other emergency.

While flushing is taking place, customers in the immediate area may temporarily notice discolored water or small amounts of sediment. Although the water remains safe to use, any discoloration can typically be cleared by running cold water from your faucets for a few minutes.

To keep customers informed, ETWD posts signs in neighborhoods where flushing is scheduled. Our crews also perform this important maintenance as efficiently as possible to minimize water use while protecting the reliability of the water system.

If you have any questions about the Fire Hydrant and Water Main Flushing Program, please contact us at **(949) 837-7050**.





BEHIND THE SCENES AT ETWD ENSURING WATER QUALITY

Yesenia Ocampo PLANT OPERATOR

Experience

Yesenia has 10 years experience in the water industry and holds a Grade 2 Drinking Water Distribution and a T2 Water Treatment operator certifications.

Top Priorities

Collecting water samples accurately and safely so they can be analyzed for quality, contamination and regulatory compliance.

"I take pride in collecting water samples that help ensure our customers receive high-quality drinking water. It's rewarding to work alongside a dedicated team that is committed to serving our community."



Cheyne Madero MAINTENANCE WORKER III

Experience

Three years in the water industry.

Top Priorities

One of our annual maintenance programs is the blow-off valve flushing program. We flush blow-off valves located at dead-end water mains to maintain water quality throughout the distribution system. During the flushing process, we verify that chlorine residual levels meet District standards and help ensure the continued reliability and integrity of our water distribution infrastructure.

"At ETWD, we are committed to providing our customers with the highest level of service. Every member of our team takes pride in delivering reliable, high-quality water service while responding to our customers' needs with professionalism, integrity and respect."



Cheyne Madero, pictured right

WHAT YOU SHOULD KNOW ABOUT PFAS

ETWD does NOT have PFAS in its water supply

ETWD customers can rest assured knowing that ETWD does not have PFAS in its water supply. Your drinking water is safe and meets all state and federal standards. ETWD recognizes that our customers may have heard about PFAS in the news. Here are key facts about PFAS.

WHAT ARE PFAS?

Per and Poly-FluoroAlkyl Substances (PFAS) are a family of thousands of human-made chemicals that have been used by a variety of industries since 1940 to repel water, grease and stains in industrial and consumer products. The manufacturing and use of these chemicals in firefighting foams, fabrics, non-stick cookware and food packaging cause PFAS byproducts to enter the air, soil and groundwater, affecting both natural and domestic water systems. Due to their widespread use, most people have been exposed to PFAS.

PFAS do not break down naturally and accumulate in humans and the environment. These "forever chemicals" can stick around for decades, affecting our

soil, air, wildlife and even our health. While the production and use of PFAS has been widely discontinued, several products containing PFAS may still be imported.

PFAS chemicals can enter the water cycle when products containing them are used or spilled onto the ground and seep into the groundwater supply. They can also be carried through the air and end up in water sources used for drinking water.

WHAT ARE REGULATORS AND WATER AGENCIES DOING ABOUT PFAS?

Soon, U.S. state and federal agencies will regulate PFAS, limiting how much is present in drinking water.

Scientists and water quality specialists at the federal, state and local levels, including ETWD, continuously monitor and test the water supply. Water agencies that have PFAS in their water supply are mitigating PFAS by shutting down affected water sources and switching to alternate supplies or implementing advanced treatment methods to protect consumers.



IS ETWD'S WATER SAFE? IS THERE PFAS IN MY WATER?

ETWD's water is safe. ETWD does NOT have PFAS in the water supply. Your drinking water continues to meet all federal and state drinking water quality standards and is safe to drink. ETWD closely monitors the quality of the water we deliver to ensure that any emerging PFAS concerns are transparently addressed and effectively handled.

Questions about PFAS? Call ETWD Customer Service at (949) 837-0660 or visit the link below:

www.etwd.com/your-water/water-quality/pfas

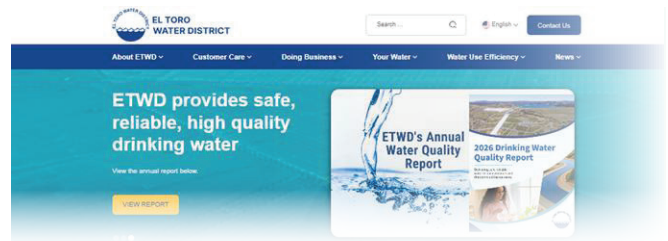
IN THE COMMUNITY



In April, ETWD staff hosted an activity booth at the 30th Annual Children's Water Education Festival. This event is hosted by the Orange County Water District and is the largest event of its kind in the U.S., bringing together third, fourth and fifth grade students from across Orange County for two days of interactive activities related to science, water resources and environmental stewardship.

ETWD's activity was called "Flow Finders: Journey through the Water Meter." The activity demonstrated how water runs through a meter and provided a visual of how much water could be lost by running faucets or leaks in a household.

Gates Elementary School, Ms. Klug's 4th Grade Class



New ETWD Website Coming Soon

ETWD is putting the finishing touches on a new, user-friendly website designed to make it easier to access District services and information. The redesigned site will feature improved navigation, enhanced accessibility, updated security and streamlined access to online bill pay, conservation programs, public notices and District news. Stay tuned, official launch coming soon!

Connect with ETWD at the next Community Advisory Group Meeting

Since 1993, ETWD's Community Advisory Group meetings have fostered the exchange of information between ETWD customers, staff and elected officials. Join us at the next CAG meeting.

Thursday, Nov. 12, 2026
11:30 a.m. – 1:30 p.m.

Lunch will be provided. Scan the QR code to sign up for CAG Meeting invitations.



BOARD OF DIRECTORS



PRESIDENT

Kathryn Freshley

DIRECTOR

Mark Monin

VICE PRESIDENT

Kay Havens

DIRECTOR

Wyatt McClean

DIRECTOR

Mike Gaskins

GENERAL MANAGER

Dennis P. Cafferty

The Board of Directors meeting takes place on the fourth Thursday of the month, and the Engineering and Finance Committee meets on the Monday before the Board of Directors meeting. Both meetings start at 7:30 a.m. in person and via Zoom teleconference.

We encourage you to join us. Meeting agendas are posted on our website and include teleconference access and instructions. Learn more: etwd.com/governance/meetings-agendas-minutes

ETWD delivers drinking water, recycled water and wastewater services to customers in the City of Laguna Woods and portions of the cities of Lake Forest, Mission Viejo, Laguna Hills and Aliso Viejo

Have questions? Call us at (949) 837-7050 or email us at district@etwd.com.





PROJECT ALERT

HYDRAULIC MODIFICATION PROJECT

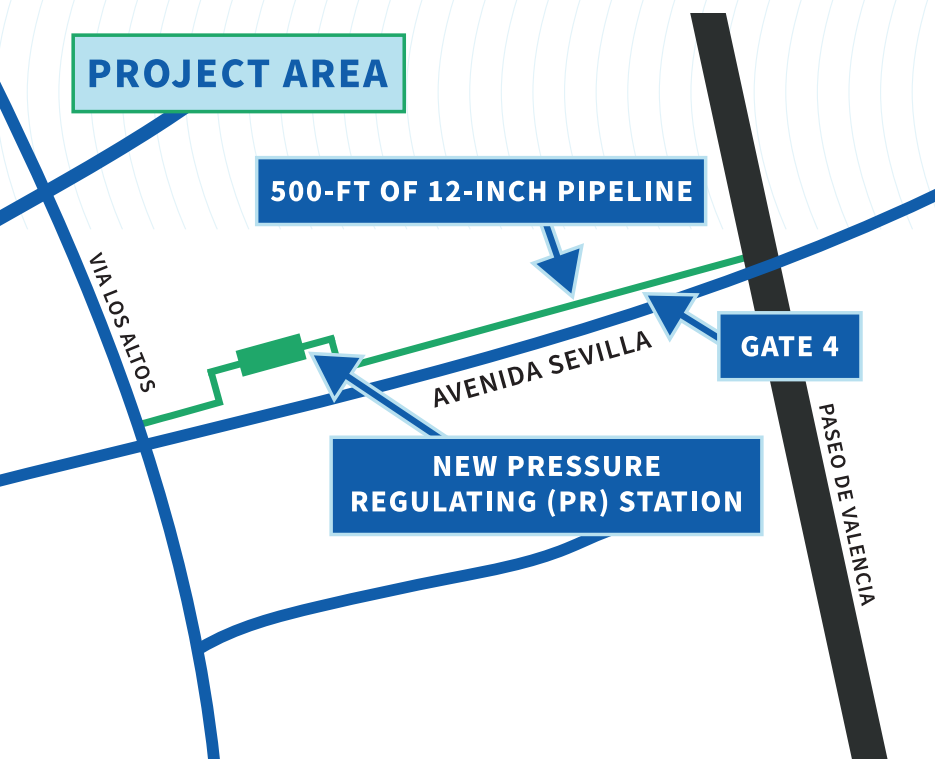
About the Project

ETWD recently became aware of resident's concerns regarding low water pressure in United Mutual in the Gate 4 area. Upon learning of the concerns the District began an immediate evaluation to assess the issues and identify solutions. As a result of that effort ETWD is working on a project to install approximately 500 feet of new pipeline and a pressure regulating station along Avenida Sevilla that will improve pressure in the area.

The District is working on reasonable efforts to expedite the project. Once the engineering design is complete the project construction is expected to take approximately three months.

Preliminary Project Location

Avenida Sevilla between Gate 4 and Via Los Altos



PROJECT DESIGN TIMELINE:
NOW - DECEMBER 2026
CONSTRUCTION TIMELINE:
EARLY 2027

United Town Hall Meeting

ETWD will discuss the project at the next United Town Hall Meeting on Friday, Aug. 14 at 2 p.m. in Clubhouse 3, Performing Arts Center.

Questions

If you have any questions regarding the project, you are encouraged to contact us.

 (949) 837-7050

 district@etwd.com

 etwd.com

We thank you for your patience.

**THERE WILL BE NO
IMPACT TO RESIDENTS'
WATER SERVICE DURING
THE PROJECT.**



STAFF REPORT

To: Board of Directors

Meeting Date: August 27, 2026

From: Vu Chu, Water Resources Supervisor

Subject: Water Use Efficiency Report

Rebate Programs:

The SoCal WaterSmart regional rebate program is available to ETWD customers through the collaboration of the Metropolitan Water District of Southern California, the Municipal Water District of Orange County, and ETWD.

Eligible device purchases may qualify for rebates, contingent on meeting eligibility criteria and subject to fund availability. Detailed residential and commercial rebate information is accessible at:

www.etwd.com/conservation/rebates

www.etwd.com/commercial-rebates

Actual Customer Rebates Analysis:

The following ETWD residential customer and commercial customer device rebates were approved by the Metropolitan Water District and the Municipal Water District of Orange County in July 2026.

The table below also shows the ETWD residential and commercial rebates approved for July 2026 and FY 2026-2027.

Rebate Program	July 2026	FY 2026/27
Spray to Drip – Residential	1,670 sq. ft.	1,670 sq. ft.
Turf Replacement – Residential	1,491 sq. ft.	1,491 sq. ft.

Water Use Efficiency Plan Update:

The District Water Budget-Based Tiered Conservation Rate Structure (WBBTCRS) pricing structure is the primary plan that gives customers the incentive needed to be efficient. The Plan efforts initially will concentrate on those customers continually in the Inefficient and Excessive Tiers (Tiers 3 and 4). During July 2026, residential customers accounted for 56.7% of Tier 3 usage and dedicated irrigation accounted for 43.3%. For Tier 4, residential customers accounted for 51.2% and dedicated irrigation accounted for 48.8% during the same period.

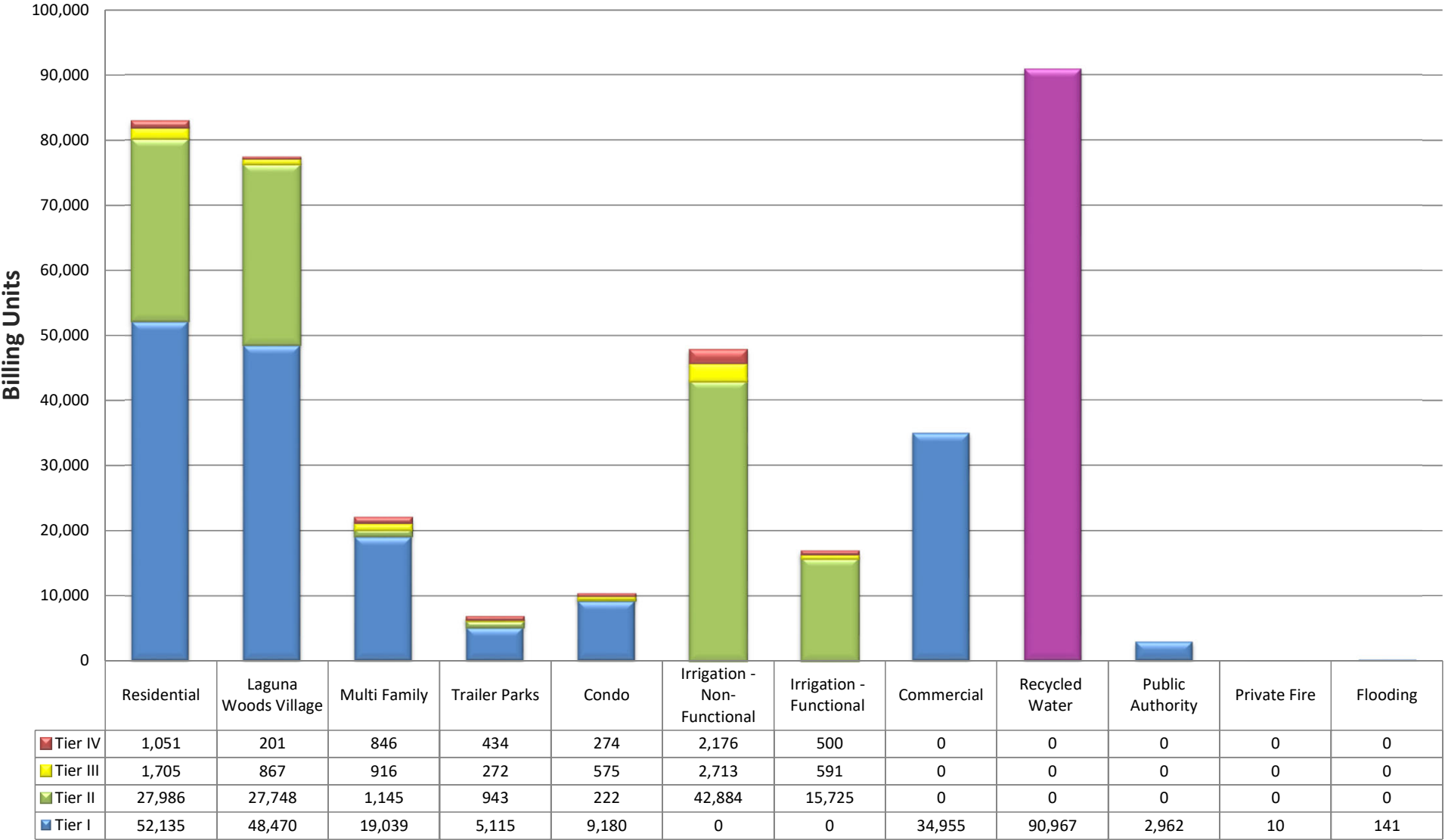
Total Consumption Comparison to Evapotranspiration (ET) Factor:

Included in this month's Water Use Efficiency Report is a chart comparing the current fiscal year consumption and ET factor to the fiscal 2025/26 consumption and ET factor. Total potable water consumption increased by 7.12% in July 2026 compared to July 2025. Since July marks the first month of the new fiscal year, the year-to-date increase is also 7.12% compared to FY 2025-2026. During the same period, the ET factor decreased from 6.65 to 6.48.

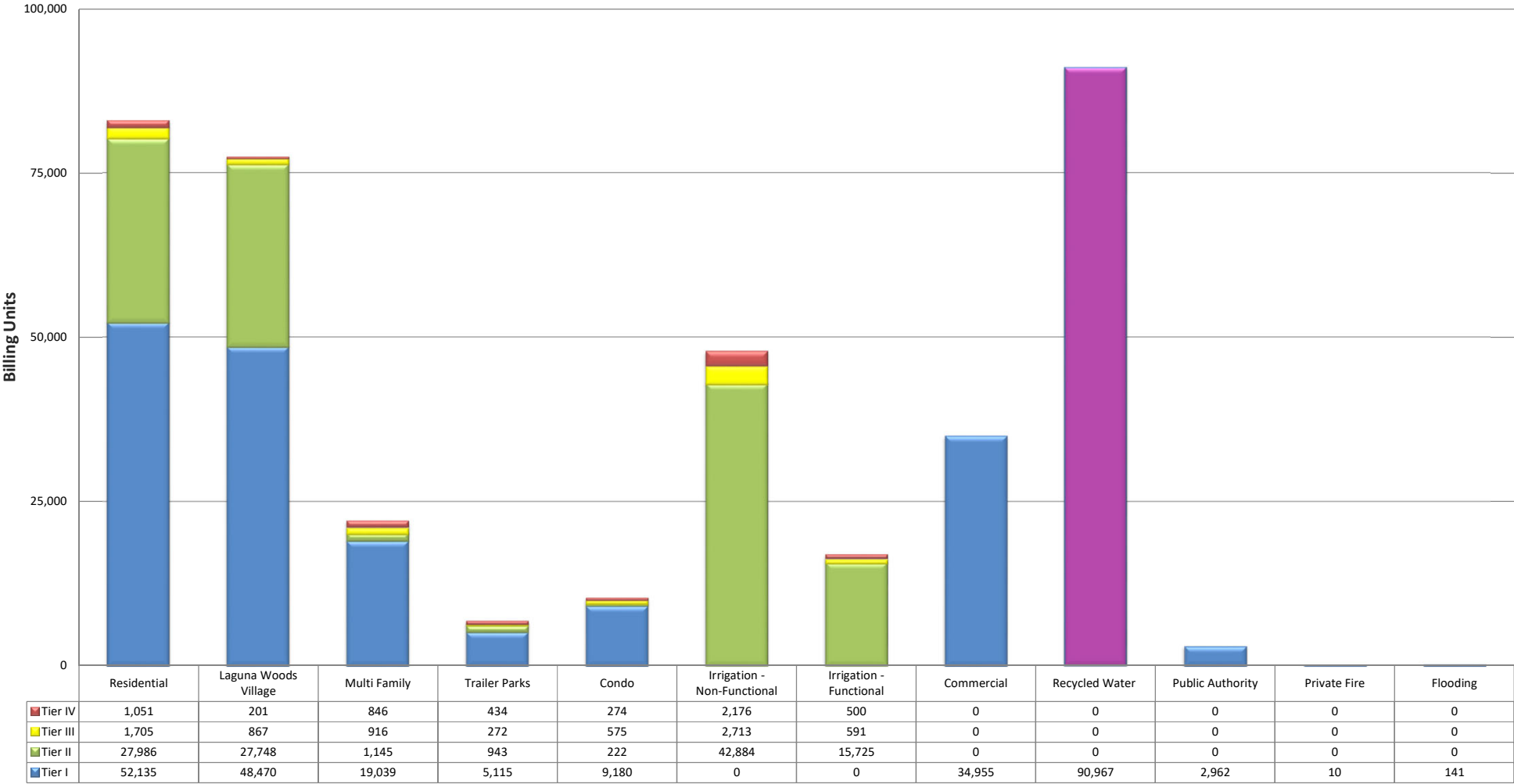
ETWD Tier Consumption Information and Usage Information Compared to Previous Years:

The following graphs highlight ETWD year-to-date consumption and consumption by tier for the current fiscal year compared to the 2025-2026 fiscal year. ETWD water consumption compared to 2013 and 2020 are also included.

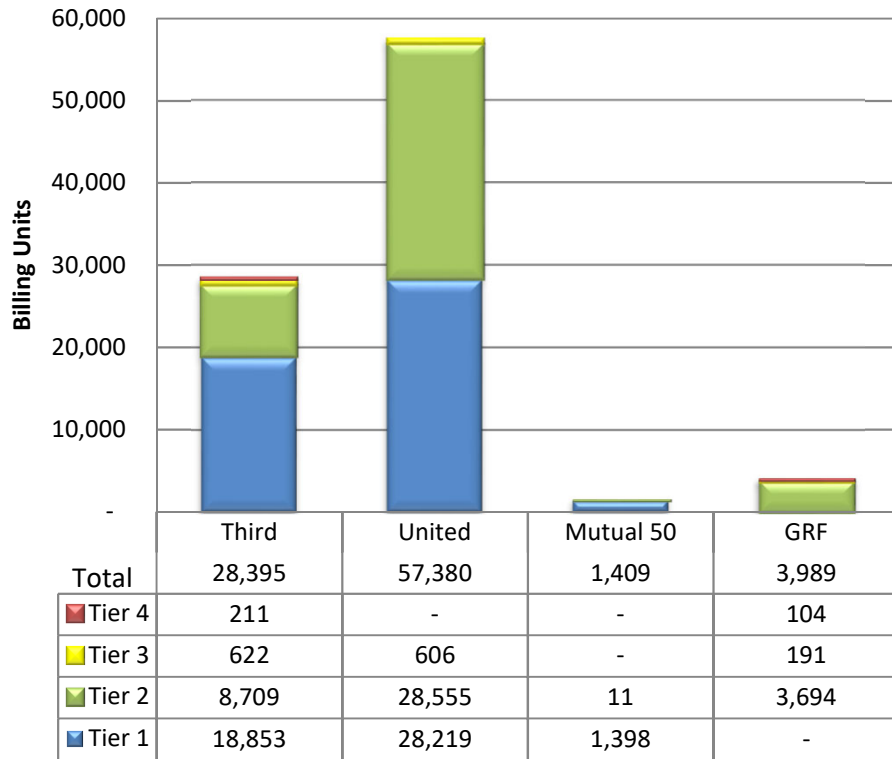
July 2026 Water Sales



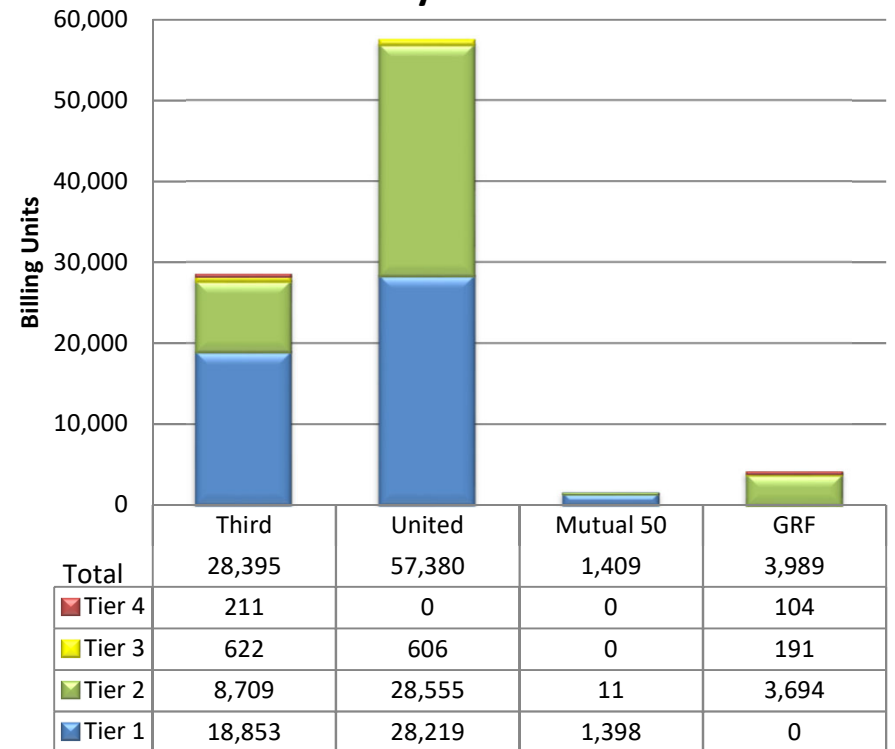
Year-to-Date Water Sales as of July 2026



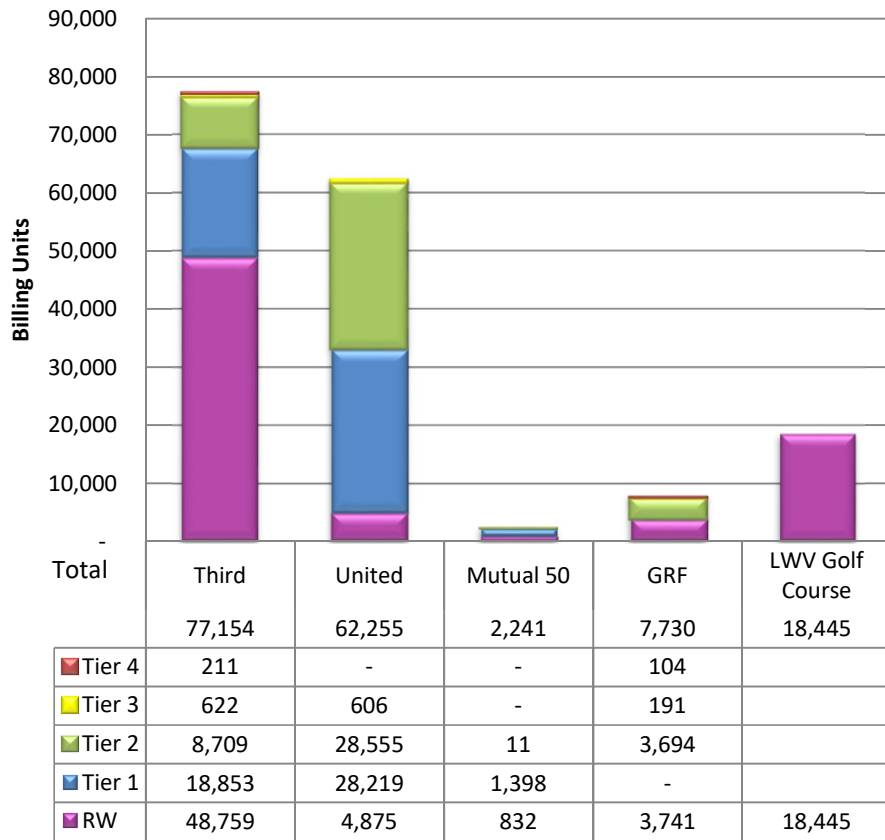
Laguna Woods Village July 2026 Water Sales



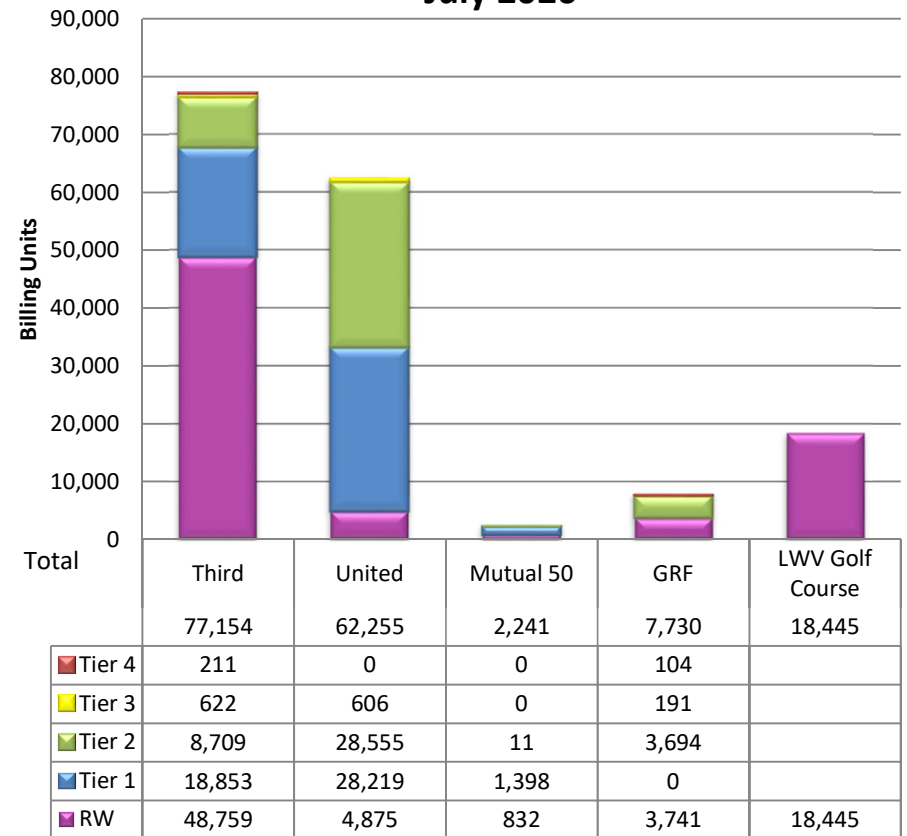
Laguna Woods Village Year-to-Date Water Sales July 2026



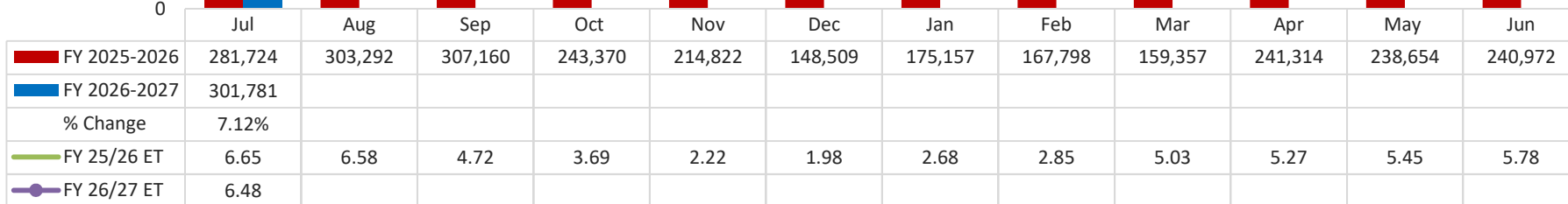
Laguna Woods Village July 2026 Water & RW Sales



Laguna Woods Village Year-to-Date Water & RW Sales July 2026



FY 2026-27 vs FY 2025-26

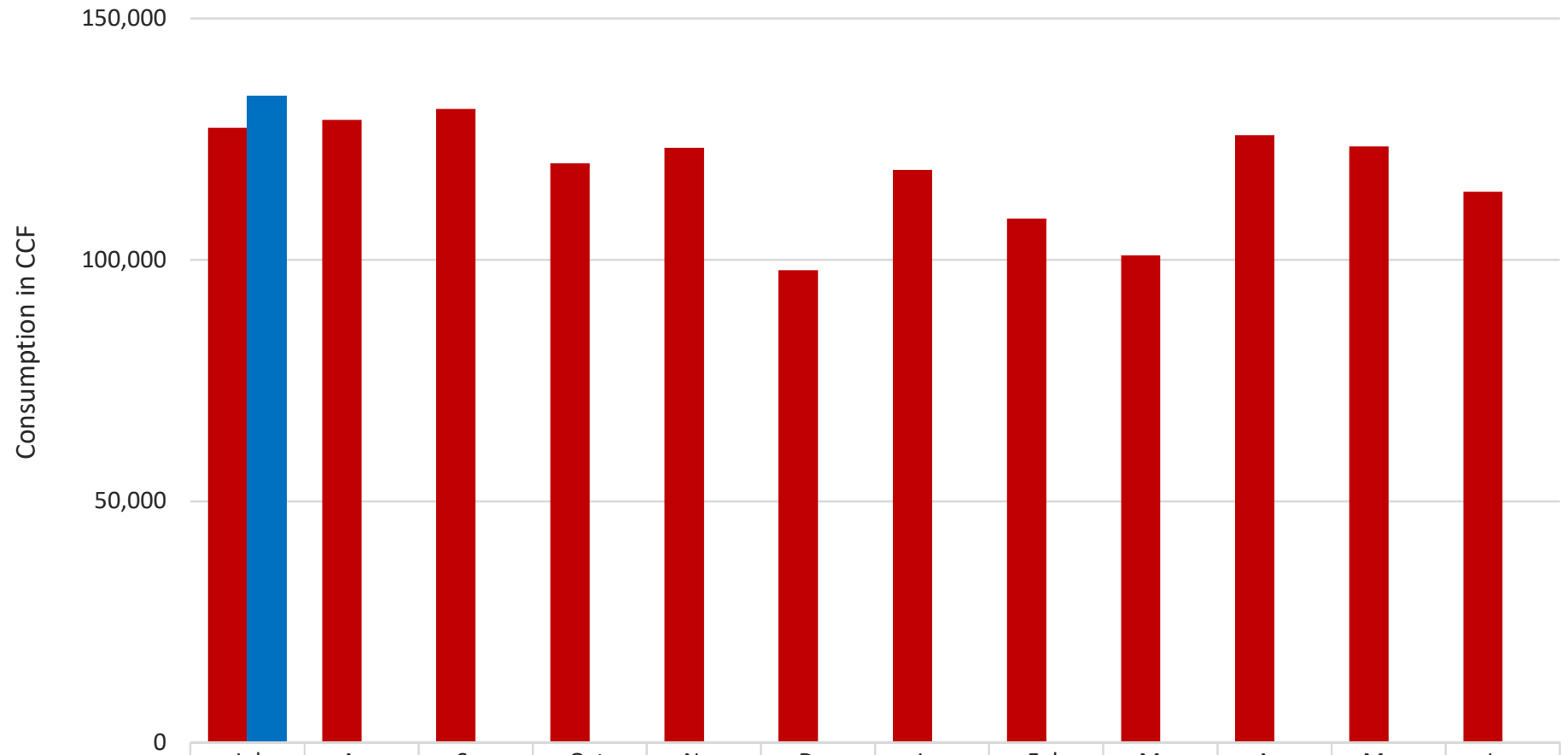


The graph displays a steady increase in consumption over a 30-year period. The Y-axis, labeled 'Consumption in CCF', ranges from 0 to 3,200,000 in increments of 400,000. The X-axis represents time from 1980 to 2010. A blue line segment covers the period from 1980 to 1985, showing consumption rising from 0 to approximately 300,000 CCF. A red line segment continues from 1985 to 2010, showing consumption rising from approximately 300,000 CCF to nearly 2,800,000 CCF.

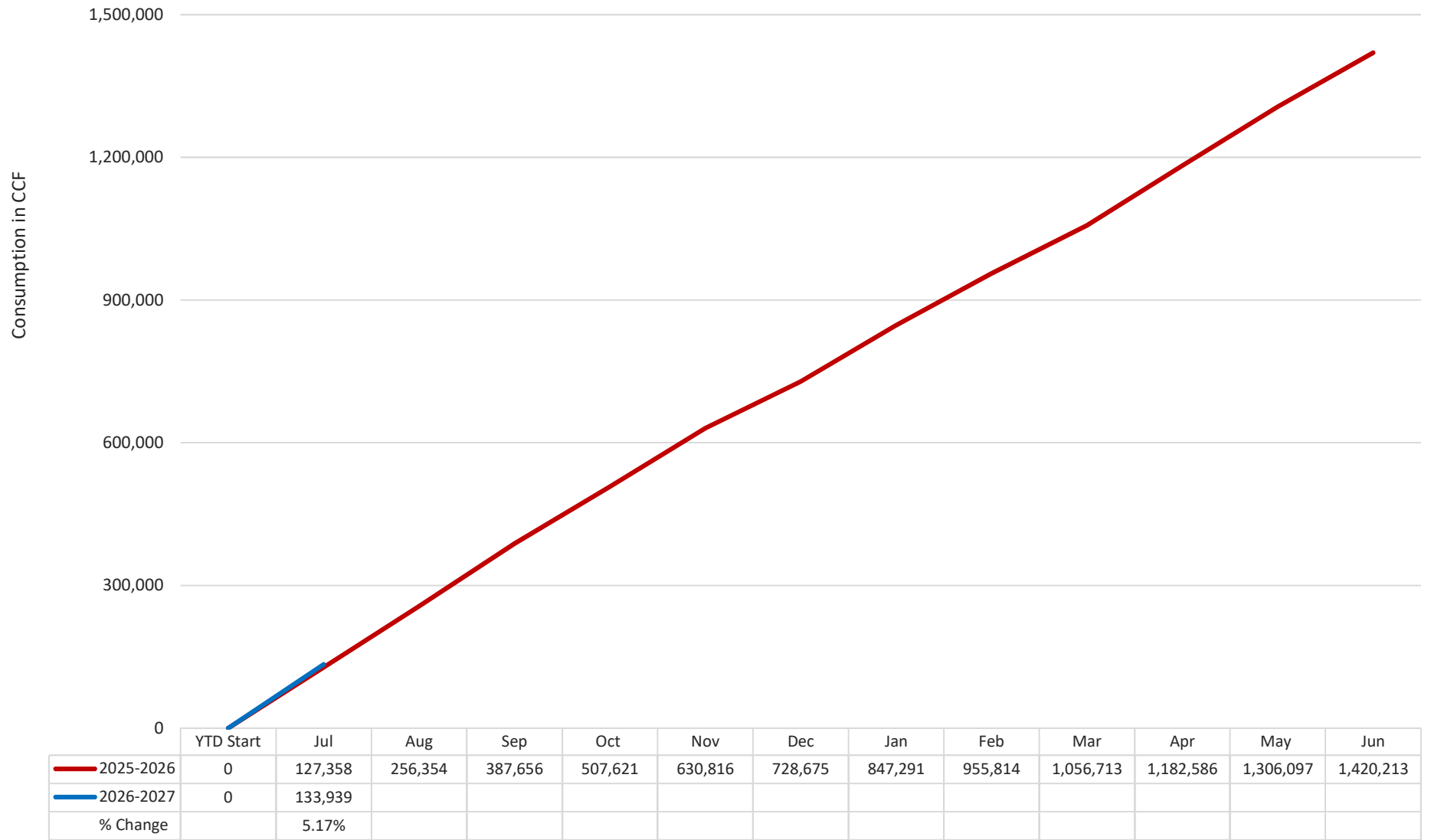
Year	Consumption (CCF)
1980	0
1985	~300,000
1990	~800,000
1995	~1,300,000
2000	~1,800,000
2005	~2,300,000
2010	~2,750,000

[illegible]

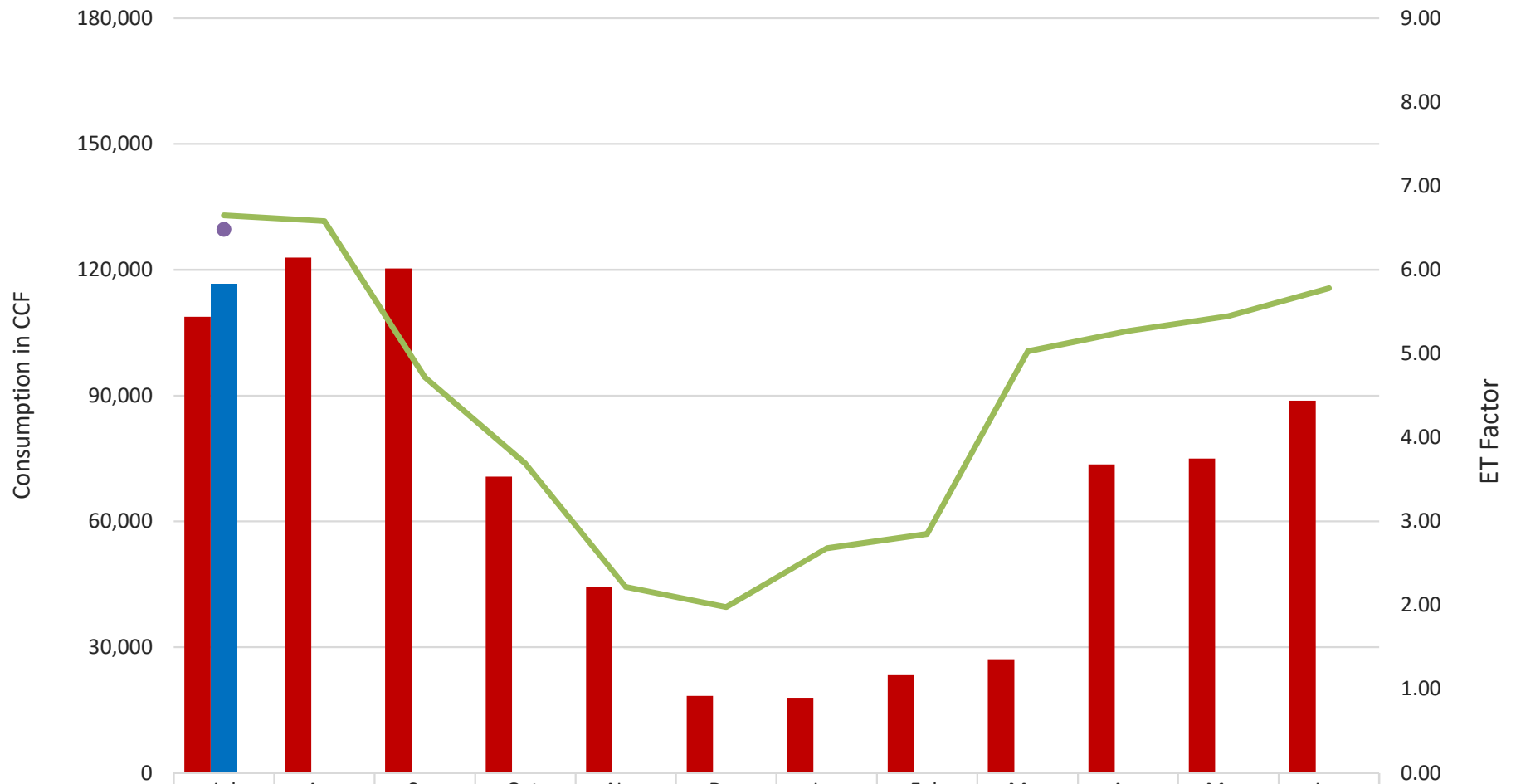
Tier I Consumption

[illegible]

Tier I Fiscal YTD Consumption



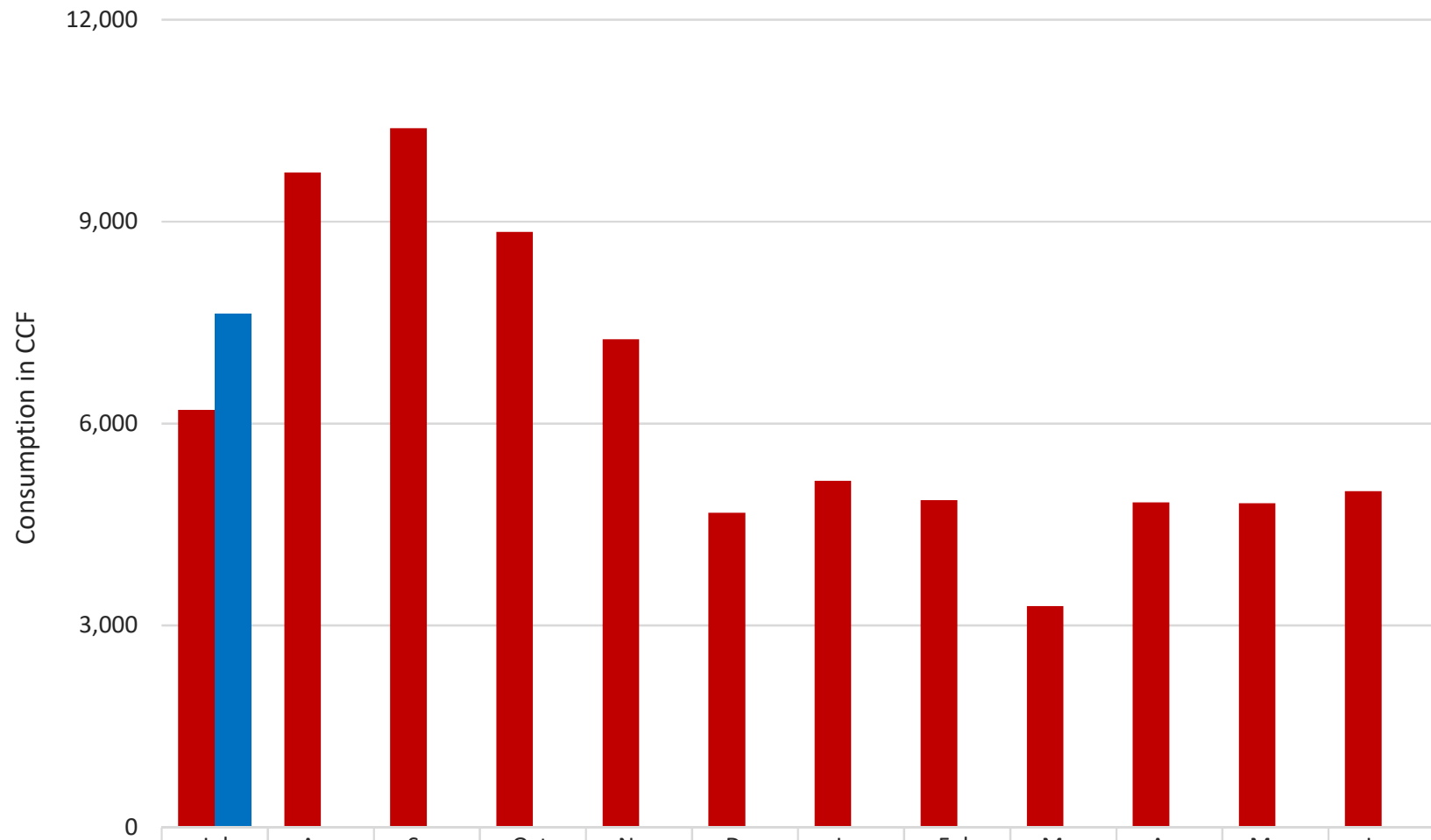
Tier II Consumption

[illegible]

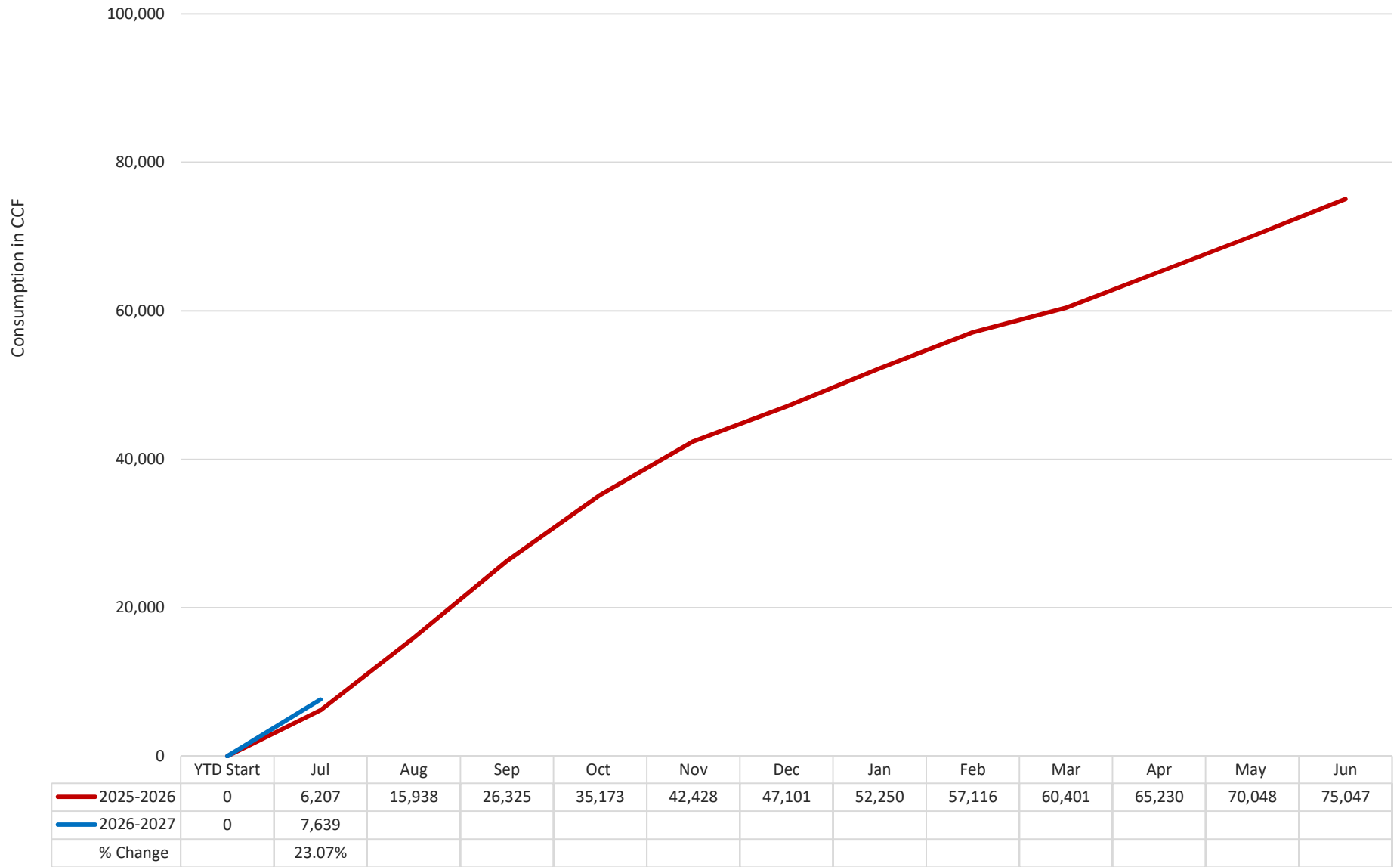
Tier II Fiscal YTD Consumption



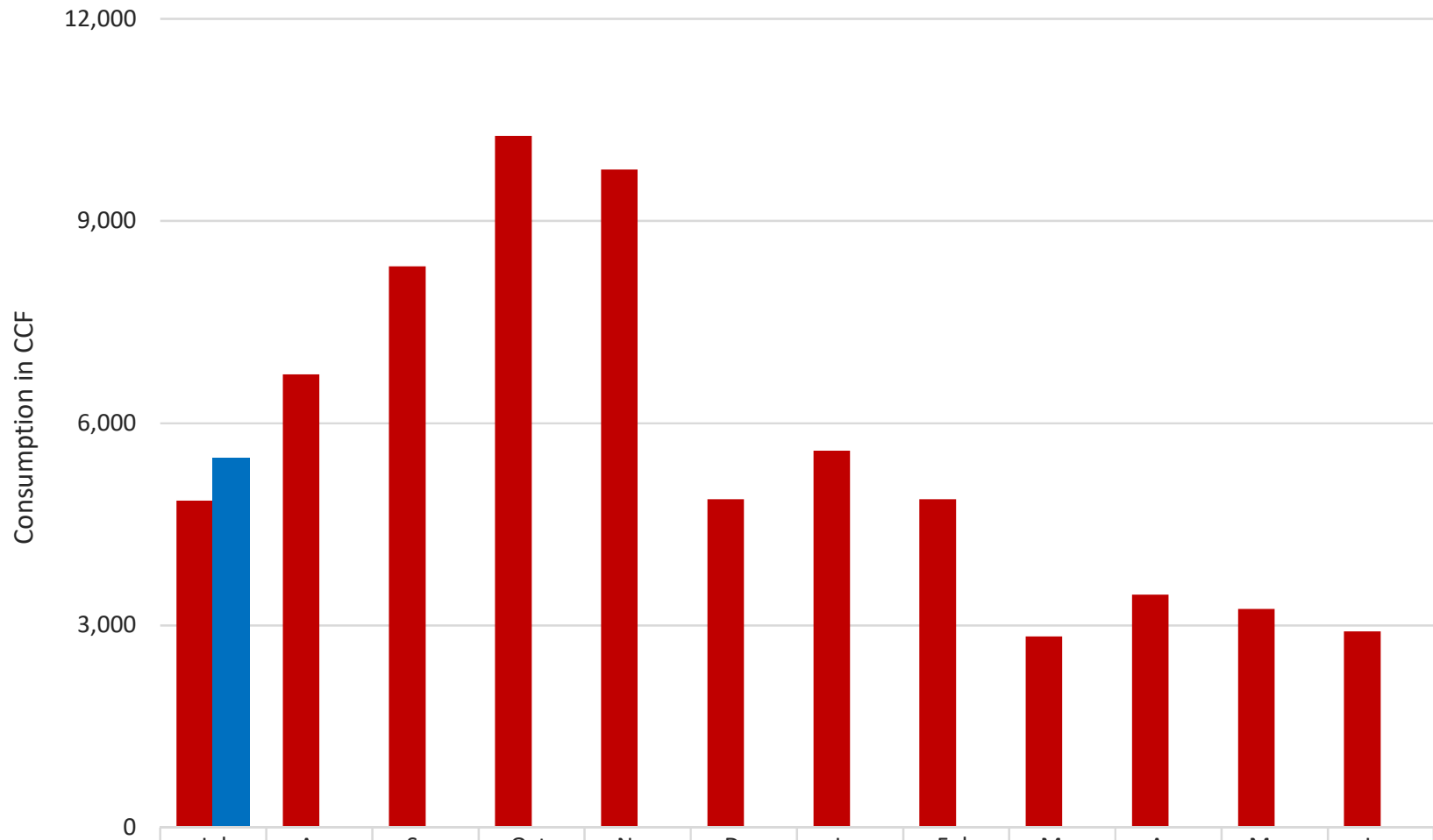
Tier III Consumption

[illegible]

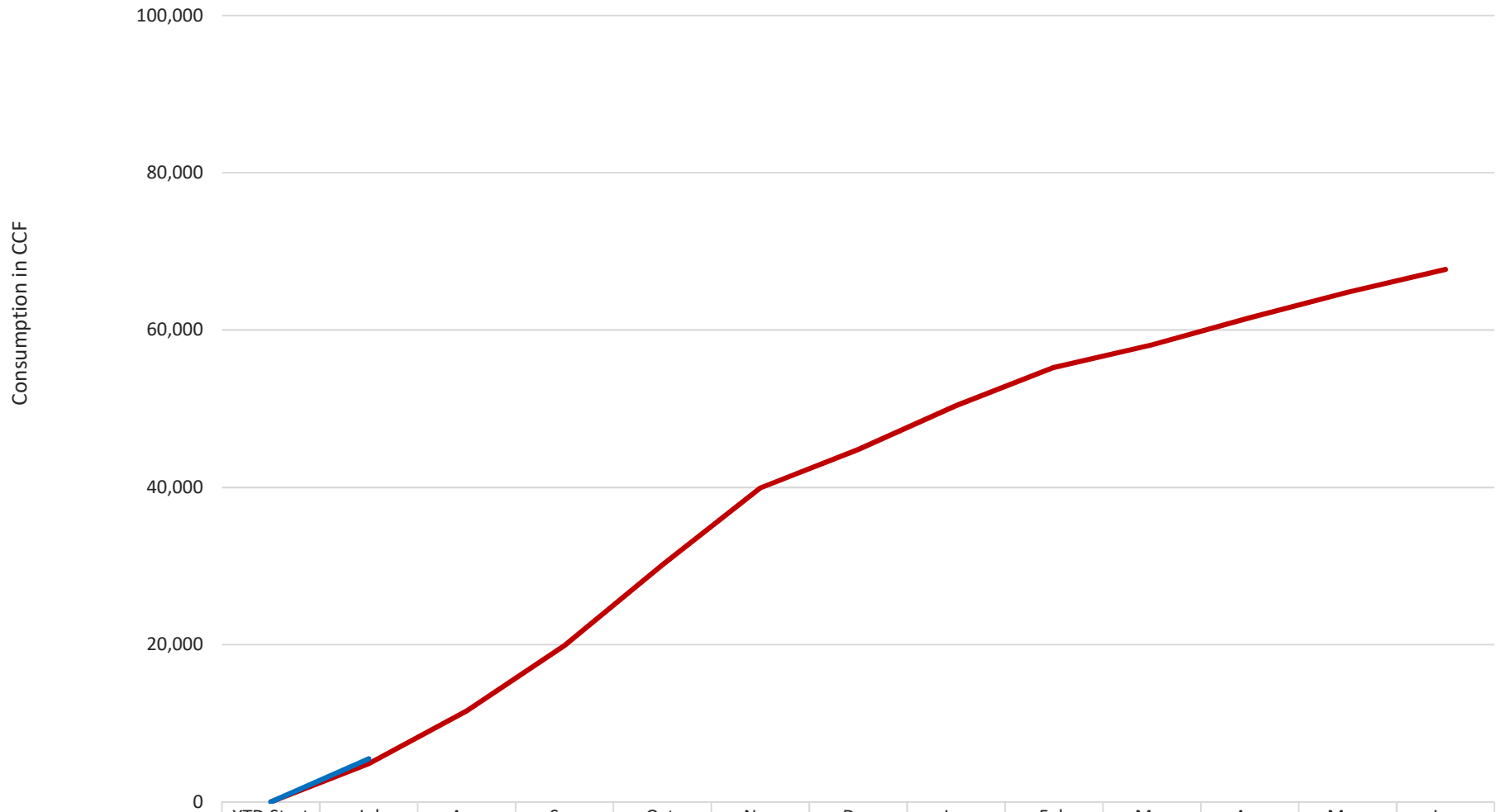
Tier III Fiscal YTD Consumption



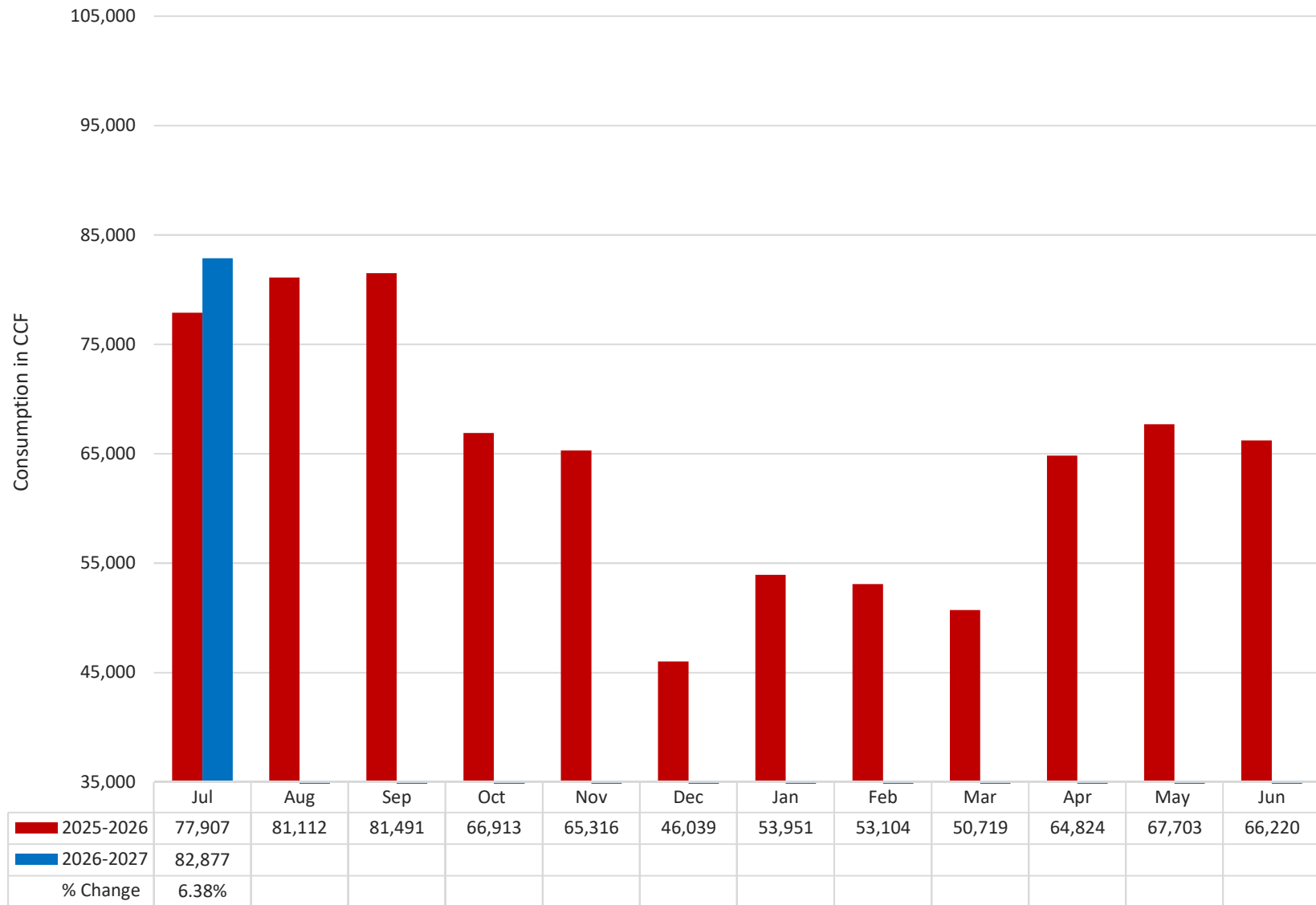
Tier IV Consumption

[illegible]

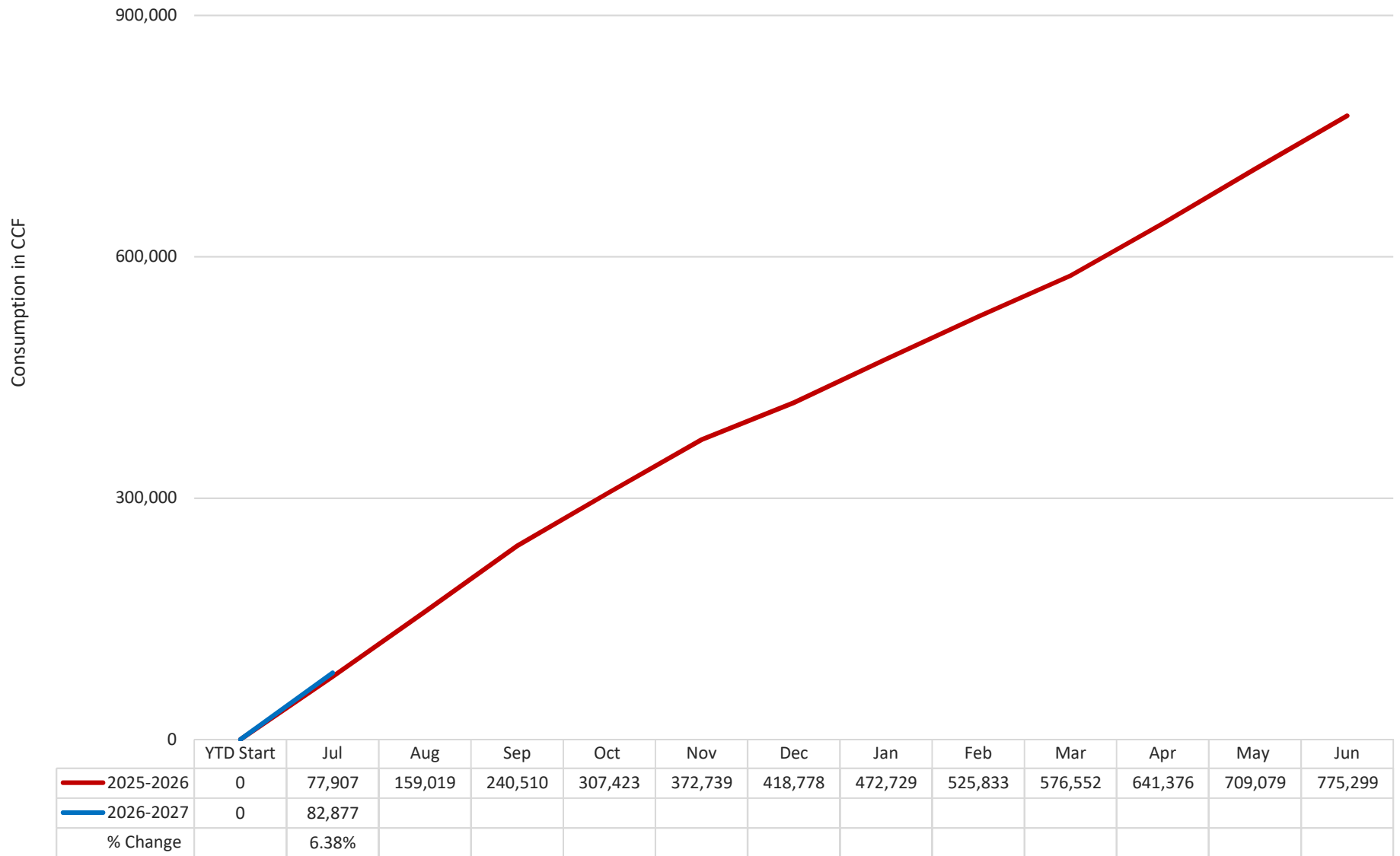
Tier IV Fiscal YTD Consumption

[illegible]

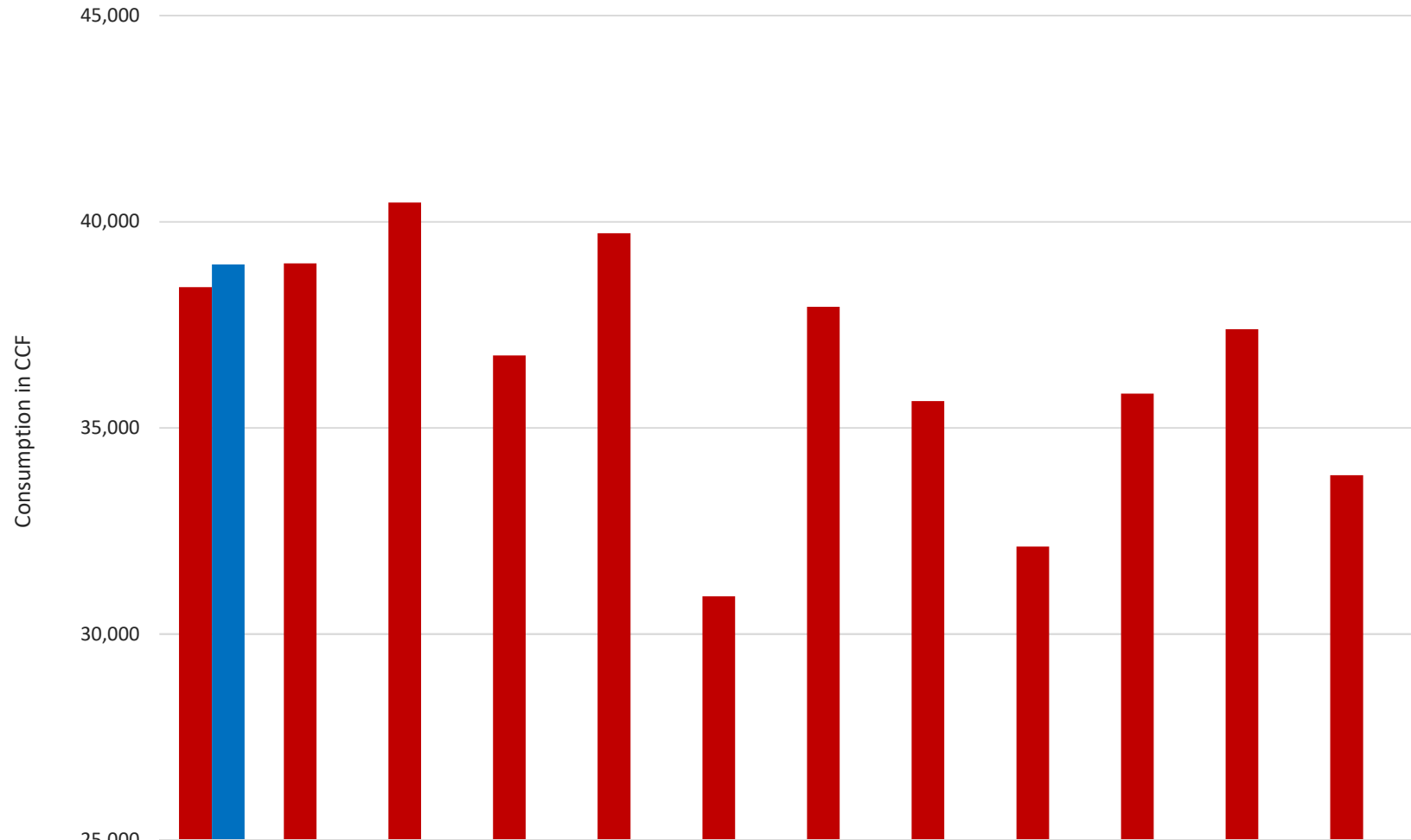
Single Family Residents Consumption



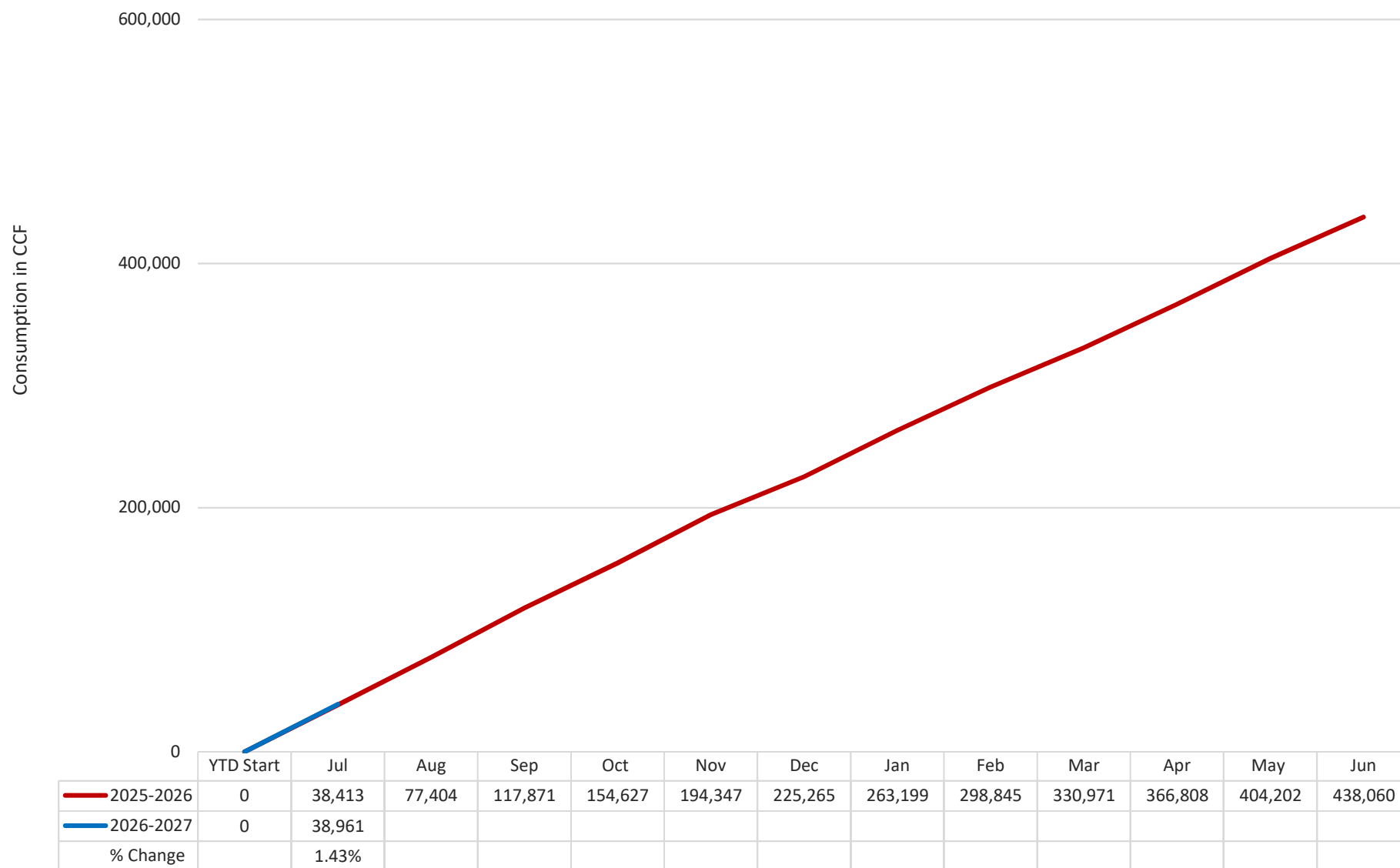
Single Family Residents YTD Consumption



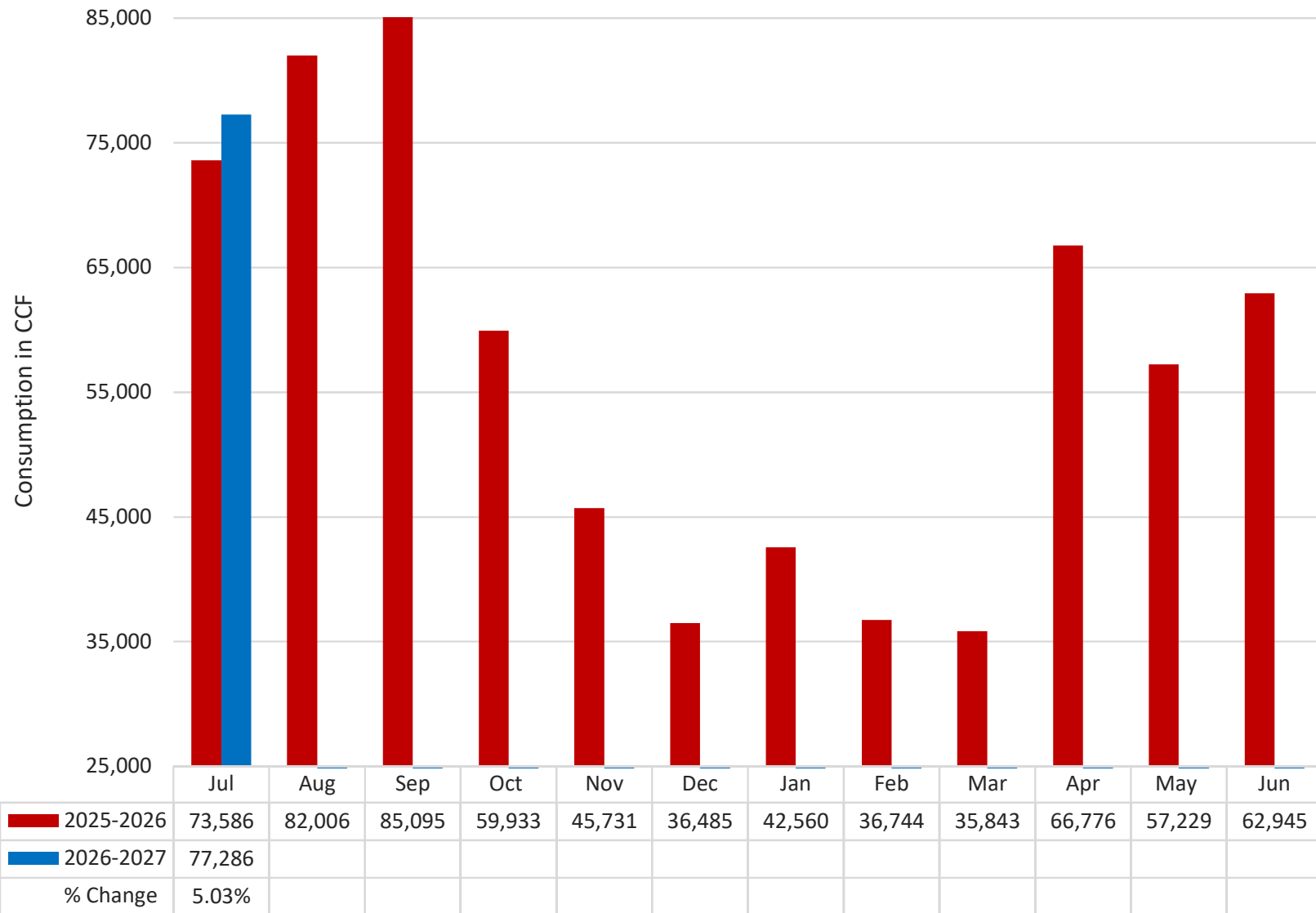
Multi Family Residents Consumption

[illegible]

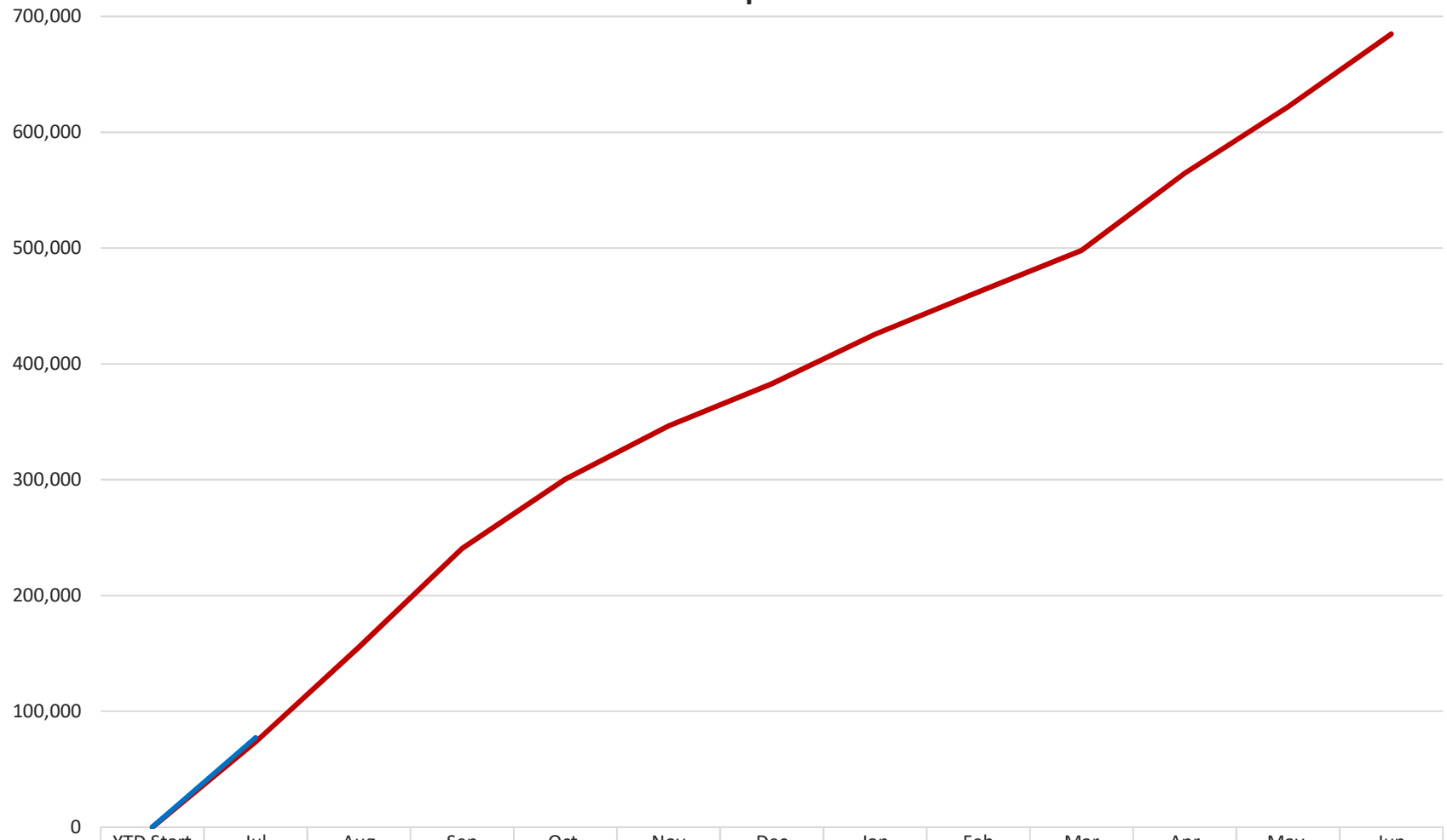
Multi Family Residents YTD Consumption



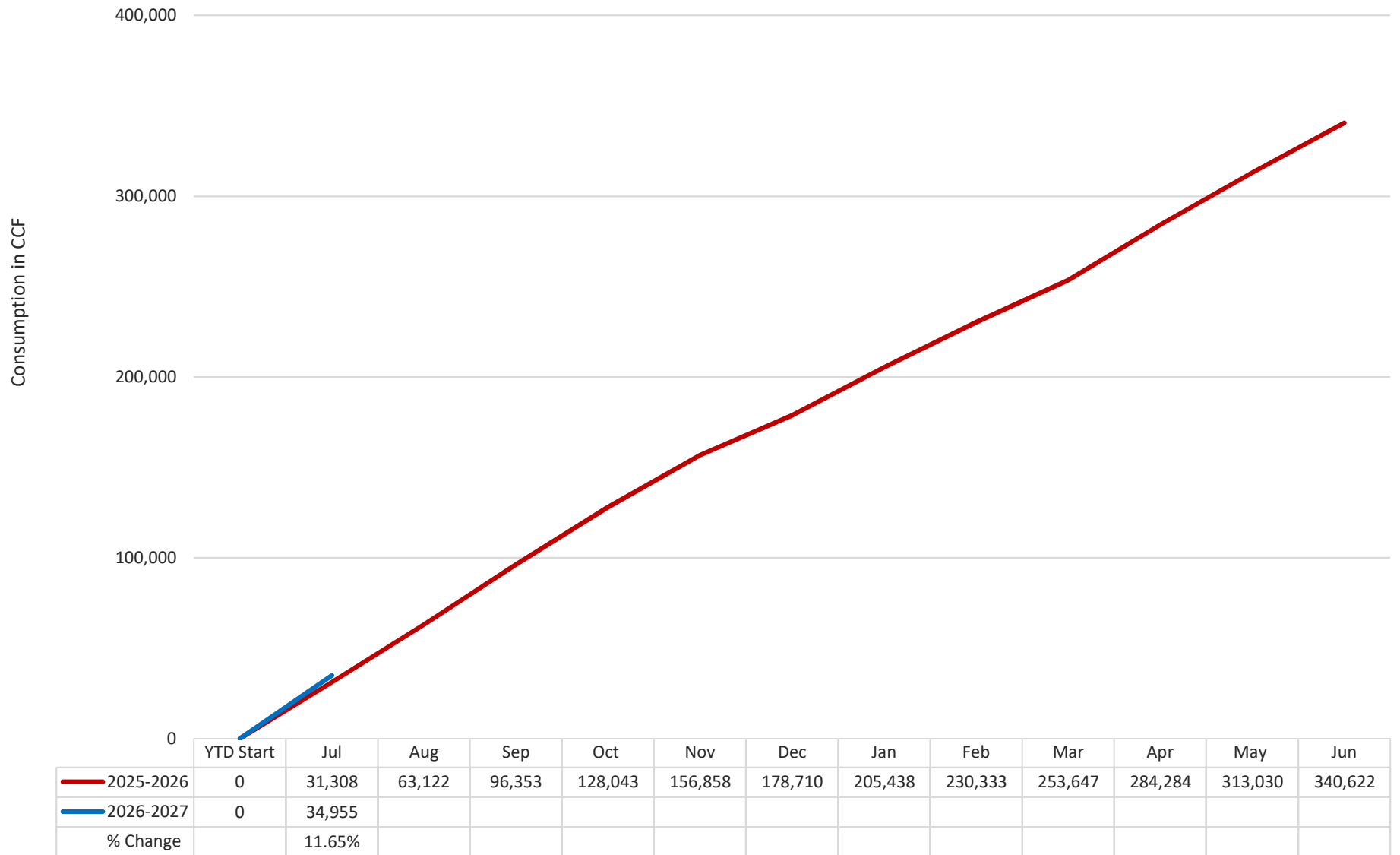
Laguna Woods Village Consumption (Excluding Dedicated Irrigation)



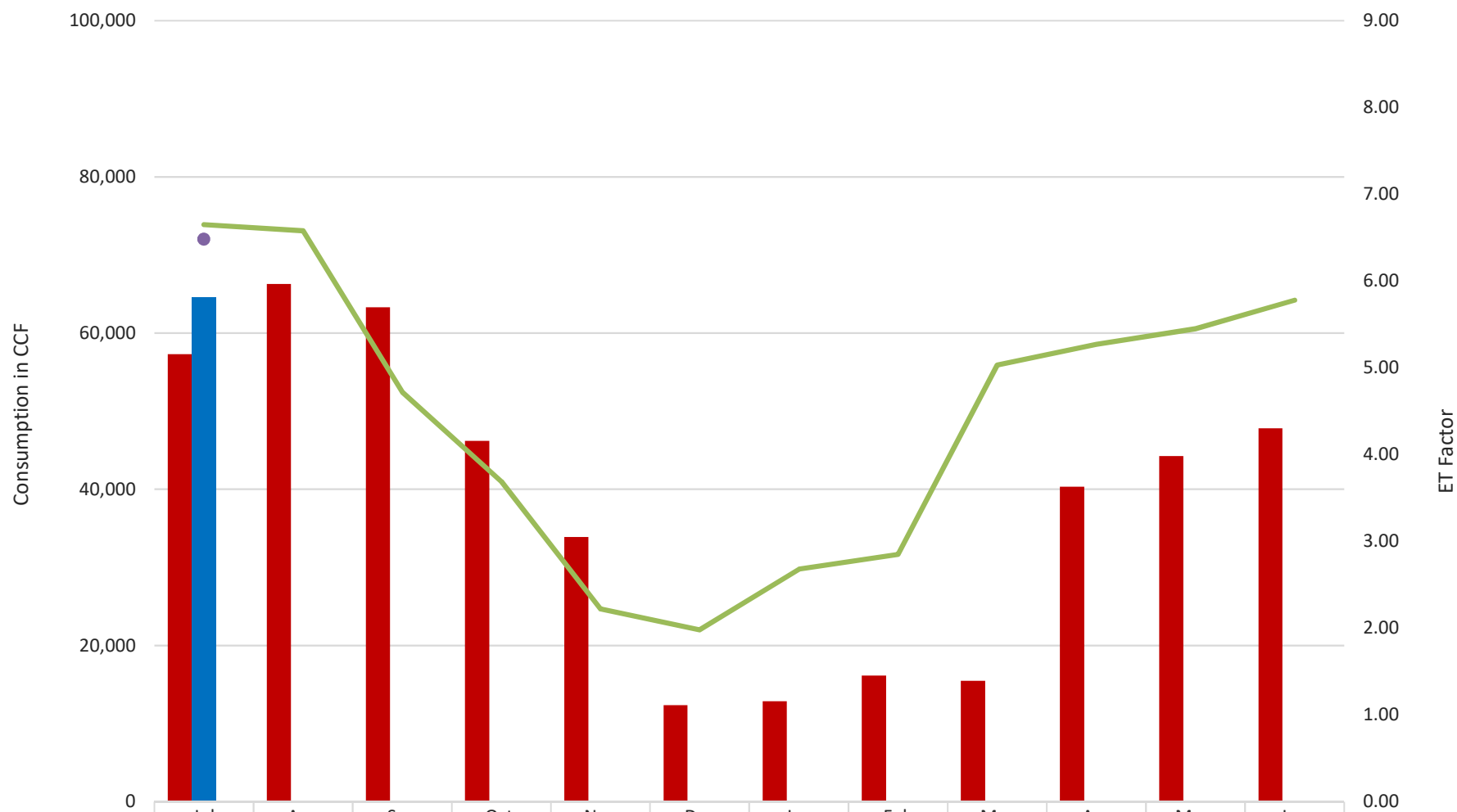
Consumption in CCF

[illegible]

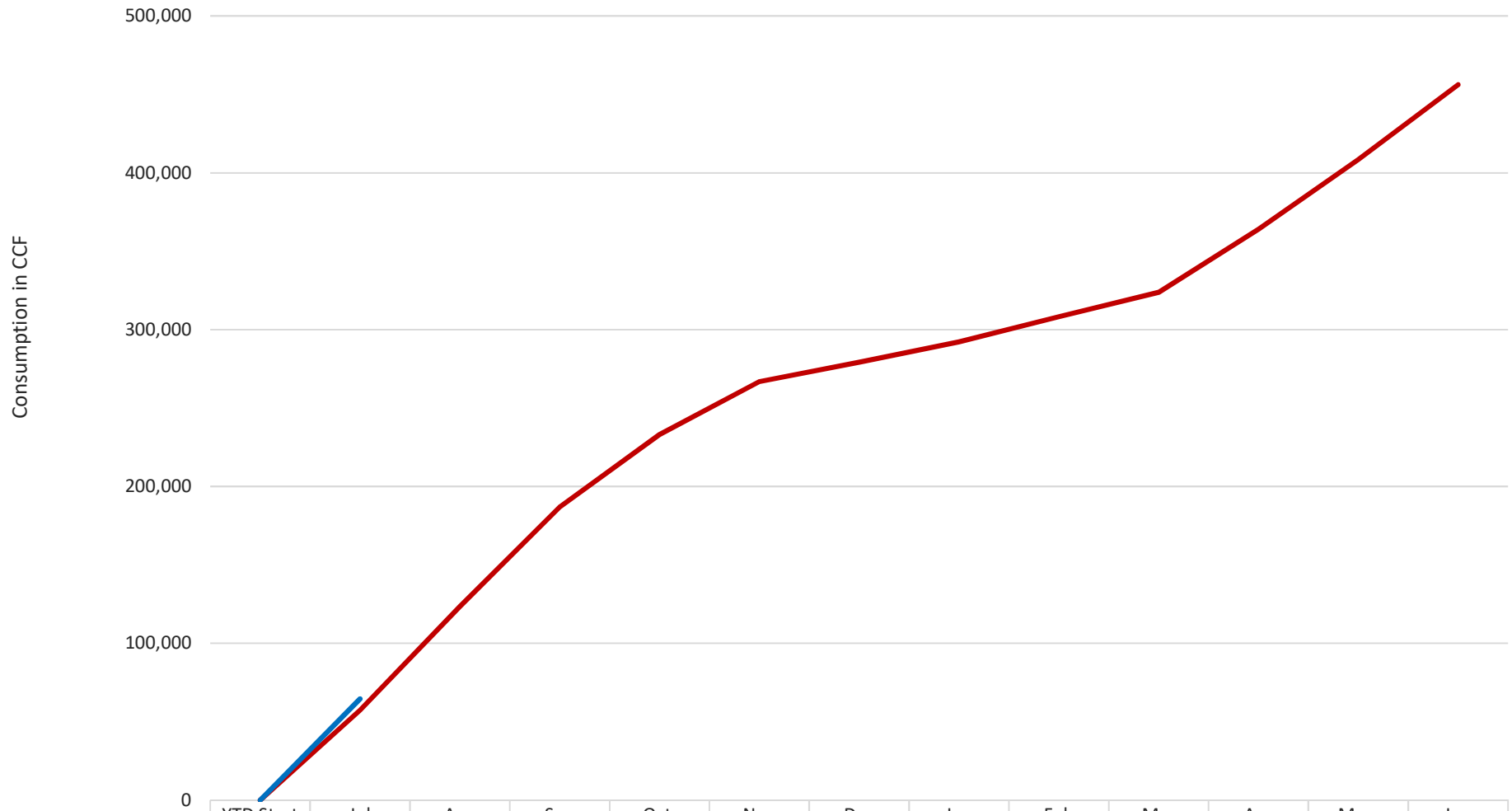
Commercial YTD Consumption



Dedicated Irrigation Consumption (including LWV)

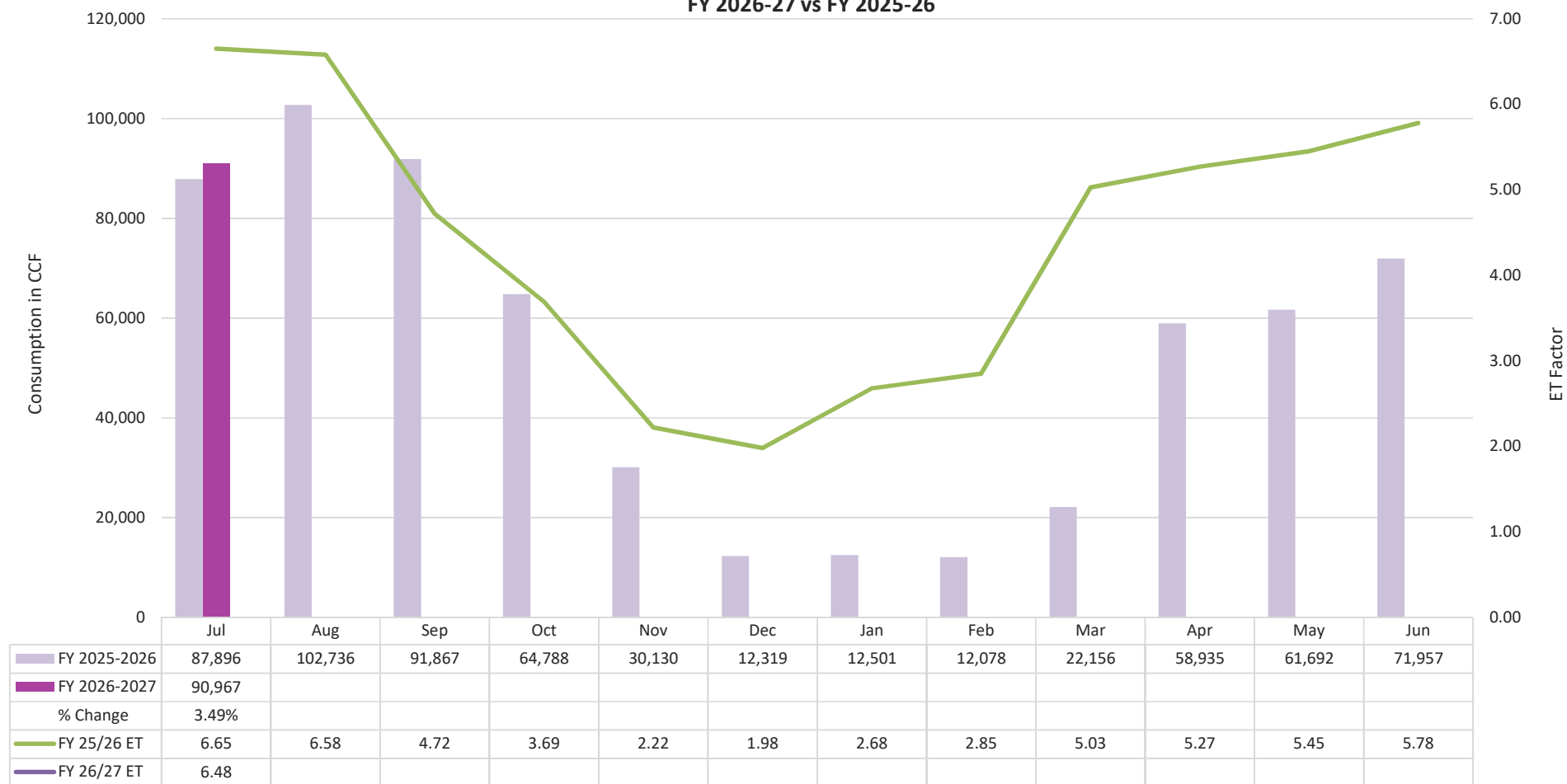
[illegible]

**Dedicated Irrigation Consumption (including LWV)
YTD Consumption**

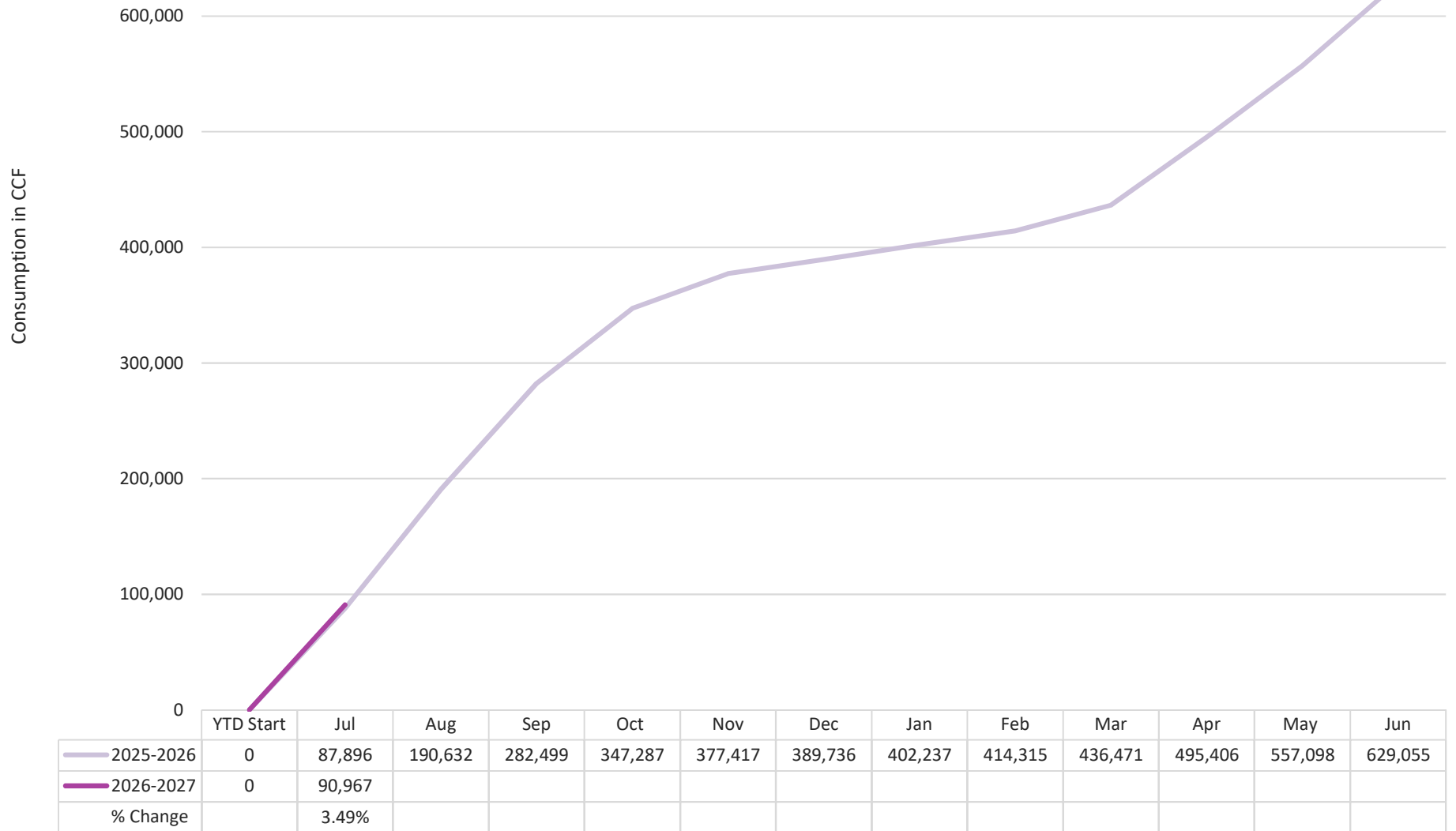
[illegible]

Recycled Water Consumption

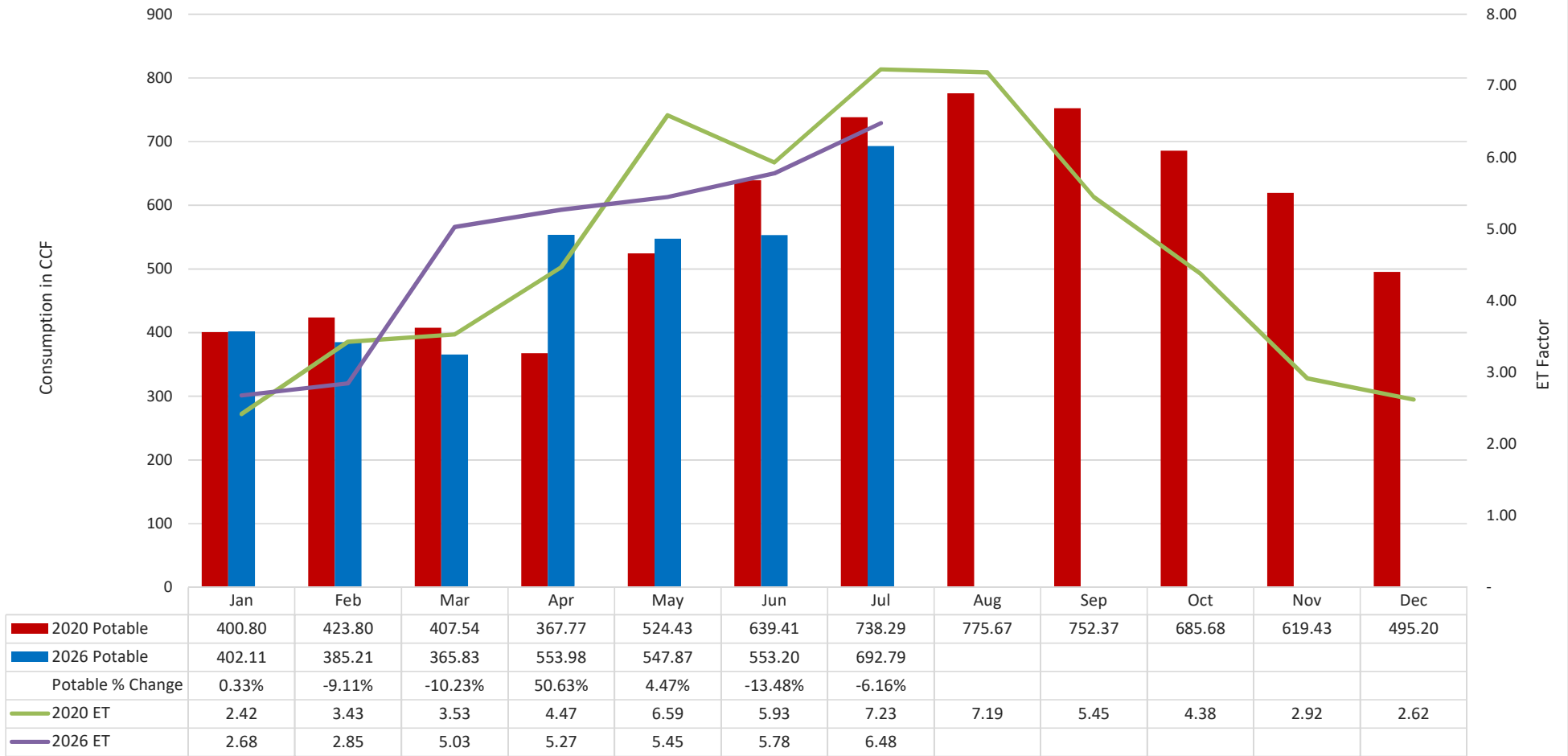
FY 2026-27 vs FY 2025-26



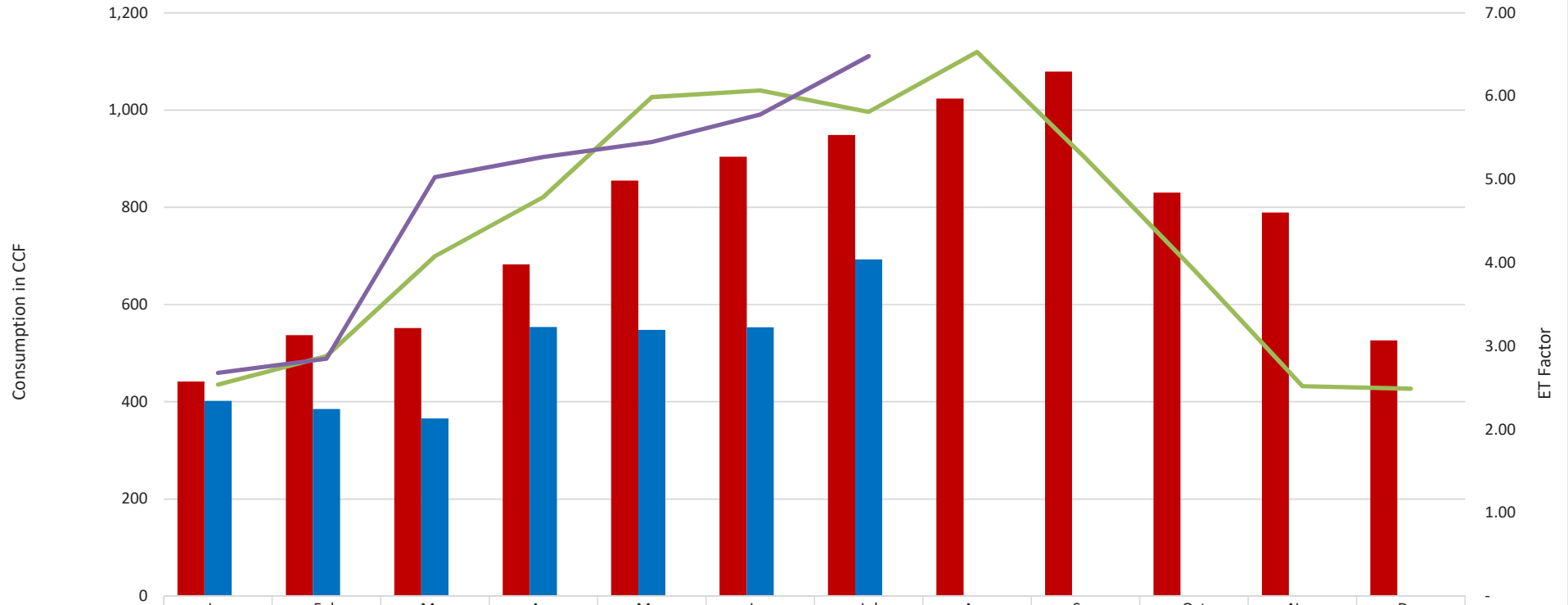
Recycled Water YTD Consumption



ETWD Customer Consumption vs 2020 (Potable AF)

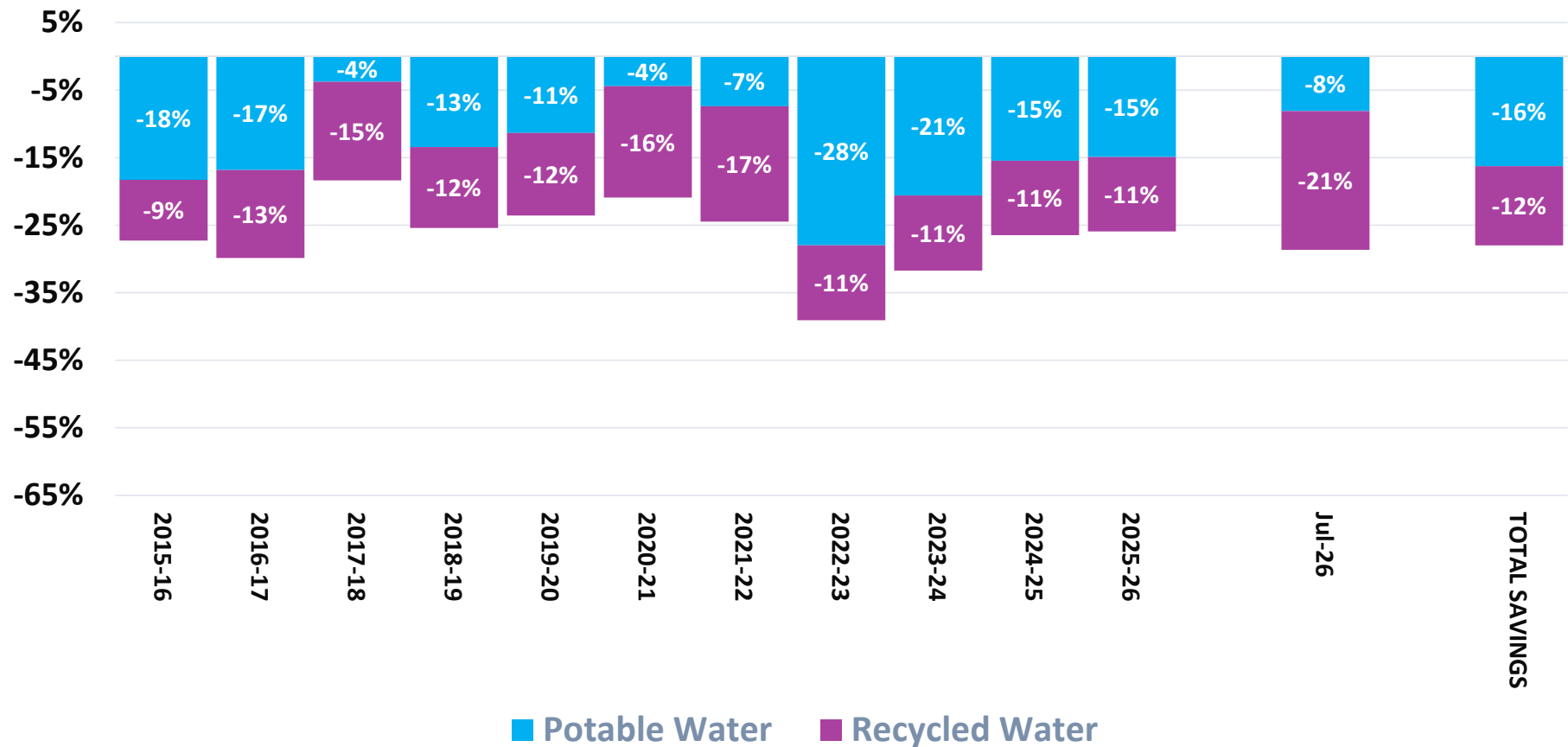


ETWD Customer Consumption vs 2013 (Potable AF)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013 Potable	441.82	537.37	551.75	682.75	855.14	903.87	948.61	1023.72	1079.11	830.36	789.23	526.37
2026 Potable	402.11	385.21	365.83	553.98	547.87	553.20	692.79					
Potable % Change	-8.99%	-28.32%	-33.70%	-18.86%	-35.93%	-38.80%	-26.97%					
2013 ET	2.54	2.88	4.08	4.79	5.99	6.07	5.81	6.53	5.26	3.92	2.52	2.49
2026 ET	2.68	2.85	5.03	5.27	5.45	5.78	6.48					

ETWD WATER USAGE COMPARED TO 2013



I hereby certify that the following Agenda was posted at least 72 hours prior to the time of the Board Meeting so noticed below at the usual agenda posting location of the South Orange County Wastewater Authority (SOCWA) and at www.socwa.com.


Lynda May, Assistant Secretary
SOCWA and the Board of Directors thereof

*Regular Meeting of The
South Orange County Wastewater Authority
Board of Directors*

August 13, 2026
8:30 a.m.

PHYSICAL MEETING LOCATION:
South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point, CA 92629

THE BOARD OF DIRECTORS MEETING ROOM IS WHEELCHAIR ACCESSIBLE. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS, PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5400 AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST SUCH ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING. MEMBERS OF THE PUBLIC HAVE THE OPTION TO PARTICIPATE IN AND MAY JOIN THE MEETING REMOTELY VIA VIDEO CONFERENCE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE FOR AUDIO PARTICIPATION (USE PHONE NUMBERS BELOW). THIS IS A PHONE-CALL MEETING AND NOT A WEB-CAST MEETING, SO PLEASE REFER TO AGENDA MATERIALS AS POSTED ON THE WEBSITE AT WWW.SOCWA.COM. ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION. FOR PARTIES PARTICIPATING REMOTELY, PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMUNICATION IN ADDITION TO PUBLIC COMMENTS RECEIVED BY PARTIES PARTICIPATING IN PERSON. COMMENTS MAY BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY LYNDA MAY AT LMAY@SOCWA.COM WITH THE SUBJECT LINE "REQUEST TO PROVIDE PUBLIC COMMENT." IN THE EMAIL, PLEASE INCLUDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER YOU WILL BE CALLING FROM SO THAT THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. THOSE MAKING PUBLIC COMMENT REQUESTS REMOTELY VIA TELEPHONE IN REAL-TIME WILL BE ASKED TO PROVIDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER THAT YOU ARE CALLING FROM SO THE COORDINATOR CAN UNMUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. ONCE THE MEETING HAS COMMENCED, THE CHAIR WILL INVITE YOU TO SPEAK AND ASK THE COORDINATOR TO UNMUTE YOUR LINE AT THE APPROPRIATE TIME.

AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY BOARD OF DIRECTORS IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE BOARD OF DIRECTORS ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5400. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE BOARD OF DIRECTORS LESS THAN SEVENTY-TWO (72) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE BOARD OF DIRECTORS AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

**THE PUBLIC MAY PARTICIPATE REMOTELY BY VIRTUAL MEANS. FOR AUDIO OF MEETING USE THE CALL
IN PHONE NUMBERS BELOW AND FOR VIDEO USE THE ZOOM LINK BELOW.**

Join Zoom Meeting
<https://socwa.zoom.us/>

Meeting ID: 838 8263 4235
Passcode: 512810

One Tap Mobile
+16694449171,, 83882634235#,,, *512810# US
+16699006833,, 83882634235#,,, *512810# US (San Jose)

South Orange County Wastewater Authority
Board of Directors Meeting
August 13, 2026

Agenda

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ORAL COMMUNICATIONS

Members of the public may address the Board regarding an item on the agenda or may reserve this opportunity during the meeting at the time the item is discussed by the Board. There will be a three-minute limit for public comments.

PAGE NO.

4. CONSENT CALENDAR

- A. Minutes of Board of Directors..... 1

- Board of Directors Regular Meeting of July 9, 2026

ACTION The Board will be requested to approve the subject Minutes.

- B. June 2026 Operations Report..... 8

1. Monthly Operational Report
2. SOCWA Ocean Outfall Discharges by Agency
3. Quarterly Report on Key Operational Expenses
4. Beach Ocean Monitoring Report
5. Recycled Water Report
6. Pretreatment Report (April-May)

ACTION The Board will be requested to receive and file subject reports as submitted.

- C. Capital Improvement Construction Projects Progress and Change Order Report (July)
[Project Committees 2 and 15]..... 58

ACTION Information Item.

- D. Capital Improvement Program Workplan 70

ACTION Information Item.

5. ENGINEERING MATTERS

- A. North Coast Interceptor Reach Final Initial Study/Mitigated Negative Declaration (IS/MND)
[Project Committee 23] 73

Agenda

ACTION Staff recommends the PC23 Board take the following actions and make the following findings:

- 1) Find that the PC23 Board has independently reviewed and considered the Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared and adopted by the City of Laguna Beach as Lead Agency for the North Coast Interceptor Reach 5 Replacement Project;
- 2) Find, pursuant to CEQA Guidelines Section 15074(b), that: (a) there is no substantial evidence, based on the whole record before the Board, that the Project will have a significant effect on the environment; (b) the Final IS/MND reflects SOCWA's independent judgment and analysis; and (c) the mitigation measures identified in the Final IS/MND have been incorporated into the Project;
- 3) Find that the Final IS/MND adequately addresses the environmental impacts associated with the approvals within SOCWA's jurisdiction, and that no comments received on the Final IS/MND, including the comment submitted by OC Parks regarding the Orange County Central and Coastal Natural Communities Conservation Plan/Habitat Conservation Plan addressed in Response to Comment A1, raised issues specific to matters within SOCWA's jurisdiction requiring separate SOCWA-specific mitigation beyond that already included in CLB's MMRP;
- 4) Condition the Board's approval on compliance with CLB's Mitigation Monitoring and Reporting Program (MMRP), and direct staff to request that CLB provide SOCWA with compliance monitoring reports for mitigation measures affecting SOCWA-owned facilities, including MM-GEO-1 (ground vibration and settlement monitoring near the SOCWA Coastal Treatment Plant) and MM-HYD-1 (frac-out contingency plan);
- 5) Approve the City of Laguna Beach's proposed improvements to the SOCWA-owned North Coast Interceptor Reach 5;
- 6) Authorize the General Manager to execute all documents necessary to implement these Board actions and file a Notice of Determination with the County Clerk within five working days of Board approval, pursuant to Public Resources Code Section 21152(a) and CEQA Guidelines Section 15075(a);
- 7) Find that SOCWA's administrative record for the Project, including this staff report, the Final IS/MND, SOCWA-specific correspondence, and the Board's findings, will be maintained and made available for public inspection at SOCWA's offices, with the General Manager's office serving as custodian of the record.

B. JBL Engine System Service Contract Award to Northeastern-Western Energy Systems USA [Project Committee 2] 76

ACTION Staff recommends the award of the engine/power plant system service contract with Engine System Service Contract Award – Northeastern-Western Energy Systems USA, with the following terms and conditions as described above with the following key terms:

South Orange County Wastewater Authority
Board of Directors Meeting
August 13, 2026

Agenda

- 24,000-hours of runtime or 3-years, which every occurs earlier
- \$120,000 annual not-to-exceed amount
- CPI increases in the years 2 and 3, based upon U.S. Bureau of Labor Statistics ("BLS"), U.S. Import Price Indices

6. GENERAL MANAGER'S REPORT

- A. Resolution No. 2026-07: Making Additional Findings Required by Government Code Section 54953.8.6, Subdivision (e)(2), Regarding Continued Authorization of Teleconference Meetings for Eligible Subsidiary Bodies Pursuant to Senate Bill 707 78

ACTION Legal counsel recommends that the Board of Directors adopt Resolution No. 2026-07, making additional findings required by Government Code Section 54953.8.6, subdivision (e)(2), to continue authorization of teleconference meetings for eligible subsidiary bodies of SOCWA, or take other action as the Board may deem appropriate.

- B. Resolution No. 2026-08: Revised SOCWA Conflict of Interest Code 85

ACTION Staff recommends that the Board approve Resolution No. 2026-08, A Resolution of the Board of Directors of the South Orange County Wastewater Authority Adopting a Conflict of Interest Code, which supersedes all prior Conflict of Interest Codes and Amendments previously adopted.

- C. General Manager's Report 92

ACTION Board Discussion, Direction, or Action.

- D. General Counsel's Report

ACTION Board Discussion, Direction, or Action.

- E. Government Affairs Report 100

ACTION Board Discussion, Direction, or Action.

- F. Upcoming Meetings Schedule:

- August 17, 2026 – Board of Directors Special Meeting
- August 18, 2026 – Finance Committee Meeting
- August 20, 2026 – Engineering Committee Meeting

ACTION Information Item.

7. CLOSED SESSION

Closed Session Conference Pursuant to Government Code 54956.9(d)(4)
Conference with Legal Counsel
Initiation of Litigation: 1 Potential Case

South Orange County Wastewater Authority
Board of Directors Meeting
August 13, 2026

Agenda

Closed Session Conference Pursuant to Government Code § 54957.6

Conference with Labor Negotiator

Agency Designated Representative: Brad Neufeld, Labor Counsel, Varner & Brandt

Unrepresented Employee: Amber Boone, General Manager

8. OPEN SESSION

Possible Action Related to General Manager Employment Agreement

9. OTHER MATTERS

Determine the need to take action on the following item(s) introduced by the General Manager, which arose after the posted agenda. [Adoption of this action requires a two-thirds vote of the Board, or if less than two-thirds are present, a unanimous vote.]

10. ADJOURNMENT

THE NEXT SOCWA BOARD MEETING
September 3, 2026

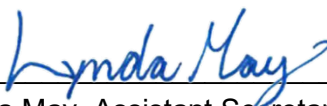
NOTICE OF CANCELLATION
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
REGULAR MEETING OF THE
FINANCE COMMITTEE
August 18, 2026
10:30 a.m.

NOTICE IS HEREBY GIVEN that the Regular Meeting of the South Orange County Wastewater Authority Finance Committee scheduled to be held on August 18, 2026, at 10:30 a.m. at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California, has been canceled. The next Finance Committee meeting is scheduled for **September 15, 2026**, at 10:30 a.m.

I hereby certify that the foregoing Notice was personally emailed, faxed, or mailed to each member of the Finance Committee.

I hereby certify that the foregoing Notice was posted at the usual agenda posting location of the South Orange County Wastewater Authority (SOCWA) and at www.socwa.com.

Dated this 12th day of August 2026.



Lynda May, Assistant Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

**NOTICE OF REGULAR MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
ENGINEERING COMMITTEE**

August 20, 2026

8:30 a.m.

Physical Address	Remote Address
34156 Del Obispo Street Dana Point, CA 92629	El Toro Water District Office: 24251 Los Alisos Blvd. Lake Forest, CA 92630

NOTICE IS HEREBY GIVEN that a Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee was called to be held on **August 20, 2026, at 8:30 a.m.** SOCWA staff will be present and conducting the meeting at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

THE SOCWA MEETING ROOM IS WHEELCHAIR ACCESSIBLE. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS, PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5400 AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST SUCH ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING. MEMBERS OF THE PUBLIC HAVE THE OPTION TO PARTICIPATE IN AND MAY JOIN THE MEETING REMOTELY VIA VIDEO CONFERENCE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE FOR AUDIO PARTICIPATION (USE PHONE NUMBERS BELOW). THIS IS A PHONE-CALL MEETING AND NOT A WEB-CAST MEETING, SO PLEASE REFER TO AGENDA MATERIALS AS POSTED ON THE WEBSITE AT WWW.SOCWA.COM. ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION. FOR PARTIES PARTICIPATING REMOTELY, PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMUNICATION IN ADDITION TO PUBLIC COMMENTS RECEIVED BY PARTIES PARTICIPATING IN PERSON. COMMENTS MAY BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY LYNDA MAY AT LMAY@SOCWA.COM WITH THE SUBJECT LINE "REQUEST TO PROVIDE PUBLIC COMMENT." IN THE EMAIL, PLEASE INCLUDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER YOU WILL BE CALLING FROM SO THAT THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. THOSE MAKING PUBLIC COMMENT REQUESTS REMOTELY VIA TELEPHONE IN REAL-TIME WILL BE ASKED TO PROVIDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER THAT YOU ARE CALLING FROM SO THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. ONCE THE MEETING HAS COMMENCED, THE CHAIR WILL INVITE YOU TO SPEAK AND ASK THE COORDINATOR TO UN-MUTE YOUR LINE AT THE APPROPRIATE TIME.

AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY ENGINEERING COMMITTEE IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE ENGINEERING COMMITTEE ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5400. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE ENGINEERING COMMITTEE LESS THAN SEVENTY-TWO (72) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE ENGINEERING COMMITTEE AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

**THE PUBLIC MAY PARTICIPATE REMOTELY BY VIRTUAL MEANS. FOR AUDIO OF MEETING USE
THE CALL IN PHONE NUMBERS BELOW AND FOR VIDEO USE THE ZOOM LINK BELOW.**

Join Zoom Meeting
<https://socwa.zoom.us/>

Meeting ID: 881 6564 8523
Passcode: 585947

One Tap Mobile
+16694449171,, 88165648523#,,, *585947# US
+16699006833,, 88165648523#,,, *585947# US (San Jose)

AGENDA

1. Call Meeting to Order
2. Public Comments

THOSE WISHING TO ADDRESS THE ENGINEERING COMMITTEE ON ANY ITEM LISTED ON THE AGENDA WILL BE REQUESTED TO IDENTIFY AT THE OPENING OF THE MEETING AND PRIOR TO THE CLOSE OF THE MEETING. THE AUTHORITY REQUESTS THAT YOU STATE YOUR NAME WHEN MAKING THE REQUEST IN ORDER THAT YOUR NAME MAY BE CALLED TO SPEAK ON THE ITEM OF INTEREST. THE CHAIR OF THE MEETING WILL RECOGNIZE SPEAKERS FOR COMMENT AND GENERAL MEETING DECORUM SHOULD BE OBSERVED IN ORDER THAT SPEAKERS ARE NOT TALKING OVER EACH OTHER DURING THE CALL.

PAGE NO.

3. Approval of Minutes..... 1
 - Engineering Committee Minutes of June 18, 2026

Recommended Action: Staff requests that the Engineering Committee approve the subject Minutes as submitted.
4. General Manager's Report 4

Recommended Action: Committee Discussion, Direction, and Action.
5. Operations Report
Recommended Action: Information Item.
6. Capital Improvement Workplan FY 26-27 (August) 9

Recommended Action: Information Item.
7. Capital Improvement Construction Projects Progress and Change Order Report (August)
[Project Committees 2 and 15] 11

Recommended Action: Information Item.
8. Flows and Solids Use Audit 18

Recommended Action: Staff requests that the Engineering Committee recommend to the Board of Directors the approval of the Use Audit calculated results for the close of the Use Audit for disbursement or collection of additional funds in FY 25-26.
9. Cost Allocation Policy..... 22

Recommended Action: Committee Discussion, Direction, and Action.

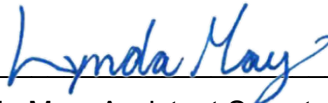
Engineering Committee Meeting
August 20, 2026

10. Adjournment

I hereby certify that the foregoing Notice was personally emailed or mailed to each member of the SOCWA Engineering Committee at least 72 hours prior to the scheduled time of the Regular Meeting referred to above.

I hereby certify that the foregoing Notice was posted at least 72 hours prior to the time of the above-referenced Engineering Committee meeting at the usual agenda posting location of the South Orange County Wastewater Authority and at www.socwa.com.

Dated this 14th day of August 2026.



Lynda May, Assistant Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

SOUTH ORANGE COUNTY AGENCIES GROUP MEETING

**SANTA MARGARITA WATER DISTRICT
26111 ANTONIO PARKWAY, RANCHO SANTA MARGARITA, CA 92688
THURSDAY, JULY 23, 2026
12:00 PM to 1:30 PM**

AGENDA

- 1. WELCOME AND INTRODUCTIONS**
- 2. SOUTH ORANGE COUNTY UPDATES**
- 3. LEGISLATIVE/REGULATORY UPDATES**
- 4. FUTURE MEETINGS**

Next Meeting: Joint Meeting with MWDOC/OCWD September 24, 2026

- 5. ADJOURNMENT**

SOUTH ORANGE COUNTY AGENCIES' GROUP CONSISTS OF MEMBERS AND REPRESENTATIVES FROM

City of San Clemente • El Toro Water District • Emerald Bay Service District
Irvine Ranch Water District • Laguna Beach County Water District • Moulton Niguel Water District
Santa Margarita Water District • South Coast Water District • Trabuco Canyon Water District

MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Jointly with the

PLANNING & OPERATIONS COMMITTEE

18700 Ward Street, Conference Room 101, Fountain Valley, CA 92708

August 3, 2026, 8:30 a.m.

Teleconference Sites:

17420 Walnut Street, Fountain Valley, CA 92708

25652 Paseo De La Paz, San Juan Capistrano, CA 92675

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Conference Room 101). As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Computer Audio: You can join the Zoom meeting by clicking on the following link:

<https://zoom.us/j/8828665300>

Telephone Audio: (669) 900 9128

Webinar ID: 882 866 5300#

P&O Committee:

Director Seckel, Chair

Director McVicker

Director Yoo Schneider

Staff: H. De La Torre, M. Baum-Haley,

A. Crespi, C. Busslinger, V. Osborn,

K. Pham

Ex Officio Member: President Dick

MWDOC Committee meetings are noticed and held as joint meetings of the Committee and the entire Board of Directors, and all members of the Board of Directors may attend and participate in the discussion. Each Committee has designated Committee members, and other members of the Board are designated alternate committee members. If less than a quorum of the full Board is in attendance, the Board meeting will be adjourned for lack of a quorum and the meeting will proceed as a meeting of the Committee with those Committee members and alternate members in attendance acting as the Committee.

ROLL CALL

PUBLIC COMMENTS

Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee).

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO THE MEETING

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than 72 hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Website, accessible at <http://www.mwdoc.com>.

PRESENTATION ITEM

1. WATER EMERGENCY RESPONSE ORGANIZATION OF ORANGE COUNTY ASSESSMENT REPORT – 2026 UPDATE

ACTION ITEM

2. INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY EXECUTIVE COMMITTEE – CALL FOR CANDIDATES

INFORMATION ITEMS

3. LEAD AND COPPER RULE IMPROVEMENTS SHARED SERVICES PROGRAM – PHASE 1
4. WATER POLICY FORUM – FINANCIAL ACCOUNTING
5. ORANGE COUNTY WATER SUMMIT UPDATE
6. METROPOLITAN DIRECTORS' INSPECTION TRIP PRE-SEASON PLANNING
7. PUBLIC AFFAIRS HIGHLIGHTS
8. DEPARTMENT ACTIVITIES REPORTS
 - a. Ongoing MWDOC Reliability and Engineering/Planning Projects
 - b. WEROC
 - c. Water Use Efficiency and Water Loss Control
 - d. Public and Government Affairs
9. REVIEW OF ISSUES RELATED TO PLANNING OR ENGINEERING PROJECTS, WEROC, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, PUBLIC AFFAIRS PROGRAMS AND EVENTS, PUBLIC INFORMATION PROJECTS, PUBLIC INFORMATION CONSULTANTS, DISTRICT FACILITIES, AND MEMBER AGENCY RELATIONS

ADJOURNMENT

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Angela Crespi, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at 18700 Ward Street, Unit B, Fountain Valley, CA 92708. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

WORKSHOP MEETING OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
BOARD OF DIRECTORS WITH METROPOLITAN DIRECTORS
18700 Ward Street, Conference Room 101, Fountain Valley, California
August 5, 2026, 8:30 a.m.

Teleconference Sites:
17420 Walnut Street, Fountain Valley, CA 92708
25652 Paseo De La Paz, San Juan Capistrano, CA 92675

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Conference Room 101). As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

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Telephone Audio: (669) 900 9128
Webinar ID: 882 866 5300#

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENTS

At this time members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present a unanimous vote).

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO THE MEETING

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NEXT RESOLUTION NO. 2178

PRESENTATION ITEM

1. OVERVIEW OF METROPOLITAN-OWNED DELTA ISLANDS (PRESENTATION BY METROPOLITAN STAFF)

Recommendation: Receive and file the presentation.

DISCUSSION ITEMS

2. LEGISLATIVE ACTIVITIES

- a. Federal Legislative Report (Natural Resource Results)
- b. State Legislative Report (West Coast Advisors)
- c. Legal and Regulatory Report (Ackerman)
- d. County Legislative Report (Whittingham)
- e. MWDOC Legislative Matrix
- f. Metropolitan Legislative Matrix

Recommendation: Review and discuss the information presented.

3. QUESTIONS OR INPUT ON METROPOLITAN ISSUES FROM THE MEMBER AGENCIES/METROPOLITAN DIRECTOR REPORTS REGARDING METROPOLITAN COMMITTEE PARTICIPATION

Recommendation: Receive input and discuss the information presented.

INFORMATION ITEMS

4. METROPOLITAN ITEMS CRITICAL TO ORANGE COUNTY

- a. Metropolitan's Finances
- b. Metropolitan's Water Supply Condition Update
- c. Metropolitan's Water Quality Update
- d. Colorado River Issues
- e. Delta Conveyance Activities and State Water Project Issues

5. METROPOLITAN BOARD AGENDA DISCUSSION ITEMS

- a. Summary regarding July Metropolitan Board Meeting
- b. Review items of significance for the Metropolitan Board Agenda

ADJOURNMENT

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MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Jointly with the

ADMINISTRATION & FINANCE COMMITTEE

18700 Ward Street, Conference Room 101, Fountain Valley, CA 92708

August 12, 2026, 8:30 a.m.

Teleconference Sites:

17420 Walnut Street, Fountain Valley, CA 92708

25652 Paseo De La Paz, San Juan Capistrano, CA 92675

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Conference Room 101). As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

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Telephone Audio: (669) 900 9128
Webinar ID: 882 866 5300#

A&F Committee:

Director Thomas, Chair
Director Nederhood
Director Crane

Staff: H. De La Torre, M. Baum-Haley,
A. Crespi, C. Harris, H. Chumpitazi,
K. Pham

Ex Officio Member: President Dick

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ROLL CALL

PUBLIC COMMENTS

Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee).

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PROPOSED BOARD CONSENT CALENDAR ITEMS

1. TREASURER'S REPORT
 - a. Revenue/Cash Receipt Report – July 2026
 - b. Disbursement Approval Report for the month of August 2026
 - c. Disbursement Ratification Report for the month of July 2026
 - d. GM Approved Disbursement Report for the month of July 2026
 - e. Consolidated Summary of Cash and Investment – June 2026
 - f. OPEB and Pension Trust Fund Statement
2. FINANCIAL REPORT
 - a. Combined Financial Statements and Budget Comparative for the Period Ending June 30, 2026

ACTION ITEMS

3. PUBLIC-PRIVATE PARTNERSHIP FUNDING OPPORTUNITY FOR WATER LOSS CONTROL PROGRAMS
4. AWARD OF CONTRACT FOR PRODUCTION METER FLOW TESTING AND PUMP EFFICIENCY TESTING SERVICES
5. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION CONFLICT OF INTEREST CODE – 2026 BIENNIAL REVIEW
6. AWARD OF CONTRACT FOR COMPREHENSIVE CLASSIFICATION, COMPENSATION, AND BENEFITS STUDY

INFORMATION ITEMS

7. SEMI-ANNUAL DIRECTORS' ACTIVITIES REPORT
8. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration
 - b. Finance and Information Technology
9. MONTHLY WATER SALES DATA

OTHER ITEMS

10. REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL MATTERS, EMPLOYEE BENEFITS FINANCE, AND INSURANCE

ADJOURNMENT

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

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REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Boardroom, Fountain Valley, California
August 19, 2026, 8:30 a.m.

Teleconference Sites:
25652 Paseo De La Paz, San Juan Capistrano, CA 92675
17420 Walnut Street, Fountain Valley, CA 92708

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Boardroom). As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

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Telephone Audio: (669) 900 9128
Webinar ID: 882 866 5300#

AGENDA

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENTS

At this time, members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken. If the item is on the Consent Calendar, please inform the Board Secretary before action is taken on the Consent Calendar and the item will be removed for separate consideration.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize items(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO THE MEETING

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NEXT RESOLUTION NO. 2178

CONSENT CALENDAR (Items 1 to 7)

All matters under the Consent Calendar will be approved by one motion unless a Board member requests separate action on a specific item.

1. MINUTES

- a. July 1, 2026 Joint Workshop Board Meeting
- b. July 6, 2026 Planning & Operations Committee Meeting
- c. July 8, 2026 Administration & Finance Committee Meeting
- d. July 15, 2026 Regular Board Meeting
- e. July 16, 2026 Executive Committee Meeting

Recommendation: Approve as presented.

2. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of July 31, 2026
- b. Disbursement Registers (July/August)

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of June 30, 2026
- d. PARS Monthly Statement (OPEB Trust)

Recommendation: Receive and file as presented

3. FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period Ending June 30, 2026

Recommendation: Receive and file as presented.

4. PUBLIC-PRIVATE PARTNERSHIP FUNDING OPPORTUNITY FOR WATER LOSS CONTROL PROGRAMS

Recommendation: Authorize the General Manager to enter into an agreement with Amazon.com, Inc. to receive \$2,194,491 over three years for water loss control programs.

5. AWARD OF CONTRACT FOR PRODUCTION METER FLOW TESTING AND PUMP EFFICIENCY TESTING SERVICES

Recommendation: Award Henschel Pump Test, LLC and Pump Check, Inc. each a 3-year contract with the option for two additional 1-year renewals for a total not to exceed amount of \$625,000 over five years, each, for a combined total of \$1,250,000 to provide production meter flow testing and pump efficiency testing services and authorize the General Manager to execute the contracts.

6. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION CONFLICT OF INTEREST CODE – 2026 BIENNIAL REVIEW

Recommendation: Review the District's Conflict of Interest Code; determine whether updates are needed; and authorize staff to submit the 2026 Biennial Review to the Orange County Clerk of the Board of Supervisors.

7. AWARD OF CONTRACT FOR COMPREHENSIVE CLASSIFICATION, COMPENSATION, AND BENEFITS STUDY

Recommendation: Award Public Pay, LLC a 1-year contract, for \$56,250 plus a \$3,750 contingency for a total not to exceed amount of \$60,000, to provide a Comprehensive Classification, Compensation, and Benefits Study, and authorize the General Manager to execute the contract.

End of Consent Calendar

ACTION ITEMS

8. ADOPT A RESOLUTION NOMINATING ROBERT McVICKER TO THE OFFICE OF PRESIDENT ON THE INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY EXECUTIVE COMMITTEE

Recommendation: Adopt a resolution nominating Robert McVicker to the Office of President on the Independent Special Districts of Orange County Executive Committee.

9. ADOPT A RESOLUTION DEEMING VOLUNTEERS AND OTHER DESIGNATED INDIVIDUALS AS EMPLOYEES SOLELY FOR WORKERS' COMPENSATION COVERAGE

Recommendation: Adopt a resolution deeming volunteers and other designated individuals as employees solely for workers' compensation coverage.

INFORMATION CALENDAR (All matters under the Information Calendar will be Received/Filed as presented following any discussion that may occur)

10. GENERAL MANAGER'S REPORT, (ORAL AND WRITTEN)

Recommendation: Receive and file report(s) as presented.

11. MWDOC GENERAL INFORMATION ITEMS

- a. Board of Directors - Reports re: Conferences and Meetings
- b. Requests for Future Agenda Topic

Recommendation: Receive and file as presented.

ADJOURNMENT

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LOCAL AGENCY FORMATION COMMISSION OF ORANGE COUNTY

REGULAR MEETING AGENDA

**Wednesday, August 12, 2026
8:15 a.m.**

**County Administrative North (CAN)
First Floor Multipurpose Room 101**

400 W. Civic Center Drive, Santa Ana, CA 92701

Members of the public may access the audio/video live-streamed meeting at

<https://youtube.com/live/RE-6DEQvBZw?feature=share>

Any member of the public may request to speak on any agenda item at the time the Commission is considering the item.

1. CALL THE MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. BOARD APPOINTMENTS

The Commission will receive a report on the recent appointments to the Commission, and the Oath of Office will be administered for the respective terms.

4. ROLL CALL

5. ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATION

(Communications received after agenda distribution for agenda items.)

6. PUBLIC COMMENT

This is an opportunity for members of the public to address the Commission on items not on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken by the Commission on off-agenda items unless authorized by law.

7. CONSENT CALENDAR

a.) June 10 – Regular Commission Meeting Minutes

The Commission will consider approval of the June 10, 2026 meeting minutes.

b.) Local Agency Investment Fund (LAIF) Account Update

The Commission will consider adopting the revised resolution authorizing designated staff to invest agency funds in LAIF.

8. PUBLIC HEARING

a.) Municipal Service Review and Sphere of Influence Reviews for North Region (MSR 25-08 and SOI 25-09)

The Commission will consider the Municipal Service Review and Sphere of Influence reviews for agencies within the North MSR Region prepared in accordance with Government Code Sections 56425 and 56430. As the lead agency, the Commission will consider the Notices of Exemption prepared for the MSR and SOIs in compliance with the California Environmental Quality Act (CEQA).

9. COMMISSION DISCUSSION AND ACTION

a.) Fiscal Year 2025-2026 Year-End Comprehensive Report

The Commission will receive the year-end comprehensive report for FY 2025-26.

b.) Legislative Report (August 2026)

The Commission will receive an update on the status of previously reviewed legislation, the amicus brief, and recent activity by the Alliance of LAFCOs Legislative Committee.

c.) OC LAFCO Office Lease Agreement Update

The Commission will receive an update on the OC LAFCO Lease Agreement and consider approval for the Executive Officer to initiate negotiations for a new lease agreement with the Orange County Transportation Authority (OCTA).

10. COMMISSIONER COMMENTS

This is an opportunity for Commissioners to comment on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No discussion or action may occur or be taken except to place the item on a future agenda if approved by the Commission majority.

11. EXECUTIVE OFFICER'S REPORT

Executive Officer's announcement of upcoming events and a brief report on activities of the Executive Officer since the last meeting.

12. INFORMATIONAL ITEMS & ANNOUNCEMENTS

No informational items or announcements.

13. CLOSED SESSION

a.) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code section 54957

Title: Executive Officer

b.) CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency designated representative: Commission Chair Wendy Bucknum

Unrepresented employee: Executive Officer

14. ADJOURNMENT OF REGULAR COMMISSION MEETING

The next Regular Commission Meeting will be held on Wednesday, September 9, 2026, at 8:15 a.m. at the County Administrative North (CAN), First Floor Multipurpose Room 101, 400 W. Civic Center Drive, Santa Ana, CA 92701.

PUBLIC PARTICIPATION:

The Local Agency Formation Commission of Orange County welcomes your participation. The public may share general comments or comments on agenda items through the following options:

- 1) **In-person** comments may be provided during the general comment period on off-agenda items and during the hearing of a specific agenda item. In accordance with the OC LAFCO guidelines, each speaker's comments may not exceed three (3) minutes for the respective item. If you have documents for the Commission, please bring 15 copies and submit to the Commission Clerk for distribution.
- 2) **Audio/Video Live Streaming:** The public may view and listen to the meeting live on YouTube using the link provided on the website homepage (www.oclafco.org). However, LAFCO cannot guarantee that the public's access will be uninterrupted, and technical difficulties may occur from time to time. The meeting will continue despite technical difficulties for participants using audio/video live streaming unless otherwise prohibited by State open meeting laws.
- 3) **Written** general comments or comments on specific agenda items may be submitted by email to the Commission Clerk at ccarter-benjamin@oclafco.org. Comments received no less than twenty-four (24) hours prior to the regular meeting will be distributed to the Commission and included in the record.

Pursuant to Government Code Section 54957.5, public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be made available to the public on the OC LAFCO website at www.oclafco.org.

"Pursuant to State law, a participant in an OC LAFCO proceeding who has a financial interest in a decision and who has made a campaign contribution of more than \$250 to any commissioner in the past year may be required to disclose the contribution. If you are affected, please notify the Commission's staff before the hearing in order to determine whether disclosure is warranted."

AMERICANS WITH DISABILITIES ACT (ADA)

All regular meeting agendas and associated reports are available at www.oclafco.org. Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or associated reports upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, to participate in a public meeting. Requests for copies of meeting documents and accommodations shall be made with OC LAFCO staff at (714) 640-5100 at least three business days prior to the respective meeting.



2026 MEETING AND EVENTS CALENDAR

Approved November 12, 2025

January						
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 OC LAFCO Regular Meeting (*begins at 8:15 a.m.*)
Location: County Administrative North, First Floor
Multipurpose Room 101, 400 W. Civic Center Dr.,
Santa Ana, CA 92701.

 No scheduled regular meeting due to legal holiday.

 April 8, 2026 Regular Meeting Cancelled.
July 8, 2026 Regular Meeting Cancelled.

 Office closure due to legal holidays and flexible work schedule.

 2026 CALAFCO Annual Conference - October 21-23, Sacramento, CA.



Executive Committee Meeting

Tuesday, August 4, 2026
7:30 a.m.

Mailing Address

18700 Ward Street, Unit B
Fountain Valley, CA 92708

Meeting Location

MWDOC/OCWD
18700 Ward Street
Fountain Valley, CA 92708

(714) 963-3058
(714) 964-5930 fax

www.isdoc.net

Join Zoom Meeting

<https://mwdoc.zoom.us/j/83420776167>

Dial by your location
669 900 9128 US (San Jose)
877 853 5247 US Toll-free
888 788 0099 US Toll-free

Executive Committee

President
Hon. Bob McVicker
*Municipal Water District of
Orange County*

1st Vice President
Vacant

2nd Vice President
Hon. Marilyn Thoms
East Orange County Water District

3rd Vice President
Hon. Al Nederhood
*Municipal Water District of
Orange County*

Secretary
Vacant

Treasurer
Hon. Sandra Jacobs
Santa Margarita Water District

Immediate Past President
Hon. Greg Mills
Serrano Water District

Staff Administration

Heather Baez
*Municipal Water District of
Orange County*

Katie Vincent
*Municipal Water District of
Orange County*

AGENDA

- **Welcome**
- **Approval of Minutes**
 - Approval of Minutes: July 7, 2026
- **Public Comments on items not on the agenda**
- **New Business**
- **Old Business**
 - ISDOC Election 2027-2028 Update
- **Treasurer's Report – Director Sandra Jacobs**
 - Report on accounts
- **CSDA Report – Chris Palmer**
 - Receive, discuss, and file the CSDA Report
- **LAFCO Report – Director Jim Fisler**
 - Receive, discuss, and file the LAFCO report

- **ACWA Report – Director Sandra Jacobs**
 - Receive, discuss, and file the ACWA report
- **OCCOG Report – Director Mike Scheafer**
 - Receive, discuss, and file the OCCOG report
- **California Association of Sanitation Agencies (CASA) Report – SOCWA Representative**
 - Receive, discuss, and file the CASA report
- **Subcommittee Reports**
 - Programs – Heather Baez
 - Membership – Director Thoms
 - Legislative – Director Nederhood
- **Adjourn**



Water Advisory Committee of Orange County (WACO) Virtual Meeting

Friday, August 7, 2026
7:30 a.m. – 9:00 a.m.

Zoom Meeting Link:

<https://ocwd.zoom.us/j/83176303221>

Officers

Chair

Hon. Greg Mills

Serrano Water District

Vice Chair

Hon. Karl Seckel

Municipal Water District of Orange County

Staff Contacts

Medha Paliwal / Crystal Nettles

Orange County Water District (OCWD)

(714) 378-3200

www.ocwd.com/news-events/events/waco

Heather Baez / Jared Dawson / Katie Vincent

Municipal Water District of Orange County

(MWDOC)

(714) 963-3058

www.mwdoc.com/waco

AGENDA

Welcome

- Greg Mills, Serrano Water District

Reports

- Metropolitan Water District of Southern California (MET)
- Association of California Water Agencies (ACWA)

Program

Hydroclimate Extremes in California: Climate Change,
"Super" El Niño, and Beyond

Speaker:

Daniel Swain, PhD

California Institute for Water Resources, University of California
Agriculture and Natural Resources

Agency Announcements

Adjourn

Next WACO Meeting

Friday, September 11, 2026 at 7:30 a.m. via Zoom

Next WACO Planning Committee Meeting

Tuesday, August 18, 2026 at 7:30 a.m. via Zoom

DATES TO REMEMBER
AUGUST/SEPTEMBER 2026

1. Aug 28 – 12:00 p.m. – Pres/VP/GM meeting
2. Sep 1 – 7:30 a.m. – ISDOC Executive meeting
3. Sep 1 – 10:00 a.m. – RRC meeting
4. Sep 2 – 8:30 a.m. – MWDOC Met Directors meeting
5. Sep 3 – 8:30 a.m. – SOCWA Board meeting
6. Sep 4 – DISTRICT OFFICE CLOSED
7. Sep 4 – 7:30 a.m. – WACO meeting
8. Sep 7 – LABOR DAY HOLIDAY – DISTRICT OFFICE CLOSED
9. Sep 8 – 8:30 a.m. – MWDOC P&O Committee meeting
10. Sep 9 – 8:15 a.m. – LAFCO meeting
11. Sep 9 – 8:30 a.m. – MWDOC Admin/Fin Committee meeting
12. Sep 10 – 8:30 a.m. – SOCWA Engineering meeting
13. Sep 11 – 12:00 p.m. – Pres/VP/GM meeting
14. Sep 14 – 10:00 a.m. – Agenda Review Meeting
15. Sep 15 – 10:30 a.m. – SOCWA Finance meeting
16. Sep 16 – 8:30 a.m. – MWDOC Board meeting
17. Sep 17 – 8:30 a.m. – Santiago Aqueduct Commission
18. Sep 18 – DISTRICT OFFICE CLOSED
19. Sep 21 – 7:30 a.m. – Regular Finance and Engineering meeting
20. Sep 24 – 7:30 a.m. – Regular Board meeting
21. Sep 24 – 12:00 p.m. – Southern Orange County Agencies Group (SOCAG) meeting
22. Sep 25 – 7:30 a.m. – OC Water Summit; Westin Costa Mesa
23. Sep 29 – 10:00 a.m. – RRC meeting

EL TORO WATER DISTRICT
Glossary of Water Terms

Accumulated overdraft: The amount of water necessary to be replaced in the intake area of the groundwater basin to prevent the landward movement of ocean water into the fresh groundwater body.

Acre-foot, AF: A common water industry unit of measurement. An acre-foot is 325,851 gallons, or the amount of water needed to cover one acre with water one foot deep. An acre-foot serves annual needs of two typical California families.

ACWA: Association of California Water Agencies. A statewide group based in Sacramento that actively lobbies State and Federal Government on water issues.

Advanced treatment: Additional treatment processes used to clean wastewater even further following primary and secondary treatment. Also known as tertiary treatment.

AFY: Acre-foot per year.

Alluvium: A stratified bed of sand, gravel, silt, and clay deposited by flowing water.

AMP: Allen McCulloch pipeline. Major pipeline transporting treated water to water districts between Yorba Linda, where it starts to El Toro Water District reservoir, where it terminates.

Annexation: The inclusion of land within a government agency's jurisdiction.

Annual overdraft: The quantity by which the production of water from the groundwater supplies during the water year exceeds the natural replenishment of such groundwater supplies during the same water year.

Aqueduct: A man-made canal or pipeline used to transport water.

Aquifer: An underground geologic formation of rock, soil or sediment that is naturally saturated with water; an aquifer stores groundwater.

Arid: Dry; deserts are arid places. Semi-arid places are almost as dry as a desert.

Artesian: An aquifer in which the water is under sufficient pressure to cause it to rise above the bottom of the overlying confining bed, if the opportunity is provided.

Artificial recharge: The addition of surface water to a groundwater reservoir by human activity, such as putting surface water into recharge basins. (See also: groundwater recharge and recharge basin.)

AWWA: American Water Works Association. Nationwide group of public and private water purveyors and related industrial suppliers.

Base flow: The portion of river surface flow which remains after deduction of storm flow and/or purchased imported water.

Bay-Delta: The Sacramento-San Joaquin Bay-Delta is a unique natural resource of local, state and national significance. The Delta is home to more than 500,000 people; contains 500,000 acres of agriculture; provides habitat for 700 native plant and animal species; provides water for more than 25 million Californians and 3 million acres of agriculture; is traversed by energy, communications and transportation facilities vital to the economic health of California; and supports a \$400 billion economy.

BIA: Building Industry Association

Biofouling: The formation of bacteria film (biofilm) on fragile reverse osmosis membrane surfaces.

Biosolids: Solid organic matter recovered from a sewage treatment process and used especially as fertilizer.

BMP: Best Management Practice. An engineered structure or management activity, or combination of these, that eliminates or reduces adverse environmental effects.

Brackish water: A mixture of freshwater and saltwater

Brown Act: Ralph M. Brown Act enacted by the State legislature governing all meetings of legislative bodies. Also known as Open Meeting Requirements.

Canal: A ditch used to move water from one location to another.

CASA: California Association of Sanitation Agencies. The sanitation equivalent of ACWA concerned solely with issues affecting the treatment and disposal of solid waste and wastewater.

CEQA: California Environmental Quality Act.

CERCLA: Comprehensive Environmental Response, Compensation and Liability Act. This federal law establishes the Superfund program for hazardous waste sites. It provides the legal basis for the United States EPA to regulate and clean up hazardous waste sites, and if appropriate, to seek financial compensation from entities responsible for the site.

CFS: Cubic feet per second.

Chloramines: A mixture of ammonia and chlorine used to purify water.

Clarify: To make clear or pure by separation and elimination of suspended solid material.

Coagulation: The clumping together of solids so they can more easily be settled out of or filtered out of water. A chemical called aluminum sulfate (alum) is generally used to aid coagulation in water treatment and reclamation.

Coastkeepers: A non-profit organization dedicated to the protection and preservation of the marine habitats and watersheds of Orange County through programs of education, restoration, enforcement and advocacy.

Colored Water: Groundwater extracted from the basin that is unsuitable for domestic use without treatment due to high color and odor exceeding drinking water standards.

Condensation: The process of water vapor (gas) changing into liquid water. An example of condensation can be seen in the tiny water droplets that form on the outside of a glass of iced tea as warmer air touches the cooler glass.

Confined aquifer: An aquifer that is bound above and below by dense layers of rock and contains water under pressure.

Conjunctive use: Storing imported water in a local aquifer, in conjunction with groundwater, for later retrieval and use.

Contaminate: To make unclean or impure by the addition of harmful substances.

CPCFA: California Pollution Control Financing Authority. State agency providing funds for wastewater reclamation projects.

Crisis:

1. A: The turning point for better or worse B. a paroxysmal attack of pain, distress, or disordered function C. an emotionally significant event or radical change of status in a person's life < a midlife crisis>
2. The decisive moment (as in a literary plot)
3. A: An unstable or crucial time or state of affairs in which a decisive change is impending; especially one with the distinct possibility of a highly undesirable outcome < a financial crisis>
B. a situation that has reached a critical phase

CTP: Coastal Treatment Plant

CWPCA: California Water Pollution Control Association. A 7000-member non-profit educational organization dedicated to water pollution control.

Dam: A barrier built across a river or stream to hold water.

Decompose: To separate into simpler compounds, substances or elements.

Deep percolation: The percolation of surface water through the ground beyond the lower limit of the root zone of plants into a groundwater aquifer.

Degraded water: Water within the groundwater basin that, in one characteristic or another, does not meet primary drinking water standards.

Delta: Where the rivers empty; an outlet from land to ocean, also where the rivers deposit sediment they carry forming landforms.

Delta Vision: Delta Vision is intended to identify a strategy for managing the Sacramento- San Joaquin Delta as a sustainable ecosystem that would continue to support environmental and economic functions that are critical to the people of California.

Demineralize: To reduce the concentrations of minerals from water by ion exchange, distillation, electro-dialysis, or reverse osmosis.

De-nitrification: The physical process of removing nitrate from water through reverse osmosis, microfiltration, or other means.

Desalting (or desalination): Removing salts from salt water by evaporation or distillation. Specific treatment process, such as reverse osmosis or multi-stage flash distillation, to demineralize seawater or brackish (saline) waters for reuse. Also, sometimes used in wastewater treatment to remove salts other pollutants.

Desilting: The physical process of removing suspended particles from water.

Dilute: To lessen the amount of a substance in water by adding more water

Disinfection: Water treatment which destroys potentially harmful bacteria.

Drainage basin: The area of land from which water drains into a river, for example, the Sacramento River Basin, in which all land area drains into the Sacramento River. Also called catchment area, watershed, or river basin.

Drought: A prolonged period of below- average precipitation.

DPHS: California Department of Public Health Services. Regulates public water systems; oversees water recycling projects; permits water treatment devices; certifies drinking water treatment and distribution operators; supports and promotes water system security; provides support for small water systems and for improving technical, managerial, and financial (TMF) capacity; provides funding opportunities for water system improvements.

DVL: Diamond Valley Lake. Metropolitan's major reservoir near Hemet, in southwestern Riverside County.

DWR: California Department of Water Resources. Guides development/management of California's water resources; owns/operates State Water Project and other water facilities.

Endangered Species: A species of animal or plant threatened with extinction.

Endangered Species Act of 1973 (ESA): The most wide-ranging of the dozens of United States environmental laws passed in the 1970's. As stated in section 2 of the act, it was designed to protect critically imperiled species from extinction as a "consequence of economic growth and development untended by adequate concern and conservation.

Ecosystem: Where living and non-living things interact (coexist) in order to survive.

Effluent: Wastewater or other liquid, partially or completely treated or in its natural state, flowing from a treatment plant.

Evaporation: The process that changes water (liquid) into water vapor (gas).

Estuary: Where fresh water meets salt water.

Evapotranspiration: The quantity of water transpired (given off), retained in plant tissues, and evaporated from plant tissues and surrounding soil surface. Quantitatively, it is expressed in terms of depth of water per unit area during a specified period of time.

FCH: Federal Clearing House – Environmental Review/Processing

FEMA: Federal Emergency Management Agency

Filtration: The process of allowing water to pass through layers of a porous material such as sand, gravel or charcoal to trap solid particles. Filtration occurs in nature when rain water soaks into the ground and it passes through hundreds of feet of sand and gravel. This same natural process of filtration is duplicated in water and wastewater treatment plants, generally using sand and coal as the filter media.

Flocculation: A chemical process involving addition of a coagulant to assist in the removal of turbidity in water.

Forebay: A reservoir or pond situated at the intake of a pumping plant or power plant to stabilize water level; also, a portion of a groundwater basin where large quantities of surface water can recharge the basin through infiltration.

Gray water reuse: Reuse, generally without treatment, of domestic type wastewater for toilet flushing, garden irrigation and other non-potable uses. Excludes water from toilets, kitchen sinks, dishwashers, or water used for washing diapers.

Green Acres Project (GAP): A 7.5 million gallons per day (MGD) water reclamation project that serves tertiary treated recycled water to irrigation and industrial users in Costa Mesa, Fountain Valley, Huntington Beach, Newport Beach, and Santa Ana.

God Squad: A seven-member committee that is officially called the “Endangered Species Committee”. Members consist of Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Chairman of the Council of Economic Advisers, the Administrator of the National Oceanic and Atmospheric Administration and one individual from the affected state. The squad was established in 1978 by an amendment to the 1973 Endangered Species Act (ESA). It has only been called into action three times to deal with proposed federal agency actions that have been determined to cause “jeopardy” to any listed species.

Groundwater: Water that has percolated into natural, underground aquifers; water in the ground, not water puddled on the ground.

Groundwater basin: A groundwater reservoir defined by the overlying land surface and the underlying aquifers that contain water stored in the reservoir. Boundaries of success-ively deeper aquifers may differ and make it difficult to define the limits of the basin.

Groundwater mining: The withdrawal of water from an aquifer in excess of recharge over a period of time. If continued, the underground supply would eventually be exhausted or the water table could drop below economically feasible pumping lifts.

Groundwater overdraft: The condition of a groundwater basin in which the amount of water withdrawn by pumping exceeds the amount of water that recharges the basin over a period of years during which water supply conditions approximate average.

Groundwater recharge: The action of increasing groundwater storage by natural conditions or by human activity. See also: Artificial recharge.

Ground water replenishment system (GWRS): A joint project of the Orange County Water District and the Orange County Sanitation District that will provide up to 1000,000 acre-feet of reclaimed water annually. The high-quality water will be used to expand an existing underground seawater intrusion barrier and to replenish the groundwater basin underlying north and central Orange County.

Groundwater table: The upper surface of the zone of saturation (all pores of subsoil filled with water), except where the surface is formed by an impermeable body.

GPM: Gallons per minute.

Ground Water Replenishment System (GWRS): Orange County Water District's state of the art, highly advanced, waste-water treatment facility.

Hydrologic balance: An accounting of all water inflow to, water outflow from, and changes in water storage within a hydrologic unit over a specified period.

Hydrologic cycle: The process of water constantly circulating from the ocean, to the atmosphere, to the earth in a form of precipitation, and finally returning to the ocean.

Imported water: Water that has originated from one hydrologic region and is transferred to another hydrologic region.

Inflatable rubber dams: Designed to replace temporary sand levees that wash out during heavy storm flow, the dams hold back high-volume river flows and divert the water into the off-river system for percolation.

Influent: Water or wastewater entering a treatment plant, or a particular stage of the treatment process.

Irrigation: Applying water to crops, lawns or other plants using pumps, pipes, hoses, sprinklers, etc.

JPIA: Joint Powers Insurance Authority. A group of water agencies providing self-insurance to member of the ACWA.

LAI: Local Agency Investment Fund. Statewide pool of surplus public agency money managed by state treasurer.

Leach: to remove components from the soil by the action of water trickling through.

MAF: Million-acre feet.

MCL: Maximum contaminant level set by EPA for a regulated substance in drinking water. According to health agencies, the maximum amount of a substance that can be present in water that's safe to drink and which looks, tastes and smells good.

MET: Metropolitan Water District of Southern California.

MGD: Million gallons per day.

Microfiltration: A physical separation process where tiny, hollow filaments members separate particles from water.

Microorganism: An animal or plant of microscopic size.

MWD: Metropolitan Water District of Southern California.

MWDOC: Municipal Water District of Orange County. Intermediate wholesaler between MWD and 27-member agencies including ETWD.

Non-point source pollution: Pollution that is so general or covers such a wide area that no single, localized source of the pollution can be identified.

NPDES: National Pollution Discharge Elimination System

OCBD: Orange County Business Council

OCEMA: Orange County Environmental Management Agency

OCWD: Orange County Water District

Opportunity:

1. A favorable juncture of circumstances
2. A good chance for advancement or progress

Organism: Any individual form of life, such as a plant, animal or bacterium

PCM: Professional Community Management, Inc. Property Management company providing services to Laguna Woods Village and other homeowners associations.

Perched groundwater: Groundwater supported by a zone of material of low permeability located above an underlying main body of groundwater with which it is not hydrostatically connected.

Percolation: The downward movement of water through the soil of alluvium to the groundwater table

Permeability: The capability of soil or other geologic formations to transmit water

Point source: A specific site from which waste or polluted water is discharged into a water body, the source of which is identified. See also: non-point source.

Potable water: Suitable and safe for drinking

PPB: Parts per billion

Precipitation: Water from the atmosphere that falls to the ground as a liquid (rain) or a solid (snow, sleet, hail).

Primary treated water: First major treatment in a wastewater treatment facility, usually sedimentation but not biological oxidation.

Primary treatment: Removing solids and floating matter from wastewater using screening, skimming and sedimentation (settling by gravity).

Prior appropriation doctrine: Allocates water rights to the first party who diverts water from its natural source and applies the water to beneficial use. If at some point the first appropriator fails to use the water beneficially, another person may appropriate the water and gain rights to the water. The central principle is beneficial use, not land ownership.

Pumping Plant: A facility that lifts water up and over hills.

Recharge: The physical process where water naturally percolates or sinks into a groundwater basin.

Recharge basin: A surface facility, often a large pond, used to increase the infiltration of surface water into a groundwater basin.

Reclaimed wastewater: Wastewater that becomes suitable for a specific beneficial use as a result of treatment. See also: wastewater reclamation.

Reclamation project: A project where water is obtained from a sanitary district or system and which undergoes additional treatment for a variety of uses, including landscape irrigation, industrial uses, and groundwater recharge.

Recycling: A type of reuse, usually involving running a supply of water through a closed system again and again. Legislation in 1991 legally equates the term “recycled water” to reclaimed water.

Reservoir: A place where water is stored until it is needed. A reservoir can be an open lake or an enclosed storage tank.

Reverse osmosis: (RO) A method of removing salts or other ions from water by forcing water through a semi-permeable membrane.

RFP: Request for Proposal

Riparian: Of or on the banks of a stream, river, or other body of water.

RO: Reverse osmosis. See the listing under “reverse osmosis.”

R-O-W: Right-of-way

Runoff: Liquid water that travels over the surface of the Earth, moving downward due to gravity. Runoff is one way in which water that falls as precipitation returns to the ocean.

RWQCB: Regional Water Quality Control Board. State agency regulating discharge and use of recycled water.

Safe Drinking Water Act (SDWA): The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes reservoirs, springs, and ground water wells. (SDWA does not regulate private wells which serve fewer than 25 individuals.) SDWA authorizes the United States Environmental Protection Agency (US EPA) to set national health-based standards for drinking water to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. US EPA, states, and water systems work together to make sure that these standards are met.

Safe yield: The maximum quantity of water that can be withdrawn from a groundwater basin over a long period of time without developing a condition of overdraft, sometimes referred to as sustained yield.

SAFRA: Santa Ana River Flood Protection Agency

Salinity: Generally, the concentration of mineral salts dissolved in water. Salinity may be measured by weight (total dissolved solids – TDS), electrical conductivity, or osmotic pressure. Where seawater is known to be the major source of salt, salinity is often used to refer to the concentration of chlorides in the water.

SAWPA: Santa Ana Watershed Project Authority.

SCADA: Supervisory Control and Data Acquisition

SCAP: Southern California Alliance of Publicity. Newly formed group of public agencies seeking reasonable regulation of sewer industry.

SCH: State Clearing House – Environmental Review/Processing

Seasonal Storage: A three-part program offered by Metropolitan Water District of Southern California:

STSS (Short Term Seasonal Storage): financially encourages agencies with local groundwater production capabilities to produce a higher percentage of their demand in the summer from their local groundwater supplies, thus shifting a portion of their demand on the MWD system from the summer to winter;

LTSS (Long Term Seasonal Storage): Financially encourages retail agencies to take and store additional amounts of MWD water above their normal annual demands for later use; Replenishment Water provides less expensive interruptible water that is generally available and used to increase the operating yield of groundwater basins.

Seawater intrusion: The movement of salt water into a body of fresh water. It can occur in either surface water or groundwater basins.

Seawater barrier: A physical facility or method of operation designed to prevent the intrusion of salt water into a body of freshwater.

Secondary treatment: The biological portion of wastewater treatment which uses the activated sludge process to further clean wastewater after primary treatment. Generally, a level of treatment that produces 85 percent removal efficiencies for biological oxygen demand and suspended solids. Usually carried out through the use of trickling filters or by the activated sludge process.

Sedimentation: The settling of solids in a body of water using gravity.

Settle: To clarify water by causing impurities/solid material to sink to a container's bottom.

Sewer: The system of pipes that carries wastewater from homes and businesses to a treatment plant or reclamation plant. Sewers are separate from storm drains, which is a system of drains and pipes that carry rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged.

SigAlert: Any unplanned event that causes the closing of one lane of traffic for 30 minutes or more, as opposed to a planned event, like the road construction, which is planned.

SJBA: San Juan Basin Authority

Sludge: The solids that remain after wastewater treatment. This material is separated from the cleaned water, treated and composted into fertilizer. Also called biosolids.

SOCWA: South Orange County Wastewater Authority. Regional Joint Powers Authority form for collection and treatment of sewerage (previously known as AWMA/SERRA/SOCRA). SOCWA member agencies:

- CSC – City of San Clemente
- CSJC – City of San Juan Capistrano
- CLB – City of Laguna Beach
- ETWD – El Toro Water District
- EBSD – Emerald Bay Service District
- IRWD – Irvine Ranch Water District
- MNWD – Moulton Niguel Water District
- SCWD – South Coast Water District
- SMWD – Santa Margarita Water District
- TCWD – Trabuco Canyon Water District

SRE: State Revolving Fund

Storm Drain: The system of pipes that carries rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged. Storm drains are separate from sewers, which is a separate system of pipes to carry wastewater from homes and businesses to a treatment plant or reclamation plant for cleaning.

Storm flow: Surface flow originating from precipitation and run-off which has not percolated to an underground basin.

SWP: State Water Project. An aqueduct system that delivers water from Northern California to central and Southern California.

SWRCB: State Water Resources Control Board

TDS: Total dissolved solids. A quantitative measure of the residual minerals dissolved in water that remain after evaporation of a solution. Usually expressed in milligrams per liter.

Tertiary treatment: The treatment of wastewater beyond the secondary or biological stage. Normally implies the removal of nutrients, such as phosphorous and nitrogen, and a high percentage of suspended solids.

THM: Trihalomethanes. Any of several synthetic organic compounds formed when chlorine or bromine combine with organic materials in water.

TMA: Too many acronyms.

TMDL: Total maximum daily load; a quantitative assessment of water quality problems, contributing sources, and load reductions or control actions needed to restore and protect bodies of water.

Transpiration: The process in which plant tissues give off water vapor to the atmosphere as an essential physiological process.

Turbidity: Thick of opaque with matter in suspension; muddy water

Ultraviolet light disinfection: A disinfection method for water that has received either secondary or tertiary treatment used as an alternative to chlorination.

VE: Value Engineering

VOC: Volatile organic compound; a chemical compound that evaporates readily at room temperature and contains carbon.

Wastewater: Water that has been previously used by a municipality, industry or agriculture and has suffered a loss of quality as a result.

Water Cycle: The continuous process of surface water (puddles, lakes, oceans) evaporating from the sun's heat to become water vapor (gas) in the atmosphere. Water condenses into clouds and then falls back to earth as rain or snow (precipitation). Some precipitation soaks into the ground (percolation) to replenish groundwater supplies in underground aquifers.

Water rights: A legally protected right to take possession of water occurring in a natural waterway and to divert that water for beneficial use.

Water-use Efficiency: The water requirements of a particular device, fixture, appliance, process, piece of equipment, or activity.

Water year (USGS): The period between October 1st of one calendar year to September 30th of the following calendar year.

Watermaster: A court appointed person(s) that has specific responsibilities to carry out court decisions pertaining to a river system or watershed.

Water Reclamation: The treatment of wastewater to make it suitable for a beneficial reuse, such as landscape irrigation. Also called water recycling.

Watershed: The total land area that from which water drains or flows to a river, stream, lake or other body of water.

Water table: The top level of water stored underground.

WEF: Water Environment Federation. Formerly – Water Pollution Control Federation (WPCF). International trade group advising members of sewage treatment techniques and their effect on the environment.

Weir box: A device to measure/control surface water flows in streams or between ponds.

Wellhead treatment: Water quality treatment of water being produced at the well site.

Wetland: Any area in which the water table stands near, at, or above the land surface for a portion of the year. Wetlands are characterized by plants adapted to wet soil conditions.

Xeriscape: Landscaping that requires minimal water.