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Government Affairs and Community Outreach Committee Meeting and Special Meeting of the Board of Directors

Wednesday, August 5, 2026
4:30 PM

Committee Members:
Anthony R. Fellow, Chair
Edward Chavez, Vice-Chair

*The Government Affairs and Community Outreach Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Water Resources and Facility Management Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Water Resources and Facility Management Committee will not vote on matters before the Committee.

Communications

1. Call to Order
2. Public Comment

Discussion/Action

3. Legislative Update
   a. Washington D.C.
   b. Sacramento
4. Professional Services Agreement with 789, Inc.
5. Puente Hills Landfill Park Project Sponsorship

Oral Reports

6. "All Tap Always" Tap Water Campaign

Other Matters

Adjournment

Next Meeting: Wednesday, September 02, 2026

American Disabilities Act Compliance (Government Code Section 54954.2(a))
To request special assistance to participate in this meeting, please contact the District office at (626) 443-2297.

ITEM 3.a.
FEDERAL REPORT

Upper San Gabriel Valley Municipal Water District

July 23, 2026

Ana Schwab, Lowry Crook, Michael Brain, Madeline Voitier, Chris Keosian, and Alex Dunn

Congress

Shortly after Congress passed the *21st Century ROAD to Housing Act,* the most significant federal housing legislation in more than 30 years, the bill became the center of a broader dispute over election reform legislation. Specifically, President Trump declined to sign the housing bill after linking it to the *SAVE America Act*—a move that divided congressional leaders. While the housing legislation ultimately became law without the President's signature, the political dispute temporarily stalled the House's broader legislative agenda. The resulting gridlock prompted Speaker Mike Johnson (R-LA-04) to adjourn the House early, postponing consideration of several must-pass bills, including the Fiscal Year 2027 (FY27) National Defense Authorization Act (NDAA) and the FY27 Energy and Water Appropriations Act.

As Congress races to complete its legislative agenda before the August recess, lawmakers face a compressed calendar with limited legislative days remaining before the November midterms. To date, the House has passed only three FY27 Appropriations bills, while the Senate has passed none. As a result, Congress has turned its attention to passing a continuing resolution (CR) to avoid a government shutdown before the September 30, 2026 deadline.

Despite the slow pace of FY27 appropriations, the House made significant legislative progress in late July by passing the FY27 NDAA, approving a CR to fund the government through December 4, 2026, and adopting a budget resolution to initiate a third budget reconciliation package. House republicans intend to use reconciliation to provide supplemental funding for the ongoing conflict in the Middle East, along with legislation to restrict immigration and portions of the *SAVE America Act*.

Senate support for pursuing a third reconciliation package remains uncertain after Congress enacted a second budget reconciliation measure in February to fund Immigration and Customs Enforcement (ICE) and U.S. Customs and Border Protection (CBP) and end the partial government shutdown.

Senate Farm Bill Draft Published

On June 23, 2026, the Senate Agriculture Committee released a discussion draft of the *Agricultural Act of 2026*, a budget-neutral five-year "farm bill" that includes provisions related to forestry, wildfire resilience, and nutrition programs.

The proposal includes measures to support wildfire prevention and local forest management, including expanded authorities for hazardous tree removal, firebreak construction, and forest thinning projects. It also creates additional opportunities for counties and special districts to partner with the U.S. Forest Service through Good Neighbor Authority agreements, reauthorizes Resource Advisory Committees through FY2031, and provides the Forest Service with direct hire authority for graduates of the Department of Labor's Job Corps program.

The bill would make targeted changes to the administration of the Supplemental Nutrition Assistance Program (SNAP) but largely maintains current SNAP benefits and eligibility. The proposal also reauthorizes the Nutrition Incentive Program with modifications intended to expand access to healthy foods, particularly in persistent-poverty communities.

The proposal will need to be negotiated among Senators and reconciled with the House-passed version of the bill before it can be enacted into law. Currently, floor time in both chambers is limited as few legislative days remain in the year, and multiple major priorities are competing for Congress' attention.

Senator Ricketts Again Pursues PFAS Liability Exemption Amendment

Senator Pete Ricketts (R-NE) has again proposed an amendment to the Fiscal Year 2027 (FY27) National Defense Authorization Act that would provide limited liability protections under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) for certain "passive receivers" of PFAS contamination. Passive receivers would include water and wastewater utilities, agricultural producers, solid waste management entities, firefighting organizations, and public airports. The proposal would apply to PFAS currently designated as hazardous substances under CERCLA—PFOA and PFOS—and would preserve liability in cases of gross negligence or willful misconduct.

Supporters argue the measure would protect entities that manage, rather than generate, PFAS contamination. While critics contend the exemptions are overly broad, significantly limit regulatory enforcement, potentially shield hundreds of Department of Defense facilities from liability, and rely on too narrow a definition of PFAS, supporters argue they are necessary to ensure national security and operational readiness. The proposal is being considered alongside broader Senate negotiations on PFAS legislation, which are currently under consideration by the Senate Environment and Public Works Committee.

WRDA 2026 Gains Momentum as Committees Advance Bipartisan Water Investment Bills

Congress is advancing the Water Resources Development Act (WRDA) of 2026, a bipartisan biennial water infrastructure bill that authorizes projects and policy changes involving the U.S. Army Corps of Engineers (Corps). The legislation addresses national priorities including flood risk management, navigation, ports and harbors, ecosystem restoration, water supply, drought resilience, and infrastructure reliability. Both the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee have advanced bipartisan versions of the legislation, with each chamber focusing on strengthening water infrastructure while differing in the scope of programs included.

On July 14, 2026, the House Transportation and Infrastructure Committee approved its WRDA 2026 legislation by a unanimous 66-0 vote. The House proposal authorizes 14 water infrastructure projects and 133 feasibility studies focused on issues such as flood protection, navigation, ecosystem restoration, and other water resource challenges. The bill emphasizes improving Corps' project delivery by streamlining processes, expanding technical assistance, strengthening coordination with local project sponsors, and encouraging nonstructural and nature-based flood mitigation strategies. It also includes provisions related to drought and water conservation, water supply, dam safety, workforce needs, navigation improvements, and congressional oversight of Corps activities.

The Senate Environment and Public Works Committee also advanced its WRDA 2026 proposal unanimously on July 15, 2026. The Senate version authorizes eight new Army Corps projects while incorporating a broader water policy package through an EPA title. In addition to Corps' authorities, the Senate bill includes significant reauthorizations for drinking water and wastewater programs. These provisions include reauthorization of the Clean Water State Revolving Fund (CWSRF) at $3.5 billion annually for fiscal years 2027 through 2030, with eligibility for projects addressing PFAS contamination and lead service line replacement. The bill also reauthorizes the Drinking Water State Revolving Fund (DWSRF) with increased funding levels from $3.75 billion in fiscal year 2027 to $4.5 billion in fiscal year 2030, while expanding eligibility for PFAS mitigation, lead service line replacement, and projects that improve drinking water systems while supporting wildfire suppression capabilities.

The Senate EPA title also reauthorizes several additional water infrastructure programs, including the Alternative Water Source Projects Grant Program at $5 million annually from fiscal years 2027 through 2030, and the Sewer Overflow and Stormwater Reuse Municipal Grants Program at $280 million annually during the same period. Additional provisions support drinking water system resilience and sustainability through continued funding for the EPA's midsize and large drinking water grant programs. These investments build on broader efforts to improve water infrastructure resilience, including provisions aligned with the Water Infrastructure Resilience and Sustainability Act which was supported by the District via an advocacy letter to the Committee.

While the House and Senate versions share priorities such as improving water infrastructure, strengthening flood resilience, supporting navigation, and enhancing partnerships between federal and local entities, differences remain that must be resolved between the chambers before it can be sent to the President for enactment. The House bill is more focused on Army Corps projects and authorities, while the Senate proposal includes a broader package of EPA-administered water programs. The next phase of the process will involve each chamber passing its respective bill, so negotiations between the chambers can take place to reconcile differences and develop a final WRDA 2026 package for congressional approval.

House Transportation and Infrastructure Committee Holds Hearing on FEMA Reform Legislation

On July 15, 2026, the House Transportation and Infrastructure Committee held a hearing on H.R. 4669, the *Fixing Emergency Management for Americans (FEMA) Act*—bipartisan legislation that would comprehensively reform the Federal Emergency Management Agency (FEMA). Committee leaders and witnesses broadly supported the bill, which would establish FEMA as an independent agency reporting directly to the President, streamline disaster assistance programs, expand the use of upfront grants in place of reimbursement-based funding, and simplify aid applications for states, local governments, and disaster survivors. Witnesses representing local governments, emergency management, utilities, insurers, and the business community emphasized that the proposed reforms would reduce administrative burdens, accelerate recovery efforts, and strengthen coordination.

Committee Chairman Sam Graves (R-MO-06) and Ranking Member Rick Larsen (D-WA-02) also expressed hope at the hearing that the legislation would receive House floor consideration following the release of the Administration's FEMA Review Council recommendations in May of this year. Thus, the July 15th hearing provided Members with the opportunity to compare H.R. 4669 against the Administration's recommendations.

The hearing highlighted broad bipartisan agreement that FEMA's disaster assistance programs require significant modernization, while underscoring differing approaches to achieving those reforms. Supporters argued that the *FEMA Act* would create a more efficient, state-led and locally executed disaster response system by reducing bureaucratic delays, expanding mitigation investments, and providing more predictable funding for disaster recovery. Members also discussed related issues, including wildfire resilience, insurance availability, reimbursement delays, and assistance for less traditional disasters such as extreme heat. While some Members raised concerns about FEMA's broader policy direction and the Trump Administration's disaster management proposals, witnesses generally maintained that Congress should advance the *FEMA Act* to improve preparedness, response, and recovery before future disasters occur.

Senators Introduce Bill to Change Clean Water SRF Formula Ahead of WRDA Floor Debate

On July 17, 2026, Senators Mark Kelly (D-AZ) and Rick Scott (R-FL) introduced S. 5016, the *Clean Water Allotment Modernization Act of 2026*, bipartisan legislation that would update the formula used by the U.S. Environmental Protection Agency (EPA) to distribute Clean Water State Revolving Fund (CWSRF) grants to states. The bill would replace the existing allocation formula, which has remained largely unchanged since 1987.

Under the new methodology, 60% of the allocation would be based on EPA's Clean Watersheds Needs Survey, 20% on state population, and 20% on the share of state residents living at or below 200% of the federal poverty level. The bill also establishes a four-year transition period to phase in the revised allocations and requires EPA to update state allotments annually using current population, poverty, and infrastructure needs data.

The legislation was introduced as the Senate prepares for possible floor consideration of the *Water Resources Development Act (WRDA) of 2026. The Senate's version of WRDA*includes reauthorizations of the Clean Water and Drinking Water State Revolving Fund programs (under current language), but the House version does not. Supporters contend the proposal would better align federal funding with current infrastructure needs and state population changes, while estimates cited by the bill's sponsors indicate the revised formula would maintain or increase funding for 31 states, including California, and reduce allocations for others under the updated methodology.

BBK's Government Affairs team is currently reviewing the legislation and will provide an update at a later time.

Federal Budget/Appropriations

FY27 Appropriations Process Stalls; Attention Turned to Continuing Resolution

The House Appropriations Committee approved both the FY27 Energy & Water Development Appropriations Act and the FY27 Interior & Environment Appropriations Act earlier this year, but the bills have yet to be considered by the full House due to parliamentary procedure-related logjam.

Meanwhile, the Senate Appropriations Committee has made no public progress on FY27 appropriations bills, as Committee leadership remains at an impasse over topline spending figures and subcommittee allocations. Upper Water's FY27 Congressionally Directed Spending request, put forward by Senator Schiff, remains in limbo due to the impasse in the Senate.

As a result, House leadership has shifted its focus to a short-term Continuing Resolution (CR) to avert a government shutdown before the September 30, 2026, fiscal year deadline. On July 21, 2026, the House passed a CR to fund the federal government through December 4, 2026 by a vote of 220-205, allowing Congress additional time to complete FY27 appropriations after the November midterm elections. The Senate's approach to the CR remains uncertain.

Administration/Agency

Trump Administration at Odds with California Coastal Commission

In late May, the U.S. Department of Commerce directed the National Oceanic and Atmospheric Administration (NOAA) to conduct a formal review of California's Coastal Management Program under the Coastal Zone Management Act (CZMA). According to the Department, the review is intended to determine whether California is meeting federal requirements to appropriately consider national priorities—such as defense, energy, transportation, and other infrastructure—alongside coastal resource protection. The announcement states that the review was prompted by concerns about California's handling of certain projects, including spaceport-related proposals, and that NOAA will evaluate the state's consideration of issues such as offshore energy, pipelines, desalination, undersea cables, and other federally significant activities before deciding on any next steps.

In response, California officials criticized the review as an unprecedented action that unfairly targets the state and could weaken California's role in overseeing coastal development. The California Natural Resources Agency argued that the state's Coastal Management Program has a long history of balancing environmental protection, public access, economic interests, and local and tribal priorities under the CZMA. The state encouraged residents, tribes, businesses, local governments, and other stakeholders to participate in NOAA's public meetings and submit comments, while expressing concern that the review could affect California's authority to review future federal offshore development proposals.

<u>EPA Seeks Public Comment on Draft Guidance To Reduce Risks of PFAS in Biosolids</u>

On June 29, 2026, the U.S. Environmental Protection Agency released draft guidance outlining voluntary measures to reduce potential exposure to PFOA and PFOS in biosolids. The guidance includes recommendations for wastewater treatment plants, land appliers and the general public. The guidance emphasizes source identification, pollution prevention, monitoring, and voluntary management practices rather than new requirements.

This move signals a sharp shift from the Biden Administration's previous draft biosolids risk assessment. EPA asserts that the agency previously diverged from typical practice "by failing to conduct a national survey to document occurrence of PFOA and PFOS in sewage sludge" and argues that the earlier biosolids assessment overstated potential risks by relying on hypothetical, higher-risk exposure scenarios that do not reflect typical biosolids management practices. EPA also asserts that the previous assessment contributed to public confusion regarding the significance of a modeled 1 part per billion (ppb) metric.

Environmental organizations criticized EPA's approach and argued the pivot away from the risk assessment and towards voluntary guidance could weaken protections against PFAS exposure.

There will be a 60-day public comment period on the guidance. Comments are due on September 4, 2026.

EPA Delays Microplastics Monitoring Regulations

On July 1, 2026, the U.S. Environmental Protection Agency (EPA) released its draft 2026 Unregulated Contaminant Monitoring Rule (UCMR 6). UCMR 6 proposes requiring public water systems to monitor for 30 unregulated contaminants, including several PFAS, but declined to include microplastics despite requests from multiple states and environmental organizations. EPA stated that standardized definitions and reliable analytical methods for monitoring microplastics are not yet available and that it will instead prioritize developing testing methods for potential inclusion in a future monitoring cycle.

While advocates criticized the decision as delaying action on a potential public health concern, water utility organizations supported EPA's approach, citing current scientific and technical limitations. The proposal also expands monitoring of certain PFAS and other contaminants to improve data collection and inform future drinking water regulations.

UCMR 6 is currently open for public comment, with **comments due August 31, 2026**.

Trump Administration Clears Regulatory Hurdle for Cadiz Project

On July 9, 2026, the Trump Administration approved a 50-year federal right-of-way permit for Cadiz Inc.'s Fenner Gap Mutual Water Co. This move permits the company to convert a 220-mile natural gas pipeline into a water pipeline on federal land. Ultimately, the project could transport groundwater from the proposed Mojave Groundwater Bank in Southern California, initially supplying up to 25,000 acre-feet of water annually to communities in California’s High Desert and Inland Empire.

The permit marks a major milestone for the long-contested project, which has faced decades of opposition from environmental groups, tribes, and California officials over concerns that large-scale groundwater extraction could harm desert ecosystems. Notably, the project still requires financing, additional state approvals, and may face further legal challenges before construction can proceed.

Trump Administration Finalizes Changes to Endangered Species Act Interpretation

On July 10, 2026, the Trump Administration finalized a change to the interpretation of the Endangered Species Act (ESA) that narrows the definition of “harm” to threatened and endangered species. Under the previous interpretation, federal agencies considered significant habitat destruction or modification that could affect a species’ survival as a form of harm. The new rule limits the definition of harm primarily to direct injury or death of a protected species.

Administration officials assert that the change restores the ESA to its original intent and reduces regulatory barriers for landowners, businesses, and development projects. Supporters, including some industry groups, argued that the previous ESA interpretation created unnecessary restrictions on activities like energy production, mining, and land use.

Environmental groups opposed the change and argue that habitat loss is a leading cause of species decline and protecting ecosystems is necessary to prevent species extinction. The revision is expected to remain the subject of legal and policy debate over the balance between conservation and economic development.

Western Wildfire Grant Funds Delayed by Administration's DEI Requirements

The U.S. Forest Service has delayed the release of federal wildfire mitigation and forest management funding as states review new U.S. Department of Agriculture (USDA) grant conditions introduced by the Trump Administration. The revised agreements require recipients to comply with federal policy directives, including restrictions related to diversity, equity, and inclusion (DEI), certain climate-related activities, immigration, and other executive order provisions, along with expanded compliance requirements for contractors and subcontractors.

Several states have argued that the new conditions conflict with state laws or create significant administrative burdens. Approximately $28 million in Community Wildfire Defense Grant funding is on hold in both Washington and Oregon, while millions of dollars in wildfire-related grants in California remain delayed pending litigation over the new terms. The affected grants support activities such as community wildfire protection planning, hazardous fuel reduction, forest restoration, and other wildfire resilience projects.

The funding delays come as forecasts indicate an elevated wildfire risk across much of the western United States. While the USDA states that the standardized grant conditions are intended to improve oversight and ensure consistent administration of federal funding, state officials and lawmakers have expressed concern that delays in distributing grants could postpone fuel reduction, community wildfire preparedness, and forest restoration activities ahead of the peak wildfire season.

Judicial/Courts

D.C. Circuit Schedules Oral Arguments in Challenge to EPA's PFAS Drinking Water Rule

In late June, the U.S. Court of Appeals for the D.C. Circuit scheduled oral arguments in the case challenging EPA's 2024 PFAS National Primary Drinking Water Regulation (NPDWR) for September 18, 2026. The litigation—*American Water Works Association, et al. v. EPA*—challenges EPA's compliance with the Safe Drinking Water Act (SDWA), including the Agency's cost-benefit analysis, regulatory procedures, and use of a Hazard Index approach for PFAS mixtures.

The Trump Administration will continue defending the 4 parts per trillion (ppt) maximum contaminant levels (MCLs) for PFOA and PFOS, while pursuing a separate rulemaking to extend the compliance deadline for those MCLs. However, the Agency will not defend the four Hazard Index PFAS and is instead pursuing another rulemaking to rescind those MCLs. The Hazard Index standards are instead anticipated to be defended by environmental groups who intervened in the case.

The D.C. Circuit previously declined EPA's requests to delay judicial review pending completion of those rulemakings, allowing the litigation to proceed.

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LEGISLATIVE AND
GOVERNMENTAL REPRESENTATION

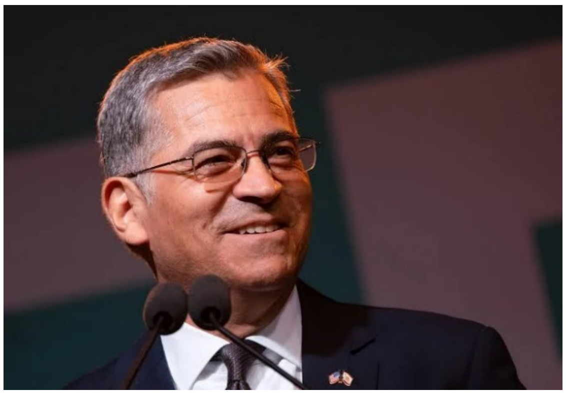
August 5, 2026

To: Upper San Gabriel Valley Municipal Water District (Upper Water)
Fr: Terry McHale, Aaron Read & Associates
Re: Legislative Update

The Legislature has returned from their summer recess. During that time Legislators took the time to leave Sacramento and return to their districts after grinding for over a month to pass the new state budget and pass legislation before the policy committee deadline.

From this point on things will move quickly, as the last day of Session is August 31.

THE 2026 GOVERNOR'S RACE — WATER IMPLICATIONS



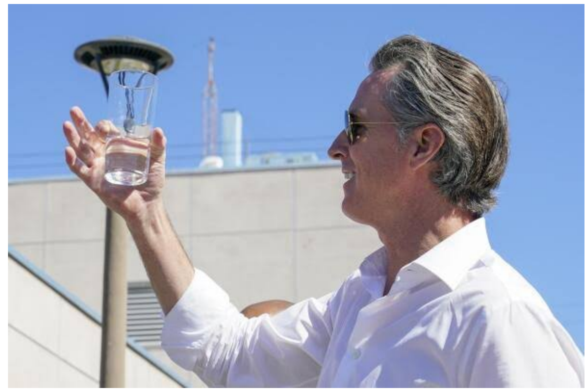
Xavier Becerra, former U.S. Secretary of Health and Human Services and former California Attorney General, advanced out of the June primary to the November 2026 general election, finishing first with 27% of the vote. He faces Republican Steve Hilton in the general election. With a Democratic administration widely expected to be seated in the Fall and a structural budget deficit projected for the 2027-28 fiscal years, the next Governor's early priorities will shape the funding environment for water infrastructure, affordability, and drought and wildfire resilience programs Upper Water depends on.

What a Becerra administration could mean for water agencies

- As Attorney General, Becerra litigated repeatedly to defend California's environmental and water-quality authority against federal rollbacks, signaling continued state assertiveness on water rights, Delta, and Clean Water Act matters.
- His affordability-centered messaging aligns with the water affordability measures moving this year (AB 2739 and SB 1125), suggesting a receptive administration for ratepayer-assistance funding — though against a deficit backdrop, new fund commitments will compete for scarce General Fund dollars.
- A projected 2027-28 structural deficit means bond-funded and trust-funded programs (such as the Water Affordability and System Stabilization Fund and the Delta Levees and Canal Subsidence Fund) will face heightened scrutiny in budget subcommittees; early engagement with the incoming administration's transition team is advisable.
- Wildfire and disaster resilience remains a durable, bipartisan priority likely to survive the transition regardless of outcome.

We will continue monitoring the race and will brief Upper Water on transition-team appointments and any early water-policy signals as they emerge.

RETROSPECTIVE LOOK ON GAVIN NEWSOM'S RECORD ON WATER ISSUES



With a new administration to take office in 2027, it is worth stepping back to assess Governor Newsom's eight-year record on water. Newsom pursued an infrastructure and supply-focused agenda anchored by the 2020 Water Resilience Portfolio and the 2022 Water Supply Strategy, while advancing the Delta Conveyance Project and voluntary Delta flow agreements.

Where the administration succeeded

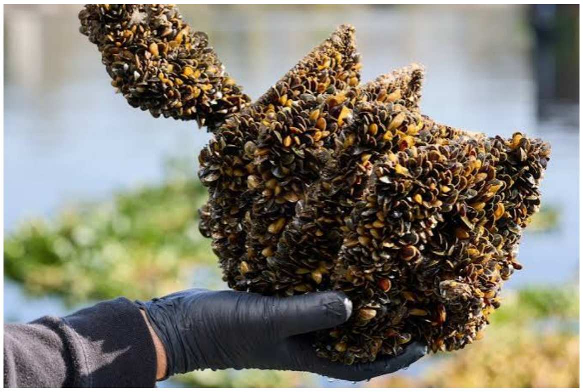
- **Delta Conveyance progress** — advanced the tunnel project further than any predecessor, completing the federal Endangered Species Act review and securing Delta Stewardship Council backing of the consistency certification in 2026.
- **Sustained SGMA implementation** — DWR's Bulletin 118 (2025 Update) reported roughly 7.4 million acre-feet of cumulative groundwater recharge over three years across 1,500-plus local projects.
- **Supply and recharge frameworks** — the Water Resilience Portfolio (2020) and Water Supply Strategy (2022) set statewide recharge and supply-expansion goals.
- **Drought management** — steered the state through the historic 2020–2022 drought, the three driest consecutive years on record, and the subsequent wet-year recovery.
- **Voluntary agreements** — backed the $1.5 billion Healthy Rivers and Landscapes program as an alternative to litigated Delta flow mandates.

Where the administration drew criticism

- **Environmental groups** labeled recent sessions and the administration “anti-environmental,” arguing supply and affordability were used as a pretext to weaken clean-water protections.
- **Ecosystem shortfalls** — the voluntary agreements were criticized as providing too little water and habitat for a collapsing Delta, amid consecutive years of commercial salmon fishing closures.
- **Process concerns** — the attempt to fast-track Delta Conveyance through budget and trailer-bill legislation drew strong legislative and stakeholder pushback.
- **Cost-driven vetoes** — several water bills were vetoed on cost grounds, including a water-supply-planning-target measure the Governor rejected over ongoing state agency costs.
- **Unresolved Delta Conveyance questions** — cost, ratepayer burden, tribal and Delta-community opposition, and outstanding water-rights issues remain contested as the project moves toward final permitting.

Newsom leaves with a strong record on infrastructure and groundwater and weaker on the ecosystem and clean-water fronts. For Upper Water, the durable takeaways are the state's continued emphasis on groundwater recharge and supply reliability, and a fiscal climate in which cost has repeatedly driven water-bill vetoes. Both are worth tracking as the incoming administration sets its own water priorities.

GOLDEN MUSSELS — THE INVASIVE THREAT DRIVING THIS YEAR'S WATER BILLS



Golden mussels (*Limnoperna fortunei*) were first detected in California in 2024, most likely arriving in the Delta on the hull of a ship, and have spread rapidly since. By early July 2026, established populations reached as far south as San Diego and as far north as the Port of West Sacramento. Invasive mussel species colonize pipelines, pumps, screens, and other conveyance infrastructure and eradication has so far proven extremely difficult.

California is funding invasive mussel solutions through a $6 million state budget allocation with a $16 annual registration fee on boats.

Why this matters for Upper Water

Mussel infestations can foul intake screens and clog small-diameter pipelines, forcing emergency dewatering, decontamination, and costly water delivery shutdowns while systems are cleared. For an imported-water and groundwater-replenishment operation, an infestation that halts deliveries or forces a control response carries direct operational and financial risk. The most promising containment tools remain prevention (hull inspections and drying protocols) and early treatment; one Kern County district recently used a high-dose copper molluscicide to achieve near-total mortality, and the Department of Water Resources is piloting continuous low-dose copper injection in at-risk State Water Project pipelines to prevent settlement in the first place. These are exactly the operational and permitting questions the Legislature is now trying to address in statute.

The legislative response we are tracking

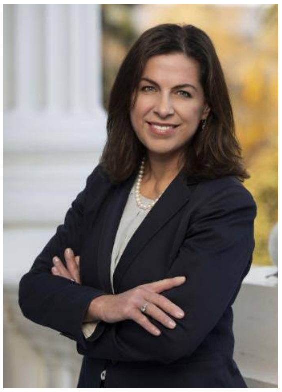
- **AB 1772 (Papan)** — imposes a mandatory drying period before a conveyance can be launched and requires water-supply-system operators to update their control plans to address every invasive mussel species present as of January 1, 2026. This is the core prevention-and-planning measure. (*Support*)
- **AB 1894 (Blanca Rubio)** — protects imported-water deliveries for groundwater replenishment from being blocked over invasive mussels where a compliant control plan is in place, preserving supply reliability while containment proceeds. This is the measure most directly tied to Upper Water's imported-water operations. (*Support*)
- **AB 2032 (Ransom)** — exempts water-supply-system operators that have submitted a control plan from the restricted-species permit requirement for golden mussels, removing a regulatory barrier to routine maintenance and operational activities. (*Support*)
- **SB 149 (Budget & Fiscal Review)** — the public resources trailer bill that broadened the state's dreissenid-mussel framework to cover invasive mussels generally, supplying the statutory backbone the above bills build on. (Omitted from the bill detail below as a budget/trailer measure, but noted here for context.)

Taken together, these measures give water agencies clearer prevention mandates, a permitting pathway for control work, and protection against supply interruptions — the combination Upper Water needs to avoid the kind of shutdown an unmanaged infestation would force.

LEGISLATIVE UPDATE:

All of the measures we track for Upper Water that were subject to the July 2 policy committee deadline cleared it. This update covers the **6 support bills** that Upper Water are tracking.

SUPPORT



AB 1772 — Papan (D) *Fish and wildlife: invasive species: invasive mussels*

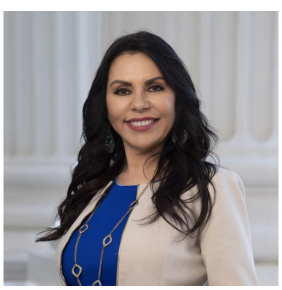
Position	Support (S)
Current Location	Senate Appropriations (as of 07/01/2026)
Last Amended	06/25/2026

Summary

This bill would prohibit a conveyance from being launched until a specified drying period has completed, and would require water supply system operators to update their invasive mussel control plans to address all invasive mussel species present in the operator's water system as of January 1, 2026.

Where it goes next if passed

Cleared Senate Natural Resources and Water 13-0 on June 30 and was re-referred to Appropriations. **Next:** Senate Appropriations, set for hearing August 3, 2026. If passed out, the bill moves to the Senate Floor (Third Reading), then back to the Assembly for concurrence in Senate amendments.



AB 1894 — Rubio, Blanca (D) *Fish and wildlife: invasive mussels: imported water*

Position	Support (S)
Current Location	Senate Third Reading (as of 06/23/2026)
Last Amended	05/28/2026

Summary

This bill would prohibit a public agency from prohibiting imported water deliveries for groundwater replenishment due to invasive mussels, provided the importation complies with a specified invasive mussel control plan, unless there is substantial, documented evidence of a proven health and safety risk resulting from the invasive mussels.

Where it goes next if passed

Read second time and ordered to third reading on June 23. **Next:** Senate Floor (Third Reading). If passed, the bill returns to the Assembly for concurrence in Senate amendments before going to the Governor.

AB 2032 — Ransom (D) *Fish and wildlife: golden mussels*

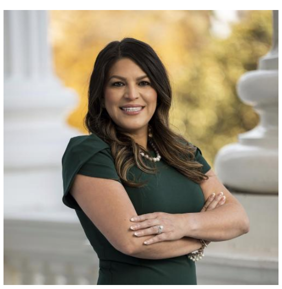
Position	Support (S)
Current Location	Senate Appropriations (as of 07/02/2026)
Last Amended	06/11/2026

Summary

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 in the water supply system.

Where it goes next if passed

Passed committee 7-0 on July 1 with a recommendation to the Consent Calendar and was re-referred to Appropriations. **Next:** Senate Appropriations, set for hearing August 3, 2026. The Consent Calendar recommendation signals an uncontested path. After Appropriations it moves to the Senate Floor, then back to the Assembly for concurrence.



AB 2739 — Soria (D) *Water: affordability and system stabilization*

Position	Support (S)
Current Location	Senate Appropriations (as of 07/01/2026)
Last Amended	07/02/2026

Summary

This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund to hold the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create.

Where it goes next if passed

Amended and passed out of committee 7-0 on July 1 with a recommendation to the Consent Calendar, then re-referred to Appropriations. **Next:** Senate Appropriations, set for hearing August 3, 2026. The Consent Calendar recommendation signals an uncontested path. After Appropriations it moves to the Senate Floor, then back to the Assembly for concurrence.

SB 872 — McNerney (D) *Delta Levees and Canal Subsidence Fund*

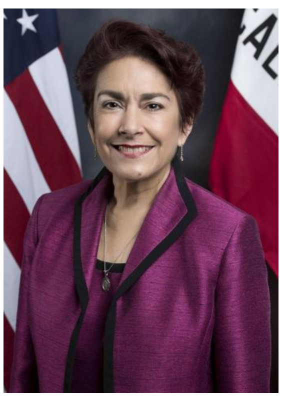
Position	Support (S)
Current Location	Assembly Appropriations (as of 06/30/2026)
Last Amended	07/02/2026

Summary

This bill would require the Department of Water Resources to reimburse 100% of the excess costs of maintaining or improving specified levees (rather than up to 75%) if a local agency demonstrates economic hardship and the reimbursement is for a project that addresses a threat to life, property, water supply, or habitat.

Where it goes next if passed

Read second time and amended, re-referred to Appropriations on July 2. **Next:** Assembly Appropriations. If passed out, it moves to the Assembly Floor, then back to the Senate for concurrence in Assembly amendments.



SB 1153 — Caballero (D) *Disaster preparedness: urban retail water suppliers and public water systems: wildfire*

Position	Support (S)
Current Location	Assembly Appropriations (as of 06/30/2026)
Last Amended	06/22/2026

Summary

Beginning January 1, 2028, this bill would require all urban retail water suppliers serving a high or very high fire hazard severity zone to include incident-specific response procedures for wildfires in their disaster preparedness plans, including mitigation actions, procedures, and equipment that can obviate or significantly lessen the impact of a wildfire on the water system and drinking water supply.

Where it goes next if passed

Passed committee 6-0 on June 30 and re-referred to Appropriations. **Next:** Assembly Appropriations. If passed out, it moves to the Assembly Floor, then back to the Senate for concurrence in Assembly amendments.

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248 E. Foothill Blvd., Suite 200
Monrovia, CA, 91016

P: 626-443-2297

E: info@usgvmwd.org

MEMORANDUM

ITEM 4.
Action Item

DATE: August 5, 2026

TO: Government Affairs and Community Outreach Committee and Board of Directors

FROM: General Manager

SUBJECT: Professional Services Agreement with 789, Inc.

Recommendation

Authorize the General Manager to execute a new professional services agreement with 789 Inc., for branding, marketing, and creative services for a one-year term ending on July 31, 2027, for a not-to-exceed contract amount of $70,800.

Background

Upper Water has utilized the services of 789 Inc. to support the development and production of the District's regional campaigns, branding, marketing, and public education efforts. 789 Inc. played an important role in Upper Water's rebranding and has continued to support and maintain the brand through ongoing creative support across the agency's communications.

789 Inc.'s services have supported a wide range of communication needs, including website updates, advertising, photography, video production, and community outreach materials. 789 Inc. has been instrumental in supporting various outreach projects, including capturing photos and video content for WaterFest, as well as producing highlight videos and promotional content for the agency's Crystal Lake Fishing Event. These efforts have helped increase the visibility of Upper Water's programs and highlight its ongoing engagement with the community.

Most recently, 789 Inc. has created a new outreach campaign focused on tap water. The "All Tap" campaign is drafted in multiple languages and will be used in all outreach activities. Additionally, the 789 team created a non-functional turf campaign related to Assembly Bill 1572. Building on the progress made over the previous year, 789 Inc.'s continued work will focus on brand refinement, final campaign development, and expanded multimedia efforts. Key areas of focus will include micro-campaigns, educational video content, and strategic messaging to further establish Upper Water as a trusted resource in the water industry.

Fiscal Impact

The proposed professional services contract amount was budgeted in the FY 26-27 biennial budget the Board adopted on June 10, 2026.

Attachments

1. 789 contract proposal FY26-27

CONFIDENTIAL PROPOSAL/WORK ORDER

creative syNERDgy 789® INC

101 N. Citrus Ave. Suite 3C,
Covina, CA 91723
t. 626.339.4789
e. dontbeshy@789inc.com
789inc.com

DATE 07 / 24 / 26

TO Patty Cortez, *Director of Government & Community Affairs*

Upper San Gabriel Valley Municipal Water District | 602 Huntington Dr B, Monrovia, CA 91016

626.443.2297 MAIN | 626.453.6630 CELL | patty@usgvmwd.org | usgvmwd.org

PROJECT BRANDING, MARKETING + CREATIVE SERVICES

Continue to provide on-call creative services for Upper San Gabriel Valley Municipal Water District (Upper Water) with an enhanced focus on positioning the agency as a regional thought leader in water conservation, innovation, and public engagement. Building on the progress from the previous year, this next phase will integrate brand refinement, campaign development, and expanded multimedia efforts. Key areas of focus will include micro-campaigns, educational video content, and strategic messaging to elevate Upper Water's role as a proactive and trusted resource in the water industry.

GENERAL APPROACH

789, Inc. will continue to provide a responsive, research-driven approach tailored to Upper Water's mission and evolving communication needs. This includes digesting existing and new data, developing tailored campaign strategies, and creating content that is both informative and engaging. Our team will apply the refreshed brand system consistently across all platforms, while looking for opportunities to foster public trust, awareness, and connection through storytelling and clear visual identity.

GENERAL GOALS

- Strengthen public awareness and engagement across the San Gabriel Valley
- Position Upper Water as a leading water authority and educational resource
- Expand reach through micro-campaigns and strategic content development
- Reinforce brand consistency across digital and physical touchpoints
- Develop tools to support word-of-mouth engagement and social sharing
- Utilize video and motion graphics to increase educational impact and community outreach
- Support ongoing adoption and retention of Upper Water brand values

Item	Description	Services
1	Brand Positioning + Messaging Expansion	Strategy, Story Refinement, Content Themes
2	Micro-Campaign Development	Campaign Concepting, Copy, Design, Rollout
3	Educational & Promotional Video Series	Storyboarding, Filming, Editing, Final Delivery
4	Web Presence + Content Optimization	Strategy, Content Writing, Updates, SEO
5	Social Media + Thought Leadership Content	Content Calendar, Copywriting, Visual Assets
*	On-Call Creative Support (Interior, Signage, Flyers, etc.)	Copy, Design, Layout, Print-Ready Files

PROJECT FEE SUMMARY:

Estimated Sub-Total:	$ 70,800.00
Monthly Hr Allocation:	50 (±5)
15% Concession	*Applied*
Monthly Retainer:	**$ 5,900.00**

PAYMENT TERMS:

12-MONTH SCHEDULE (Costs Not Inclided)

01 | AUG 2026	*$ 5,900*
02 | SEP 2026	*$ 5,900*
03 | OCT 2026	*$ 5,900*
04 | NOV 2026	*$ 5,900*
05 | DEC 2026	*$ 5,900*
06 | JAN 2027	*$ 5,900*
07 | FEB 2027	*$ 5,900*
08 | MAR 2027	*$ 5,900*
09 | APR 2027	*$ 5,900*
10 | MAY 2027	*$ 5,900*
11 | JUN 2027	*$ 5,900*
12 | JUL 2027	*$ 5,900*

If the SOW requires additional deliverables within an expidited timeline, a new monthly fee will be negotiated and agreed upon prior to moving forward.

PAYMENT TERMS:

Thank you; we appreciate your business. Please send payment within 30 days of receiving this invoice (net-30). - a 3.5% interest charge per month on late payments.

Please make payment out to:

789, Inc. | Attention: Charley Bell

101 N. Citrus Avenue, Suite **3C**, Covina, CA 91723

APPROVAL TO PROCEED

PRINT NAME	TITLE	SIGNATURE	DATE

creative syNERDgy *

Signature of this work order is an 'okay to proceed' with work for the price above. All approved, completed, print/production ready designs will remain property of the client, this does not include working or layered files unless stated above. 789 has permission to showcase designs in their portfolio online and in print to promote its services. Tax and shipping is not included in above estimated price unless specified. All design work includes two revisions unless stated otherwise. Any additional revisions will be billed at 50% of the regular hourly rates. Prices are good for 1 month; costs may fluctuate after this period due to market rates. If project extends past contract period due to client conflicts/delays to the schedule, the agreement will be subject to an increased and renegotiated fee.

UPPER WATER
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

248 E. Foothill Blvd., Suite 200
Monrovia, CA, 91016

P: 626-443-2297

E: info@usgvmwd.org

MEMORANDUM

ITEM 5.
Action Item

DATE: August 5, 2026

TO: Government Affairs and Community Outreach Committee and Board of Directors

FROM: General Manager

SUBJECT: Puente Hills Landfill Park Project Sponsorship

Recommendation

Staff recommends the committee consider the following actions: 1) Amend the Fiscal Year 2026-27 Adopted Outreach Budget to include 150,000 for sponsorships; and 2) Authorize the General Manager to execute a sponsorship agreement with Los Angeles County Parks Foundation for a "Named Learning Corner" at the Puente Hills Regional Park Environmental Justice Center.

Background

On November 12, 2025, the Board of Directors approved a sponsorship commitment of $150,000 for the “Named Learning Corner” at the Environmental Justice Center within the Puente Hills Regional Park project. The sponsorship will provide approximately 500 square feet of outdoor learning space and an opportunity for Upper Water to collaborate with the project designers on an educational display highlighting topics such as the region's local water supply, the water cycle, water use efficiency, and Upper Water's role in serving the community.

Following the Board's approval, finalization of the sponsorship agreement was delayed, preventing the funds from being expended during Fiscal Year 2025–26. The agreement has now been finalized; however, because the sponsorship was not included in the adopted Fiscal Year 2026–27 Outreach Budget, a budget amendment is required to appropriate the previously approved $150,000.

Fiscal Impact

If approved, this budget amendment would result in a $150,000 increase to expenditures within the FY 2026-27 Adopted Outreach Budget. This amount would be absorbed by reducing the District's projected addition to reserves for the fiscal year and is not expected to require a draw on existing reserve fund balances.

Attachments

1. LACPR Regional Park Funding Agreement

Funding Agreement

This Funding Agreement is entered into as of _______ (the "Effective Date"), by and between Upper San Gabriel Valley ~~Metropolitan~~Municipal Water District. ("Upper Water"), with a principal place of business at 248 E. Foothill Blvd., Monrovia, CA 91016, and Los Angeles County Parks Foundation ("Recipient"), with its principal place of business at P.O. Box 5158, Cerritos, CA~~a~~. 90703. Upper Water and Recipient are each a "Party" and collectively, the "Parties."

Funding Agreement Terms

1	Effective Date of Donation:	
2	Title of Program	Esperanza Hills Regional Park and the Environmental Justice Center
3	Cash Donation Amount	$150,000
4	Description of Program	Upper Water donating $150,000 for the Named Learning Corner at the Esperanza Hills Regional Park and the Environmental Justice Center. The Named Learning Corner (NLC) is an outdoor space adjacent to the classrooms at the EJC. The NLC will include a sign identifying Upper Water~~the sponsor~~. The NLC will also include an interpretive sign panel containing information on Upper Water ~~the sponsor~~ and related educational information. Sign panel design, text, graphics will be provided by the EJC design team in collaboration with the Upper Water~~sponsor~~.
5	Term/Time of Completion	June 30, 2027 Donation refundable to Upper Water by Recipient if NLC signage is not completed by June 30, 2027.
6	Payment Schedule for Donation:	By ~~June 30, 2026~~ September 30, 2026
7	Upper Water Contact Person(s) for Program Approvals	Name: Tom Love Title: General Manager, Upper San Gabriel Valley MWD E-mail Address: tom@ugvmwd.org

8	Recipient Contact Person(s) for Program Approvals	Name: Joe Mendoza Title: President, Los Angeles County Parks Foundation E-mail Address: joeraymendoza@sbcglobal.net

IN WITNESS WHEREOF, the duly authorized representatives of each of the Parties hereto have executed this Agreement as of the day and year first written above.

Upper San Gabriel Valley Municipal ~~Metropolitan~~ Water District	LA County Parks Foundation
By: __________________________________	By: __________________________________
Name: __________________________________	Name: __________________________________
Title: __________________________________	Title: __________________________________