UPPER WATER

UPPER SAN GABRIEL VALLEY
MUNICIPAL WATER DISTRICT

BOARD OF DIRECTORS REGULAR MEETING

September 9, 2026
4:30 PM

626 443 2297

www.upperdistrict.org

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

info@usgvmwd.org

Securing Water Resilience for the San Gabriel Valley

248 E. Foothill Blvd., Suite 200
Monrovia, CA, 91016 | P: 626-443-2297 | E: info@usgvmwd.org | upperwater.org

UPPER WATER
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

A REGULAR MEETING OF THE BOARD OF DIRECTORS

Wednesday, September 9, 2026
4:30 PM

AGENDA

1. Call to Order

2. Pledge of Allegiance

3. Roll Call of Board of Directors

4. Adoption of Agenda

5. Public Comment
As provided under Government Code Section 54954.3, members of the public may address the Board on items considered on this agenda, as well as items not on the agenda that are within the jurisdiction of the Board. Please complete the appropriate speaker's card and submit it to the Board Secretary. A three-minute time limit on remarks is requested.

6. Committee Reports

   a) Administration and Finance Committee (Santana, Chair – Treviño, Vice-Chair) Minutes of meeting held on September 1, 2026, enclosed.

7. Consent Calendar

   a) Minutes of a regular meeting of the Board of Directors held on August 12, 2026, at 4:30 p.m.

   b) List of Demands

   c) Financial Reports - July 2026

      1. Financial Summary and Statements as of July 31, 2026

      2. Director's Public Outreach

   d) Amendments to the District's Investment Policy

   e) Increase to the District's Capital Asset Capitalization Threshold

8. Presentations - NONE

9. Action/Discussion Items

   a) Approval of General Manager Contract Amendment

Recommendation

Staff recommends that the Board of Directors take action on the General Manager's contract amendment to adjust compensation and extend the term.

   b) Honoring and Commemorating the Retirement of Kirk Howie, Chief Administrative Officer, Three Valleys Municipal Water District

Recommendation

Staff recommends that the Board of Directors consider the adoption of Resolution No. 09-26-685, as presented.

10. Information Items

    a) Press Releases and News Articles

11. General Reports

    a) Attorney's Report

    b) Engineer's Report

    c) General Manager's Report

    d) Metropolitan Report

    e) Water Quality Authority Report

    f) Watermaster Report

    g) AB 1234 Compliance Report

12. Director's Comments

13. Future Agenda Items

14. Adjourn to Closed Session - NONE

15. Adjournment
    To a regular meeting of the Board of Directors to be held on September 23, 2026 at 4:30 p.m. at 248 E. Foothill Blvd. Room #103, Monrovia, CA 91016.

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.

PRESIDENT KATARINA GARCIA, PRESIDING

248 E. Foothill Blvd., Suite 200
Monrovia, CA, 91016
P: 626-443-2297
E: info@usgvmwd.org

MEMORANDUM

6. (a)
COMMITTEE REPORT

September 2, 2026

TO: BOARD OF DIRECTORS

FROM: ADMINISTRATION AND FINANCE COMMITTEE MEETING AND SPECIAL MEETING OF THE BOARD OF DIRECTORS

SUBJECT: MINUTES OF THE ADMINISTRATION AND FINANCE COMMITTEE AND SPECIAL MEETING OF THE BOARD OF DIRECTORS – September 1, 2026

ATTENDANCE:	**Jennifer Santana (Chair)**	Tom Love	Martin Koczanowicz
	Charles Treviño (Vice-Chair)	Albert Trinh	Priscilla Lu
		Patty Cortez	Jessica Hernandez
			Cyndi Karp

1. **Call to Order.**

2. **Public Comment.** None.

3. **Investment Policy Review**

Albert Trinh, Finance Manager, presented proposed amendments to the District's Investment Policy, which is reviewed annually with District Counsel and Chandler Asset Management. The amendments clarify that portfolio percentage limits may be exceeded due to market value changes and that compliance will be restored as investments mature and are reinvested and clarify that investments not specifically authorized by the Policy are prohibited.

The Committee recommended that the item be forwarded to the Board of Directors for approval on the consent calendar.

4. **Revised Water Rates for New MWD Treatment Capacity Charges**

Albert presented proposed Ordinance No. 26-3, repealing and replacing Ordinance No. 26-2 to incorporate three new MWD Treatment Capacity Fixed Charges for Calendar Year 2027. The charges will be passed through to Full Service treated water producers; MWD has reduced the treated water commodity rate accordingly, resulting in a slight net increase to the District's costs, no greater than a standard MWD rate increase. The charges will take effect January 1, 2027.

Tom Love, General Manager, reported that producers have been informed and provided with estimated impacts.

The Committee approved the item and recommended it be forwarded to the Board of Directors for approval.

5. FY 2025-26 Budget Variance Report

Albert presented preliminary, unaudited FY 2025-26 year-end results compared with the adopted budget and reported that the year was favorable. Treated water deliveries were approximately 3,480 acre-feet versus 3,000 budgeted, while untreated deliveries were approximately 29,000 acre-feet versus 52,000 budgeted. Because water purchases and sales are largely pass-through transactions, the lower untreated volume was largely self-offsetting. Operating revenues were approximately $18.5 million below budget and operating expenses approximately $20 million below budget, resulting in approximately $1.67 million in net operating income and an approximately $1.7 million increase in reserves rather than the budgeted draw of $314,000. Debt-service coverage remained above the State-required 120 percent minimum.

Tom attributed most of the favorable variance to the lower untreated water volume and the Watermaster purchase letter agreement, together with the pass-through of the RTS charge to producers, which reduced the budgeted $3.27 million net RTS cost to approximately break-even and produced an approximately $3.1 million favorable variance. The District has executed a new two-year agreement with Watermaster that provides approximately $1.8 million in fixed net revenue and helps stabilize revenue.

The Committee discussed whether the favorable results represent a structural surplus and the importance of ratepayer impacts.

Tom noted other contributing factors, including the District's reverse-cycling purchase of 6,000 acre-feet at a discounted rate. Staff cannot yet determine whether the favorable results are structural and will further evaluate the issue through a long-range financial plan, expected in spring 2027, including future reserve levels and potential rate or water-purchase adjustments.

6. Other Matters:

Tom Love reported that staff recommends increasing the District's capitalization threshold from $500 to $10,000, consistent with federal Uniform Guidance. Because the item was identified after the agenda was posted, it will be brought forward on a future consent calendar.

NEXT MEETING: Tuesday, October 6, 2026, at 4:30 p.m.
cc: General Manager

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
Regular Board Meeting Minutes
Wednesday, August 12, 2026 | 4:30pm

A regular meeting of the Board of Directors was called to order at 4:30pm at the district office located at 248 E. Foothill Blvd, Rm. 103, Monrovia, California. The presiding officer was President Katarina Garcia.

ROLL CALL

DIRECTORS PRESENT: Treviño, Chavez, Santana, Fellow, and Garcia

DIRECTORS ABSENT: None

STAFF PRESENT: Tom Love, General Manager; Patty Cortez, Assistant General Manager; Martin Koczanowicz, District Counsel; Stephen Johnson, Engineer; Albert Trinh, Finance Manager; Cyndi Karp, Interim Executive Assistant/Board Secretary; Jessica Hernandez, Administrative/Accounting Assistant; Katherine Vasquez, Water Resources Analyst I

OTHERS PRESENT

Lenet Pacheco, Jose Martinez, David Muse and Dave Reid

ADOPTION OF AGENDA

On motion by Director Treviño, second by Vice President Fellow, the agenda was adopted by the following roll call vote:

AYES: TREVIÑO, CHAVEZ, SANTANA, FELLOW, AND GARCIA
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

PUBLIC COMMENT

None.

COMMITTEE REPORTS

(a) Administration and Finance Committee (Santana, Chair - Treviño, Vice-Chair) Minutes of meeting held on August 4, 2026, enclosed.

(b) Government Affairs and Community Outreach Committee (Fellow, Chair-Chavez, Vice-Chair) Minutes of meeting held on August 5, 2026, enclosed.

CONSENT CALENDAR

On motion by Director Treviño, second by Vice President Fellow, the consent calendar was approved by the following roll call vote:

AYES: TREVIÑO, CHAVEZ, SANTANA, FELLOW, AND GARCIA
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

(a) Minutes of a regular meeting of the Board of Directors held on June 24, 2026 at 4:30 p.m.

(b) List of Demands

(c) Financial Reports – May 2026 and June 2026

1. Financial Summary and Statements as of May 31, 2026 and June 30, 2026
2. Director's Public Outreach

(d) Negotiated Exchange of Property Tax Revenues Resulting from Annexation No. 306 to County Sanitation District No. 15

(e) Negotiated Exchange of Property Tax Revenues Resulting from Annexation No. 451 to County Sanitation District No. 22

(f) Quarterly Investment Update – June 30, 2026

(g) Financial Transaction Signatory Resolution 08-12-684

(h) Puente Hills Landfill Park Project Sponsorship

(i) Professional Services Agreement with 789 Inc.

PRESENTATIONS

None.

ADOPTION OF RESOLUTION NO. 08-121-683, AS IT RELATES TO DESIGNATED POSITIONS UNDER THE DISTRICT'S CONFLICT OF INTEREST CODE

The Assistant General Manager informed the Board that this Resolution pertains to the designated positions identified in the District's Conflict of Interest Code. This is a standard procedure that the District is required to complete periodically for Los Angeles County.

District Counsel further explained that, as part of the required biennial review, the Conflict-of-Interest Code must be reviewed every two years to ensure that all designated positions are appropriately identified and required to file disclosure statements.

On motion by Director Treviño, second by Secretary Santana, Resolution No. 08-121-683 was approved by the following roll call vote:

AYES: **TREVIÑO, CHAVEZ, SANTANA, FELLOW, AND GARCIA**
NOES: **NONE**
ABSTAIN: **NONE**
ABSENT: **NONE**

ATTORNEY'S REPORT

The District Counsel reported on preparing for the General Manager's evaluation as well as working with staff to respond to public records requests and revisions to the sponsorship contract with Los Angeles County.

GENERAL MANAGER'S REPORT

The General Manager reported that the District has implemented a new agenda preparation system, which was used for the committee meetings held the previous week and for the current Board meeting agenda. The General Manager stated that the new system will help staff work more efficiently and improve the quality and organization of the agenda packages.

The General Manager also noted the next Board meeting will be September 9th.

Regarding El Niño conditions, the General Manager reported that, there is a higher probability that the region may receive increased precipitation and water supplies. From a public water management perspective, the District should prepare for the possibility of a particularly wet year. The General Manager stated that the District should encourage the Los Angeles County Flood Control District to prepare for the rainy season by ensuring its water conveyance and storage facilities are properly maintained for maximum stormwater capture.

ENGINEER'S REPORT

The District Engineer informed the Board that the Urban Water Management Plan has been completed and submitted to the Department of Water Resources (DWR) ahead of the July 1st deadline.

The Engineer also reported that there is a good possibility that imported water may be conveyed through the San Gabriel District's pipeline. Water is currently being delivered to the City of Azusa's treatment plant from the State Water Project. The District anticipates receiving a permit from the Regional Water Quality Control Board for the pre-treatment for invasive mussels and spreading of the water by the end of August.

METROPOLITAN REPORT

Vice President Fellow reported that the Metropolitan Water District (MWD) held numerous meetings and workshops throughout the month of July.

He also provided an update on the Colorado River. The situation has become increasingly urgent as Lake Mead continues to decline to historically low levels and the 2026 snowpack runoff has been extremely poor.

Also, at the last MWD Board workshop meeting, the Board was informed the agency had received a $72 million grant from the State Water Resources Control Board to establish a team to conduct research on direct potable reuse.

WATER QUALITY AUTHORITY REPORT

No report was given.

WATERMASTER REPORT

Steve Johnson reported that, as of August 7th, the Key Well had declined to 255.4 feet. The water level is currently dropping approximately one-half to three-quarters of a foot per week, which is considered a reasonable rate of decline for this time of year.

Watermaster established an ad hoc committee to review the Resource Development Assessment (RDA). The committee ultimately decided to maintain the RDA at its current rate of $175 per acre-foot.

The RDA has traditionally been used to purchase water but is now being used for a variety of other purposes, including funding MWD's RTS charge.

DIRECTOR'S COMMENTS

Director Santana mentioned that, while watching the news recently, she saw a segment on the Colorado River that discussed water reuse and Pure Water as a potential solution to the declining water supplies of the Colorado River. She found the story to be very interesting.

Vice President Fellow mentioned that Lenet Pacheco will be joining the Region 8 ACWA Board of Directors and stated that he is looking forward to working with her.

President Garcia shared that she was happy to see everyone again and hoped that everyone had a restful summer.

FUTURE AGENDA ITEMS

None.

ADJOURN TO CLOSED SESSION

The Board adjourned and a closed session was held pursuant to Government Code section 54957; Public Employee Performance Review; Position: General Manager.

REPORT ON CLOSED SESSION

The Board reconvened from closed session. District Counsel reported that a discussion was held by the Board and no formal action was taken.

ADJOURNMENT

President Garcia inquired whether there was any further business to come before the Board. There being no further business, the meeting was adjourned. The next regular meeting of the Board of Directors will be held on Wednesday, September 9, 2026, at 4:30 p.m.

____

PRESIDENT

ATTEST

____

SECRETARY

SEAL

Payment History Report
Sorted By Check Number
Activity From: 8/1/2026 to 8/31/2026

UPPER SAN GABRIEL VALLEY MWD (USG)

Bank Code: A GENERAL FUND

Check Date	Check Number/ Invoice Date	Name Invoice Number	Invoice Description	Check Amount
8/20/2026	0000023768	AARON READ & ASSOCIATES, LLC		10,000.00
	7/27/2026	214764	State Legislative Advocacy Services, July 2026	
8/20/2026	0000023769	ACWA/JOINT POWERS INSUR. AUTH.		2,499.85
	7/16/2026	1556	Cyber Liability Insurance 07/01/26-07/01/27	
8/20/2026	0000023770	ACWA/JOINT POWERS INSUR. AUTH.		38,193.07
	8/3/2026	0709922	SEPTEMBER 2026 MEDICAL - EMPLOYEES	
	8/3/2026	0709922	SEPTEMBER 2026 MEDICAL - RETIRED EMPLOYEES	
	8/3/2026	0709922	SEPTEMBER 2026 MEDICAL - DIRECTORS	
	8/3/2026	0709922	SEPTEMBER 2026 MEDICAL - RETIRED DIRECTORS	
	8/3/2026	0709922	SEPTEMBER 2026 LIFE INSURANCE - EMPLOYEES	
	8/3/2026	0709922	SEPTEMBER 2026 LIFE INSURANCE - DIRECTORS	
	8/3/2026	0709922	SEPTEMBER 2026 MEDICAL REIMBURSEMENT - EMPLOYEES COBRA	
8/20/2026	0000023771	ALEXIS SILVA		18.09
	7/30/2026	JUL 26	07/13/26, Coffee w/ Senator Rubio's Office; 07/21/26, Baldwin Park Unified School District	
8/20/2026	0000023772	AMAZON CAPITAL SERVICES		1,237.76
	7/20/2026	1GNV-7FVK-9D1X	06/20/26-07/19/26 Meeting Supplies (Paper Plates, Cups, Napkins, Tissues, Storage Bags, etc.)	
	7/20/2026	1P13-7QRH-C4WX	06/20/26-07/19/26 Office Equipment - Canon imageCLASS LBP246dw II Printers (2)	
	6/20/2026	1YD7-RWMV-131T	Office Supplies: Mouse, large envelopes, Badge holders, Paper towels, Blue Backs, planner notebook	
	6/20/2026	1YD7-RWMV-131T	Meeting Supplies: coffee, tea, sugar	
	6/20/2026	1YD7-RWMV-131T	Fishing Event Raffle Prize	
	6/20/2026	1YD7-RWMV-131T	Mini Mic Pro for YB Social Media Recording	
8/20/2026	0000023773	APPLETON ELECTRIC		1,506.00
	8/3/2026	317	07/23/26 - HVAC Quarterly Maintenance	
8/20/2026	0000023774	BALDWIN PARK BUSINESS ASSOC.		50.00
	8/3/2026	1309	2026 Membership Renewal - J. Santana Outreach Account	
8/20/2026	0000023775	BEST BEST & KRIEGER LLP		7,500.00
	8/5/2026	1069237	Federal Legislative Advocacy Services through 07/31/26	
8/20/2026	0000023776	CHAMELEON BEVERAGE COMPANY INC		6,544.10
	7/22/2026	CM USGVMWD	Pallet Return	
	7/22/2026	EST22162	Jul 2026, 288 cases (24pk) Purified Water Branded Bottles - Outreach Bottled Water Program	
8/20/2026	0000023777	CITY OF INDUSTRY CITY HALL		28,379.00
	5/31/2026	R05312026-D	May-26 Recycled Water Consumption 76.7 AF @ $370/AF	
8/20/2026	0000023778	CITY OF INDUSTRY CITY HALL		14,529.90
	5/31/2026	R05312026-E	May-26 Recycled Water CIP 76.7 AF @ $157/AF + $2488 Svc Charge	
8/20/2026	0000023779	CITY OF INDUSTRY CITY HALL		32,227.00
	6/30/2026	R06302026-D	Jun-26 Recycled Water Consumption 87.1 AF @ $370/AF	
8/20/2026	0000023780	CITY OF INDUSTRY CITY HALL		16,162.70
	6/30/2026	R06302026-E	Jun-26 Recycled Water CIP 87.1 AF @ $157/AF + $2488 Svc Charge	
8/20/2026	0000023781	DE LAGE LANDEN FINANCIAL		291.75
	7/21/2026	597976275	Lease Payment & Insurance: 07/15/26-08/14/26	
8/20/2026	0000023782	DEPARTMENT OF WATER & POWER		83.33

Bank Code: A GENERAL FUND

Check Date	Check Number/	Invoice Date	Name / Invoice Number	Invoice Description	Check Amount
		8/1/2026	CI-1000003856	September 2026 - Permit Fee to use a portion of the Department's Lugo Junction-Firestone Junction Transmission Line Right of Way No. 25B near Tower No. 250D6 in the vicinity of the 60 Freeway and Access Drive, for the purpose of maintaining a reclaimed water pipeline.	
8/20/2026	0000023783		DEWEY PEST CONTROL, INC.		117.00
		8/1/2026	18210573	August 2026 Monthly Pest Control Service	
8/20/2026	0000023784		ENVIRONMENTAL CONTROL		1,800.00
		8/1/2026	20976-411	Monthly Janitorial Services - August 2026	
8/20/2026	0000023785		FOOTHILL MUNICIPAL WATER DISTRICT		2,500.00
		6/30/2026	878	Acequia Consulting, LLC Bill # 27, June 2026	
8/20/2026	0000023786		FRANCISCO AGUILAR		193.87
		7/31/2026	JUL 26	07/01/26 - 07/29/26 Summer Concerts	
		7/31/2026	JUL 26	07/31/26 Office Support for Interviews - Exec. Assistant	
8/20/2026	0000023787		GMS ELEVATOR SERVICE INC.		168.00
		8/1/2026	131211	August 2026 Monthly Elevator Service	
8/20/2026	0000023788		GREEN MEDIA CREATIONS, INC.		75.00
		7/30/2026	1990	Jul 2026, ""All Tap Always"" Campaign - Mandarin Translation Services	
8/20/2026	0000023789		HOME DEPOT CREDIT SERVICES		67.84
		6/26/2026	9304733	Building Maintenance Supplies - Hose Mender, Mirror Cradle, Trim Line, Ear Muffs	
8/20/2026	0000023790		JOEY C. SOTO		1,044.75
		8/1/2026	2026-UD-GA-JUL-32	Grant Assistance Services, July 2026	
8/20/2026	0000023791		JOHN ROBINSON CONSULTING, INC.		1,410.00
		8/3/2026	UD202301-29	July 2026	
8/20/2026	0000023792		KATHERINE VAZQUEZ		72.12
		7/29/2026	JUL 26	7/21/26, Bassett USD - San Gabriel USD Education Programs Public comment	
		7/29/2026	JUL 26	7/22/26, Temple City USD Education Programs Public comment	
		7/29/2026	JUL 26	7/29/26, Geddes Elem School - Bursch Elem School DWR Photos	
		7/29/2026	JUL 26	7/30/26, IEUA Turnkey Turf Transformation Program Meeting	
8/20/2026	0000023793		KELLY SERVICES, INC.		763.92
		7/16/2026	5617386718	Week ending 07/12/26, A.Flores Administrative Assistant I	
		7/23/2026	5617411576	Week ending 07/19/26, A.Flores Administrative Assistant I	
		7/30/2026	5617445433	Week ending 07/26/26, A. Flores Administrative Assistant	
8/20/2026	0000023794		L.A. COUNTY AUDITOR-CONTROLLER		25,688.20
		6/30/2026	FY 2026-27	FY 2026-27 LAFCO Cost Allocation	
8/20/2026	0000023795		LA PUENTE COMMUNITY FOUNDATION		1,500.00
		8/6/2026	8062026	Aug 2026 La Puente Community Foundation Annual Golf Tournament - Silver Sponsorship (1 Foursome)	
8/20/2026	0000023796		OPTIMIST INTERNATIONAL		2,500.00
		8/10/2026	10-19-26UD	Oct 2026 Covina Valley Optimist Golf Tournament - Founder Sponsor (split with Director Garcia)	
		8/10/2026	10-19-26UD	Oct 2026 Covina Valley Optimist Golf Tournament - Founder Sponsor (split with Director Chavez)	
8/20/2026	0000023797		SAN GABRIEL VALLEY M.W.D.		21,606.00
		6/30/2026	590	Jun-26 MWD-Alhambra Exchange 83.10 AF @ $260/AF	
8/20/2026	0000023798		SAN GABRIEL VALLEY WATER CO.		21,514.35
		7/28/2026	26200	38.62 AF @ $15/AF	
		7/28/2026	26200	1395.67 AF @ $15/AF	

Bank Code: A GENERAL FUND

Check Date	Check Number/ Invoice Date	Name Invoice Number	Invoice Description	Check Amount
8/20/2026	0000023799	SHELDON EXTINGUISHER CO. IN.		20.00
	7/16/2026	174442	Annual Service Call; Dry Chemical Annual Certification (10); Service Trip; New 5lb ABC Dry Chemical Extinguisher	
	7/16/2026	174442	Annual Service Call; Dry Chemical Certification & B500 Extinguisher	
8/20/2026	0000023800	SPECTRUM REACH		7,344.64
	7/26/2026	480083082	06/29/26 - 07/26/26, USGVMWD Water Campaign	
	7/26/2026	480083083	06/29/26 - 07/26/26, USGVMWD Water Campaign	
8/20/2026	0000023801	STETSON ENGINEERS, INC.		23,976.90
	7/22/2026	2533-243	Jun 2026 Board and Committee Meetings - Prep/Attend (Task 1.01)	
	7/22/2026	2533-243	Jun 2026 Staff Support/General Administration On-Call (Task 1.02)	
	7/22/2026	2533-243	Jun 2026 MWD Data Requests - Technical Support (Task 2.03)	
	7/22/2026	2533-243	Jun 2026 MWD Replenishment Deliveries - Technical Support (Task 2.06)	
	7/22/2026	2533-243	Jun 2026 Golden Mussel Control Plan (Task 2.08)	
	7/22/2026	2533-243	Jun 2026 Prepare 2025 UWMP Update (Task 5.02)	
	7/22/2026	2533-243	Jun 2026 Annual Water Supply & Demand Assessment (Task 5.07)	
	7/23/2026	2728-048	Jun 2026 Integrated Resources Plan Update (Task 2728-001)	
8/20/2026	0000023802	SWRCB		101,498.85
	7/28/2026	083126_120	Package 2-SRF Loan Repayment FY 2026-27	
8/20/2026	0000023803	TOP NOTCH TREE CARE		2,800.00
	7/21/2026	97844	Crestfield Lot Tree Removal	
8/20/2026	0000023804	U.S. BANK CORPORATE		6,791.81
	7/22/2026	JUL 26AF	Hotel - ACWA Board Meeting	
	7/22/2026	JUL 26AF	Flight - ACWA Board Meeting	
	7/22/2026	JUL 26AS	Board Meeting - Art Contest Winner Ceremony	
	7/22/2026	JUL 26AS	Sacramento Bee subscription	
	7/22/2026	JUL 26AT	Vonage Business Inv. INV13089117	
	7/22/2026	JUL 26AT	Uber rides for P. Cortez, Sacramento	
	7/22/2026	JUL 26CT	Hotel - ICA Summer Seminar	
	7/22/2026	JUL 26CT	Meals - ICA Summer Seminar; NALEO Conference	
	7/22/2026	JUL 26EC	Registrations - 2026 CCCA Fall Educational Summit	
	7/22/2026	JUL 26FA	Board and Staff Meeting Supplies	
	7/22/2026	JUL 26FA	Gas	
	7/22/2026	JUL 26KV	Arcadia Environmental Fair; Monrovia Chamber of Commerce	
	7/22/2026	JUL 26KV	Mailchimp, GoDaddy, WP Engine	
	7/22/2026	JUL 26KV	Landscaping Workshop	
	7/22/2026	JUL 26KV	CAR Meeting	
	7/22/2026	JUL 26TL	Public Information - WSJ subscription	
	7/22/2026	JUL 26TL	Hotel - CSDA GM Leadership Summit	
	7/22/2026	JUL 26TL	Meals / Meeting	
	7/22/2026	JUL 26TL	Registrations - UWI 2026 Annual Conference cancellation refund	
	6/22/2026	JUN 26PC	Zoom subscription	
	6/22/2026	JUN 26PC	LA Times subscription	

Bank Code: A GENERAL FUND

Check Date	Check Number/ Invoice Date	Name Invoice Number	Invoice Description	Check Amount
	6/22/2026	JUN 26PC	Meals/Meeting - airport meals	
	6/22/2026	JUN 26PC	Burbank airport parking	
	6/22/2026	JUN 26PC	recruiting ads (CSDA Career Center, ACWA Career Center)	
8/20/2026	0000023805	USDA FOREST SERVICE		10,000.00
	7/20/2026	3005778779	Watershed Restoration Projects - Agreement #26-CO-11050100-009, FY 2026-27	
8/20/2026	0000023806	VC3, Inc.		8,690.44
	7/22/2026	INV3569450VC3	Adobe Acrobat Pro (8), Illustrator Pro (1), Creative Cloud All Apps (1) - Annual License Renewal	
	7/17/2026	VC3-255547	Jul 2026 Managed IT Support, Security & Backup Services (15 Full Users, 1 Email User, Firewall, MFA, M365 Licenses)	
8/20/2026	0000023807	WILLDAN FINANCIAL SERVICES		4,133.44
	7/31/2026	010-66797	FY 2026/27, Services rendered through June 2026	
8/27/2026	0000023808	ACWA/JOINT POWERS INSUR. AUTH.		2,375.43
	7/30/2026	APR-JUN 26	WORKER'S COMP - EMPLOYEES	
	7/30/2026	APR-JUN 26	WORKER'S COMP - EMPLOYEES	
	7/30/2026	APR-JUN 26	WORKER'S COMP - DIRECTORS	
8/27/2026	0000023809	ALEXIS SILVA		385.90
	8/24/2026	AUG 26	08/05-08/06/26 DWR Water Education In-Person Meeting - Cal Poly SLO (410 mi)	
	8/24/2026	AUG 26	08/13/26 SGVWA Breakfast Meeting - Pomona (34.6 mi)	
	8/24/2026	AUG 26	08/05-08/06/26 DWR WEC - Group Lunches	
8/27/2026	0000023810	ALESHIRE & WYNDER LLP		5,525.60
	8/24/2026	108668	Retainer, July 2026	
	8/24/2026	108669	July 2026 transactional fees	
	8/24/2026	108669	July 2026 transactional fees	
8/27/2026	0000023811	ATHENS SERVICES		336.63
	8/1/2026	22313857	August 2026, 1-3-yrd trash bin service	
	8/1/2026	22313857	Organic recycling program	
8/27/2026	0000023812	CENTRAL BASIN MWD		2,010.56
	8/18/2026	USGV-JUL26	Jun-26 Recycled Water Tier 1 2.8 AF (1,208.0 HCF)	
8/27/2026	0000023813	CITY OF MONROVIA		298.00
	8/4/2026	30759	06/16/26 - Inspection Bus >500<4000 sq ft	
8/27/2026	0000023814	CLEAR CHANNEL OUTDOOR		26,300.00
	8/3/2026	13209078	08/03/26 - 08/30/26, Digital Bulletins (4 units) - Baldwin Park, El Monte, Industry	
8/27/2026	0000023815	EDWARD CHAVEZ		790.45
	8/27/2026	AUG 26	08/21/26 Hotel - UWI Annual Conference	
	8/27/2026	AUG 26	08/19/26 - 08/21/26 Meals - UWI Annual Conference	
8/27/2026	0000023816	FRANCISCO AGUILAR		48.72
	8/31/2026	AUG 26	08/03/26 Covina; 08/05/26 Temple City; 08/07/26 Rosemead; 08/18/26 S El Monte - District Events & Summer Concerts	
8/27/2026	0000023817	INDUSTRY PUBLIC UTILITIES COMM		9,167.53
	8/1/2026	7641790291	PS2A-Industry: 05/01/26-06/01/26 (33,272 kWhrs)	
	8/1/2026	7641790291	PS2A-Industry: 07/01/26-08/01/26 (42,774 kWhrs)	
8/27/2026	0000023818	KATHERINE VAZQUEZ		43.85
	8/21/2026	AUG 26	08/11/26 South Pasadena USD; 08/19/26 Walnut Elem & Olive Elem Schools	
	8/21/2026	AUG 26	08/19/26 USFS Meeting	
8/27/2026	0000023819	KELLY ASSOCIATES MGMT GROUP		17,612.50

Bank Code: A GENERAL FUND

Check Date	Check Number/ Invoice Date	Name Invoice Number	Invoice Description	Check Amount
	8/6/2026	JUL 26	July 2026 Professional Consulting - EA Recruitment, W. Kelly 51.5 hrs @ $325	
	8/6/2026	JUL 26	Recruitment Advertisements	
	8/6/2026	JUL 26	DiSC Profile	
8/27/2026	0000023820	LA OPINION		1,250.00
	7/31/2026	129490726	07/29/26 Display Advertising 1/2 Vertical - Programas de Conservacion	
8/27/2026	0000023821	SUBURBAN WATER SYSTEMS		1,940.83
	8/18/2026	6827	Aug-26 Normal Operating Charge - Recycled Water System	
8/27/2026	0000023822	VC3, Inc.		4,479.79
	8/10/2026	VC3-257843	AUG 2026 Managed IT Support, Security & Backup Services	
8/27/2026	0000023823	YESENIA BUGARIN		297.18
	8/21/2026	AUG 26	Aug 2026 Mileage & Staff Dinner - National Night Out, Summer Concerts (Rosemead, Temple City, Irwindale), S El Monte Night Market	
	8/21/2026	AUG 26	08/07/26 Legislative Luncheon - South Hills CC; 08/13/26 SGVWA Meeting - Pomona	
	8/21/2026	AUG 26	08/06/26 Rosemead School District Presentation; 08/17/26 El Monte City School District Presentation	
	8/6/2026	JUL 26	Jul 2026 Mileage & Staff Dinners - Summer Concerts (W Covina, Duarte, Arcadia, Covina, Baldwin Park)	
	8/6/2026	JUL 26	Card for Director Garcia; Birthday Card for Director Fellow	
			Bank A Total:	478,362.65

Bank Code: F ACH - WIRE TRANSFER

Check Date	Check Number/ Invoice Date	Name Invoice Number	Invoice Description	Check Amount
8/10/2026	1000000016	CITY OF MONROVIA		0.34
	8/10/2026	26113873CR	Credit for Double payment: Check #'s 23708 / 23718	
	7/22/2026	27008277	06/05/26-07/10/26 Utility Services, 248 E Foothill Blvd	
8/10/2026	1000000017	SOUTHERN CALIFORNIA EDISON		36,806.82
	7/30/2026	JUN-JUL 26	06/23/26 - 07/22/26 (98,673 kWh), 301 Rosemead Blvd	
	7/30/2026	JUN-JUL 26	06/23/26 - 07/22/26 CPA Generation Charges	
8/17/2026	1000000018	CITY OF MONROVIA		178.82
	7/1/2026	27003386	05/11/26-06/08/26 4-inch Fire Service Meter Charge (248 E Foothill Blvd)	
	7/1/2026	27003386	Backflow Charge	
	7/1/2026	27003386	05/11/26-06/08/26 4-inch Fire Service Meter Charge (248 E Foothill Blvd)	
	7/1/2026	27003386	Backflow Charge	
	7/1/2026	27003386	Late Fee	
	7/1/2026	27003386	Adjustment entry error	
	7/29/2026	27013000	06/08/26 - 07/10/26 4-inch Fire Service Meter Charge (248 E Foothill Blvd)	
	7/29/2026	27013000	Backflow Charge	
8/17/2026	1000000019	SOUTHERN CALIFORNIA EDISON		17.18
	8/7/2026	JUL-AUG 26W	07/09/26 - 08/06/26 (12 kWh), 1580 1/2 E Amar Rd, West Covina	
8/18/2026	1000000020	SOCALGAS		25.42
	7/28/2026	JUN-JUL 26	06/24/26 - 07/24/26 ; Previous Reading: 0456 Current Reading: 0461	
8/21/2026	1000000021	FRONTIER COMMUNICATIONS		116.40
	8/2/2026	AUG 26	08/02/26-09/01/26 Emergency elevator phone line	
	8/2/2026	AUG 26	adjusting entry invoice amount overstated	
	7/2/2026	JUL 26	07/02/26-08/01/26 Emergency elevator phone line	
	6/29/2026	JUN 26CR	ACH - AUTOPAY was setup on this day and a double payment was made.	
8/22/2026	1000000022	TPX COMMUNICATIONS		1,075.19
	7/31/2026	191467706-0	SmartVoice Bundle Internet: July 2026	
8/29/2026	1000000023	VERIZON WIRELESS		218.29
	8/10/2026	6150793644	Monthly Service period 07/11/26 - 08/10/26	
8/2/2026	1000000024	PUBLIC STORAGE		638.00
	8/1/2026	AUG 26	Aug 2026 Monthly Rent Space #B075 and Insurance	
	8/1/2026	AUG 26	Aug 2026 Monthly Rent Space #B075 and Insurance	
			Bank F Total:	39,076.46
			Report Total:	517,439.11

Item 7.c.1.
Consent

UPPER SAN GABRIEL VALLEY MWD
FINANCIAL SUMMARY AS OF JULY 31, 2026

Expenses	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2026-27 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING	Comments
Administrative Expenses	$ 384,047	$ 384,047	$ 3,388,250	$ 3,004,203	88.7%	July expenses include payment of annual contribution to CalPERS related to Upper District's unfunded accrued liablity.
Water Conservation Program	79,766	79,766	1,887,800	1,808,034	95.8%	
Recycled Water Program	(392,723)	(392,723)	2,267,100	2,659,823	117.3%	July expenses reflect the reversal of FY 25/26 year-end accruals. As of July 31st, total recycled water purchases is about 320 AF.
Water Quality and Supply Program	37,683	37,683	628,700	591,017	94.0%	
Water Purchases	134,424	134,424	29,448,800	29,314,376	99.5%	As of July 31st, Upper Water has delivered 298 AF of treated water.
Operating Expenses	243,197	243,197	37,620,650	37,377,453	99.4%	
Operating Revenues	(302,956)	(302,956)	37,853,619	38,156,575	100.8%	July revenue reflects the reversal of FY 25/26 year-end accruals.
Net Reserve Activity from Operations (-/+)	(546,153)	(546,153)	232,969	n/a	n/a	
Capital Expenditures	-	-	202,000	202,000	100.0%	
Capital Program Revenues	-	-	-	-	0.0%	
Net Change in Cash Due to Capital Outlays	-	-	(202,000)	n/a	n/a	
Total Change in Fund Balances	$ (546,153)	$ (546,153)	$ 30,969	n/a	n/a	

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
FINANCIAL STATEMENT AND BUDGET COMPARISON
AS OF JULY 31, 2026

	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2026-27 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING
ADMINISTRATIVE AND OPERATING REVENUES					92% @ 7-31-26
Water Rate Revenues					
Tier 1 Treated	-	-	4,434,300	4,434,300	100%
Tier 1 Untreated	-	-	19,680,000	19,680,000	100%
Upper Surcharge Tier 1 Treated	111,784	111,784	309,000	197,216	64%
Upper Surcharge Tier 1 Untreated	-	-	206,000	206,000	100%
MWD Capacity Charge Revenue	28,275	28,275	404,800	376,525	93%
MWD RTS Revenue	-	-	6,556,000	6,556,000	100%
Gross MWD Standby Charge-Revenue Reconciliation	-	-	-	-	0%
MSGB Watermaster-Ready-to-Serve	12,600	12,600	75,600	63,000	83%
Sub Total	**152,659**	**152,659**	**31,665,700**	**31,513,041**	**100%**
Revolving Revenue					
MSGB Watermaster-SG River Watermaster	-	-	109,700	109,700	100%
Sub Total	**-**	**-**	**109,700**	**109,700**	**100%**
Other Administrative Revenues					
Interest/Investment Earnings	2,252	2,252	359,225	356,973	99%
Taxes	(201,099)	(201,099)	847,000	1,048,099	124%
Other Income (Loss)	4,776	4,776	32,800	28,024	85%
Sub Total	**(194,071)**	**(194,071)**	**1,239,025**	**1,433,096**	**116%**
TOTAL ADMINISTRATIVE REVENUES	**(41,412)**	**(41,412)**	**33,014,425**	**33,055,837**	**100%**
CAPITAL PROJECT FUND REVENUES					
Recycled Water Revenues					
Recycled Water Sales	-	-	598,000	598,000	100%
Upper Recycled Water Surcharge Revenue	-	-	1,436,000	1,436,000	100%
Metropolitan Water District LRP Funds	(27,092)	(27,092)	120,000	147,092	123%
Parcel/Standby Charge	(13,641)	(13,641)	2,050,000	2,063,641	101%
Interest/Investment Earnings	3,757	3,757	57,020	53,263	93%
Sub Total	**(36,976)**	**(36,976)**	**4,261,020**	**4,297,996**	**101%**
Water Conservation Revenues					
Conservation Program Contributions	(233,891)	(233,891)	424,220	658,111	155%
Sub Total	**(233,891)**	**(233,891)**	**424,220**	**658,111**	**155%**
TOTAL CAPITAL PROJECT FUND REVENUES	**(270,867)**	**(270,867)**	**4,685,240**	**4,956,107**	**106%**
OTHER FUND REVENUES					
Water Quality and Supply Program Revenues					
Interest/Investment Earnings	5,904	5,904	119,742	113,838	95%
Sub Total	**5,904**	**5,904**	**119,742**	**113,838**	**95%**
Rate Stabilization Fund Revenues					
Interest/Investment Earnings	3,419	3,419	34,212	30,793	90%
Sub Total	**3,419**	**3,419**	**34,212**	**30,793**	**90%**
TOTAL OTHER FUND REVENUES	**9,323**	**9,323**	**153,954**	**144,631**	**94%**
TOTAL REVENUES	**(302,956)**	**(302,956)**	**37,853,619**	**38,156,575**	**101%**

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
FINANCIAL STATEMENT AND BUDGET COMPARISON
AS OF JULY 31, 2026

ADMINISTRATIVE EXPENSES	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2026-27 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING 92% @ 7-31-26
Personnel Expenses					
Employee Salaries	(104,624)	(104,624)	1,573,200	1,677,824	107%
Employee Benefits	22,692	22,692	428,450	405,758	95%
Retired Employee Benefits	13,640	13,640	200,800	187,160	93%
Employee Travel/Conference	-	-	66,000	66,000	100%
Sub Total	**(68,292)**	**(68,292)**	**2,268,450**	**2,336,742**	**103%**
Director Expenses					
Director Compensation	-	-	274,100	274,100	100%
Director Benefits	14,426	14,426	207,600	193,174	93%
Retired Director Benefits	1,672	1,672	31,100	29,428	95%
Director Public Outreach	400	400	25,000	24,600	98%
Director Travel/Conference	1,026	1,026	66,000	64,974	98%
Sub Total	**17,524**	**17,524**	**603,800**	**586,276**	**97%**
Pension/OPEB Expense					
CalPERS-Employees, Directors, Retirees	376,573	376,573	323,200	(53,373)	-17%
Sub Total	**376,573**	**376,573**	**323,200**	**(53,373)**	**-17%**
Office Expenses					
Office Supplies/Equipment	645	645	45,000	44,355	99%
Equipment Operations & Maintenance	616	616	25,000	24,384	98%
Computer Systems	24,482	24,482	88,800	64,318	72%
Dues and Assessments	90,059	90,059	95,300	5,241	5%
Meeting Expense	100	100	37,000	36,900	100%
Sub Total	**115,902**	**115,902**	**291,100**	**175,198**	**60%**
Facility Expenses					
Building Maintenance	6,602	6,602	65,000	58,398	90%
Liability/Property Insurance	16,947	16,947	90,000	73,053	81%
Telephone/Utilities	2,776	2,776	56,000	53,224	95%
Sub Total	**26,325**	**26,325**	**211,000**	**184,675**	**88%**
Professional Services					
Legal/Financial	-	-	110,000	110,000	100%
Engineering	-	-	175,000	175,000	100%
Auditor	-	-	48,700	48,700	100%
Outside Services	1,590	1,590	32,000	30,410	95%
Public Information/Outreach	-	-	1,900	1,900	100%
Sub Total	**1,590**	**1,590**	**367,600**	**366,010**	**100%**
Other Expenses					
Election Costs	-	-	350,000	350,000	100%
Sub Total	**-**	**-**	**350,000**	**350,000**	**100%**
Allocation to Projects and Programs					
Salaries/Overhead Allocated to Projects	(85,575)	(85,575)	(1,026,900)	(941,325)	92%
Sub Total	**(85,575)**	**(85,575)**	**(1,026,900)**	**(941,325)**	**92%**
Total Adminstrative Expenses	**384,047**	**384,047**	**3,388,250**	**3,004,203**	**89%**
Water Purchases					
Tier 1 Treated	134,424	134,424	4,434,300	4,299,876	97%
Tier 1 Untreated	-	-	19,680,000	19,680,000	100%
MWD Capacity Charge	-	-	404,800	404,800	100%
MWD Ready-to-Serve Charge	-	-	4,820,000	4,820,000	100%
Sub Total Water Purchases	**134,424**	**134,424**	**29,339,100**	**29,204,676**	**100%**
Revolving Expenses					
San Gabriel River Watermaster	-	-	109,700	109,700	100%
Sub Total Revolving Expenses	**-**	**-**	**109,700**	**109,700**	**100%**
Total Water Purchases/Revolving Expenses	**134,424**	**134,424**	**29,448,800**	**29,314,376**	**100%**
TOTAL ADMINISTRATIVE EXPENSES	**518,471**	**518,471**	**32,837,050**	**32,318,579**	**98%**

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
FINANCIAL STATEMENT AND BUDGET COMPARISON
AS OF JULY 31, 2026

	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2026-27 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING
RECYCLED WATER PROGRAM EXPENSES					92% @ 7-31-26
Water Purchases-Recycled Water	(308,293)	(308,293)	598,000	906,293	152%
SWRCB Loan Repayment	(20,473)	(20,473)	791,000	811,473	103%
Salaries and Overhead Allocation	3,117	3,117	37,400	34,283	92%
Standby Charge Development/Implementation	-	-	19,300	19,300	100%
Engineering - General	-	-	75,000	75,000	100%
Lobbyist	-	-	97,900	97,900	100%
Legal and Financial	-	-	3,100	3,100	100%
Public Information	-	-	5,200	5,200	100%
Operation and Maintenance Phase I/IIA	(32,876)	(32,876)	433,900	466,776	108%
Operation and Maintenance Phase IIB	(34,198)	(34,198)	206,300	240,498	117%
Sub Total	**(392,723)**	**(392,723)**	**2,267,100**	**2,659,823**	**117%**
TOTAL RECYCLED WATER PROGRAM EXPENSES	**(392,723)**	**(392,723)**	**2,267,100**	**2,659,823**	**117%**
CAPITAL PROGRAM EXPENSES					
San Gabriel Valley Water Recycling Project					
Direct Reuse Program	-	-	75,000	75,000	100%
Legal and Financial	-	-	2,000	2,000	100%
Sub Total	**-**	**-**	**77,000**	**77,000**	**100%**
Other Capital Program Expenses					
USG Connections	-	-	-	-	0%
Sub Total	**-**	**-**	**125,000**	**125,000**	**100%**
TOTAL CAPITAL PROGRAM EXPENSES	**-**	**-**	**202,000**	**202,000**	**100%**

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
FINANCIAL STATEMENT AND BUDGET COMPARISON
AS OF JULY 31, 2026

WATER CONSERVATION EXPENSES	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2026-27 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING 92% @ 7-31-26
WATER USE EFFICIENCY PROGRAM					
Residential Programs					
Member Agency Administered Programs	-	-	129,500	129,500	100%
Regional Rebate Program	(5,508)	(5,508)	58,000	63,508	109%
Sub Total	**(5,508)**	**(5,508)**	**187,500**	**193,008**	**103%**
Commercial/Industrial/Institution Programs					
Member Agency Administered Programs	-	-	129,500	129,500	100%
Regional Rebate Program	-	-	58,000	58,000	100%
Sub Total	**-**	**-**	**187,500**	**187,500**	**100%**
Allocation to Conservation Programs					
Salaries & Overhead	21,233	21,233	254,800	233,567	92%
Sub Total	**21,233**	**21,233**	**254,800**	**233,567**	92%
TOTAL WATER USE EFFICIENCY PROGRAM EXPENSES	**15,725**	**15,725**	**629,800**	**614,075**	98%
EDUCATION & COMMUNITY OUTREACH PROGRAM					
Watershed Programs					
Natural Vegetation Restoration Program	10,000	10,000	80,000	70,000	88%
Sub Total	**10,000**	**10,000**	**80,000**	**70,000**	**88%**
Educational Programs					
Educational Activities	12,000	12,000	85,000	73,000	86%
Memberships	-	-	150,000	150,000	100%
Educational Materials/Grant Program	1,000	1,000	40,000	39,000	98%
Educational Outreach Programs/Events	(55)	(55)	180,000	180,055	100%
Sub Total	**12,945**	**12,945**	**455,000**	**442,055**	**97%**
Outreach and Information Programs					
Public Workshops/Seminars	-	-	10,000	10,000	100%
Conservation Devices/Items	319	319	50,000	49,681	99%
Bottled Water Program	(1,308)	(1,308)	15,500	16,808	108%
Community/Industry Sponsorships	5,450	5,450	35,000	29,550	84%
Displays/Fairs/Presentations	-	-	5,000	5,000	100%
Conferences/Meetings	5	5	15,000	14,995	100%
Public Information	(544)	(544)	120,000	120,544	100%
Technical Assistance	6,132	6,132	90,000	83,868	93%
Legal/Financial	-	-	10,000	10,000	100%
Sub Total	**10,054**	**10,054**	**350,500**	**340,446**	**97%**
Allocation to Conservation Programs					
Salaries & Overhead	31,042	31,042	372,500	341,458	92%
Sub Total	**31,042**	**31,042**	**372,500**	**341,458**	**92%**
TOTAL EDUCATION & COMMUNITY OUTREACH PROGRAM EXPENSES	**64,041**	**64,041**	**1,258,000**	**1,193,959**	**95%**
TOTAL WATER CONSERVATION EXPENSES	**79,766**	**79,766**	**1,887,800**	**1,808,034**	**96%**
WATER QUALITY AND SUPPLY PROGRAM EXPENSES					
Policy 9-00-8 Groundwater Remediation Projects					
Engineering for Water Supply Projects	-	-	117,500	117,500	100%
Legislative Consultant	10,000	10,000	129,000	119,000	92%
Outside Services	(2,500)	(2,500)	-	2,500	0%
Sub Total	**7,500**	**7,500**	**246,500**	**239,000**	**97%**
Other Expenses					
Urban Water Management Plan/Related Studies	-	-	10,000	10,000	100%
Integrated Resources Plan	-	-	-	-	0%
Water Supply Reliability Plan/Emergency Preparedness	-	-	-	-	0%
Legal and Financial	-	-	10,000	10,000	100%
Salaries and Overhead Allocation	30,183	30,183	362,200	332,017	92%
Sub Total	**30,183**	**30,183**	**382,200**	**352,017**	**92%**
TOTAL WATER QUALITY AND SUPPLY PROGRAM EXPENSES	**37,683**	**37,683**	**628,700**	**591,017**	**94%**
TOTAL ADMINSTRATIVE/OPERATING/PROGRAM EXPENSES	**243,197**	**243,197**	**37,822,650**	**37,579,453**	**99%**

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
SUMMARY OF CASH AND INVESTMENTS
July 31, 2026

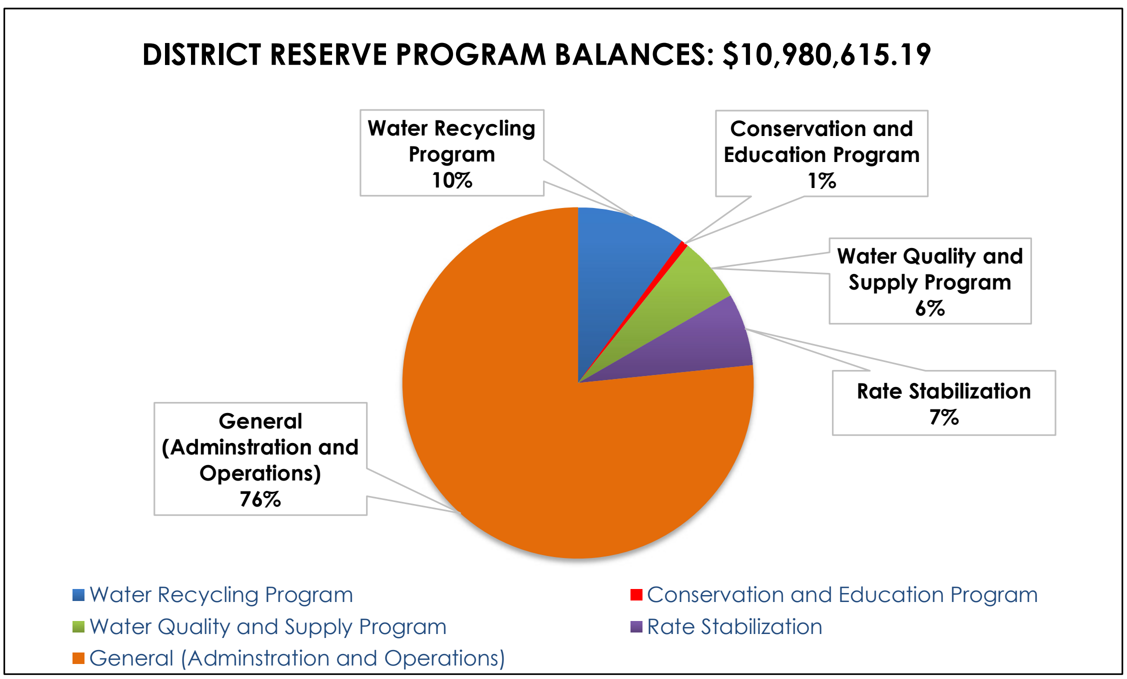
CASH AND INVESTMENT BALANCES

	Market Value	Amount ($) / Cost/Book Value	
Cash Account Balances			
General Fund-Checking		$ (1,694.54)	
Water Fund-Checking		181,789.36	
Revolving Fund		90,208.31	
Revolving Payroll Fund		-	
Total Cash Account Balances		$ 270,303.13	
Investment Account Balances	**Market Value**	**Cost/Book Value**	
Local Agency Investment Fund	$ 4,864,352.60	$ 4,864,352.60	*1
Other Investments	5,845,959.46	5,822,108.15	*2
Total Investment Account Balances	$ 10,710,312.06	$ 10,686,460.75	
Total Cash and Investment Balances		**$ 10,980,615.19**	(see picture chart below)

PROGRAM BALANCES

Program Fund:	
Water Recycling Program	$ 1,103,115.00
Conservation and Education Program	76,356.00
Water Quality and Supply Program	654,221.00
Sub Total	1,833,692.00
Rate Stabilization	733,840.00
Adminstration & Operations	8,413,083.19
Total Program Balances	**$ 10,980,615.19**

MANAGEMENT STATEMENT: It is the opinion of management that all fund balances are in compliance with all applicable statutes and the current investment policy of the District. It is also the opinion of management that projected cash flow liquidity is adequate to meet the next six months of expected obligations of the District.



*1: Source Local Agency Investment Fund 7/31/26 Statement
*2: Source Chandler Asset Management 7/31/26 Statement

State of California
Office of the
State Treasurer

LAIF Monthly Statements

LAIF Monthly Statement

UPPER SAN GABRIEL VALLEY MUNICIPAL
WATER DISTRICT
GENERAL MANAGER
248 E. FOOTHILL BLVD, SUITE 200
MONROVIA, CA 91016

LAIF Account #: 90-19-021
July 2026 Statement

Effective Date	TXN Date	TXN Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/15/2026	7/14/2026	QRD	1803756	N/A	SYSTEM	46,948.08

Account Summary

Beginning Balance:	4,817,404.52
Total Deposit:	46,948.08
Total Withdrawal:	0.00
Ending Balance:	4,864,352.60

CHANDLER ASSET MANAGEMENT

MONTHLY ACCOUNT STATEMENT

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of July 31, 2026

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Custodian:

US Bank

PORTFOLIO SUMMARY

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of July 31, 2026

Portfolio Characteristics

Average Modified Duration	1.36
Average Coupon	4.06%
Average Purchase YTM	4.07%
Average Market YTM	4.26%
Average Credit Quality*	AA+
Average Final Maturity	1.62
Average Life	1.51

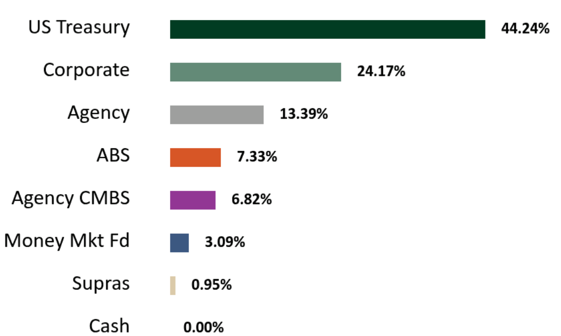
Account Summary

	End Values as of 06/30/2026	End Values as of 07/31/2026
Market Value	5,783,451.60	5,794,691.24
Accrued Interest	52,399.11	51,268.22
Total Market Value	**5,835,850.71**	**5,845,959.46**
Income Earned	22,636.59	20,229.80
Cont/WD	0.00	0.00
Par	5,804,041.95	5,824,459.05
Book Value	5,803,776.64	5,824,178.74
Cost Value	5,801,661.05	5,822,108.15

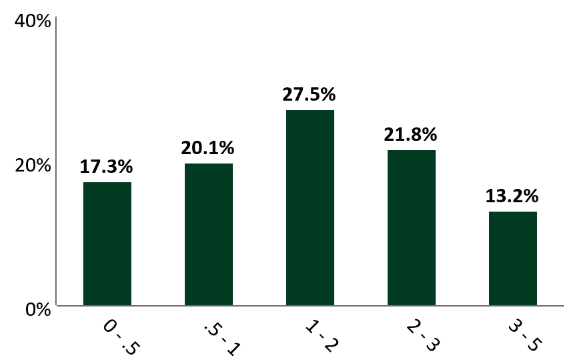
Top Issuers

United States	44.24%
Farm Credit System	8.98%
Federal Home Loan Mortgage Corp	6.82%
Federal Home Loan Banks	4.41%
First American Govt Oblig Fund	3.09%
American Express Credit Master Trust	1.73%
Mercedes-Benz Auto Lease Trust	1.73%
WF Card Issuance Trust	1.73%

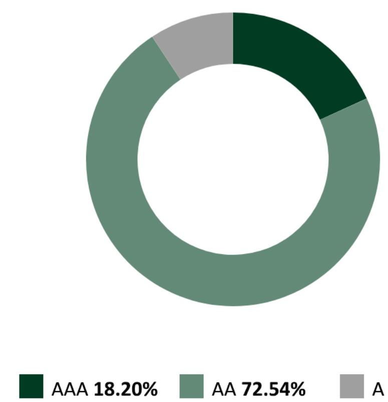
Sector Allocation



Maturity Distribution



Credit Quality*



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (06/01/14)
Upper San Gabriel VMWD	0.19%	0.55%	1.32%	3.37%	3.94%	4.48%	2.52%	2.06%	1.86%
Benchmark Return	0.21%	0.50%	1.20%	3.40%	3.94%	4.42%	2.42%	1.95%	1.78%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.
**Periods over 1 year are annualized.
Benchmark: ICE BofA 0-3 Year US Treasury Index

STATEMENT OF COMPLIANCE

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of July 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
ASSET BACKED/MORTGAGE BACKED/COLLATERALIZED MORTGAGE OBLIGATIONS				
Max % (MV)	20.0	7.3	Compliant	
Max % Issuer (MV)	5.0	1.7	Compliant	
Max Maturity (Years)	5.0	4.1	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
COLLATERALIZED BANK DEPOSITS				
Max Maturity (Years)	1.0	0.0	Compliant	
Min Rating (F1 by Fitch if > FDIC Limit)	0.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max Maturity (Years)	1.0	0.0	Compliant	
Min Rating (F1 by Fitch if > FDIC Limit)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	24.2	Compliant	
Max % Issuer (MV)	5.0	1.4	Compliant	
Max Maturity (Years)	5	2	Compliant	
Min Rating (A- by 1 if < 2 Years; AA- if > 2 Years)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max Maturity (Years)	1	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	60.0	13.5	Compliant	
Max Maturity (Years)	5	2	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	100.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	3.1	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	

The Statement of Compliance reflects Chandler's assessment of compliance with the applicable investment policy for the assets Chandler directly manages. The report may also present assets reported to Chandler by clients, custodians, or other third parties. Chandler includes those assets in the assessment but has no discretionary authority over them, does not independently verify the information provided, and assumes no responsibility for the accuracy or completeness of that information. Questions regarding this report should be directed to the designated investment professional.

Rules Name	Limit	Actual	Compliance Status	Notes
Max Maturity (Years)	1	0.0	Compliant	
Min Rating (F1 by Fitch if > FDIC Limit)	0.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.9	Compliant	
Max % Issuer (MV)	10.0	0.9	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	44.2	Compliant	
Max Maturity (Years)	5	3	Compliant	

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of July 31, 2026

Maturities / Calls

Month to Date	**(100,000.00)**
Fiscal Year to Date	**(100,000.00)**

Principal Paydowns

Month to Date	**0.00**
Fiscal Year to Date	**0.00**

Purchases

Month to Date	**121,375.70**
Fiscal Year to Date	**121,375.70**

Sales

Month to Date	**(687.39)**
Fiscal Year to Date	**(687.39)**

Interest Received

Month to Date	**21,375.70**
Fiscal Year to Date	**21,375.70**

Purchased / Sold Interest

Month to Date	**0.00**
Fiscal Year to Date	**0.00**

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2026)
Beginning Book Value	5,803,776.64	5,803,776.64
Maturities/Calls	(100,000.00)	(100,000.00)
Principal Paydowns	0.00	0.00
Purchases	121,375.70	121,375.70
Sales	(687.39)	(687.39)
Change in Cash, Payables, Receivables	(271.21)	(271.21)
Amortization/Accretion	(15.01)	(15.01)
Realized Gain (Loss)	0.00	0.00
Ending Book Value	5,824,178.74	5,824,178.74

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2026)
Beginning Market Value	5,783,451.60	5,783,451.60
Maturities/Calls	(100,000.00)	(100,000.00)
Principal Paydowns	0.00	0.00
Purchases	121,375.70	121,375.70
Sales	(687.39)	(687.39)
Change in Cash, Payables, Receivables	(271.21)	(271.21)
Amortization/Accretion	(15.01)	(15.01)
Change in Net Unrealized Gain (Loss)	(9,162.46)	(9,162.46)
Realized Gain (Loss)	0.00	0.00
Ending Market Value	5,794,691.23	5,794,691.23

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of July 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
58768YAD7	MBALT 2025-A A3 4.61 04/16/2029	100,000.00	09/24/2025 3.87%	101,410.16 100,909.42	100.27 4.44%	100,265.70 204.89	1.73% (643.72)	NA/AAA AAA	2.71 1.25
02589BAE0	AMXCA 2024-3 A 4.65 07/15/2027	100,000.00	09/24/2025 3.85%	101,449.22 100,766.46	100.35 4.31%	100,351.30 206.67	1.73% (415.16)	NA/AAA AAA	0.96 0.91
92970QAE5	WFCIT 2024-2 A 4.29 10/15/2029	100,000.00	09/24/2025 3.88%	100,863.28 100,506.46	99.97 4.36%	99,966.10 190.67	1.73% (540.36)	Aaa/AAA NA	3.21 1.14
161571HZ0	CHAIT 2025-1 A 4.16 07/15/2030	100,000.00	10/23/2025 3.76%	101,101.56 100,790.47	99.43 4.51%	99,432.00 184.89	1.72% (1,358.47)	NA/AAA AAA	3.96 1.83
89240KAD0	TAOT 2026-A A3 3.86 09/15/2030	25,000.00	01/13/2026 4.13%	24,997.87 24,998.11	98.92 4.58%	24,728.95 42.89	0.43% (269.16)	Aaa/AAA NA	4.13 1.58
Total ABS		**425,000.00**	**3.86%**	**429,822.09** **427,970.91**	**99.94** **4.41%**	**424,744.05** **830.00**	**7.33%** **(3,226.86)**		**2.79** **1.30**
AGENCY									
3133EPUW3	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 09/01/2026	95,000.00	10/23/2023 4.99%	94,392.00 94,981.93	100.05 4.00%	95,049.69 1,880.21	1.64% 67.76	Aa1/AA+ AA+	0.09 0.08
3130AXU63	FEDERAL HOME LOAN BANKS 4.625 11/17/2026	105,000.00	11/16/2023 4.69%	104,814.15 104,981.69	100.21 3.85%	105,221.55 998.23	1.82% 239.86	Aa1/AA+ AA+	0.30 0.29
3133EP6K6	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 03/26/2027	125,000.00	03/25/2024 4.45%	125,181.25 125,039.23	100.31 4.00%	125,388.63 1,953.13	2.16% 349.40	Aa1/AA+ AA+	0.65 0.62
3133ERFJ5	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 05/20/2027	100,000.00	05/23/2024 4.80%	99,184.50 99,781.74	100.33 4.07%	100,332.20 887.50	1.73% 550.46	Aa1/AA+ AA+	0.80 0.77
3133ERMB4	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 07/23/2027	100,000.00	07/22/2024 4.34%	99,752.00 99,919.37	100.08 4.16%	100,084.10 94.44	1.73% 164.73	Aa1/AA+ AA+	0.98 0.94
3133ERNP2	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.0 08/06/2027	100,000.00	08/22/2024 3.86%	100,383.00 100,131.46	99.74 4.27%	99,735.70 1,944.44	1.72% (395.76)	Aa1/AA+ AA+	1.02 0.96
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	150,000.00	09/15/2023 4.51%	149,059.50 149,601.96	100.16 4.29%	150,241.65 2,606.77	2.59% 639.69	Aa1/AA+ AA+	2.11 1.95
Total Agency		**775,000.00**	**4.52%**	**772,766.40** **774,437.37**	**100.14** **4.10%**	**776,053.51** **10,364.72**	**13.39%** **1,616.14**		**0.92** **0.87**
AGENCY CMBS									
3137FEBQ2	FHMS K-072 A2 3.444 12/25/2027	100,000.00	01/22/2026 3.77%	99,242.19 99,451.63	98.64 4.38%	98,636.30 287.00	1.70% (815.33)	Aa1/AA+ AAA	1.40 1.25

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137FEZU7	FHMS K-076 A2 3.9 04/25/2028	100,000.00	09/24/2025 3.81%	100,011.72 100,007.80	98.96 4.44%	98,961.50 325.00	1.71% (1,046.30)	Aa1/AA+ AAA	1.74 1.53
3137FG6X8	FHMS K-077 A2 3.85 05/25/2028	100,000.00	09/24/2025 3.81%	99,902.34 99,933.96	98.84 4.44%	98,842.70 320.83	1.71% (1,091.26)	Aa1/AA+ AAA	1.82 1.63
3137FGZT5	FHMS K-079 A2 3.926 06/25/2028	100,000.00	09/24/2025 3.81%	100,105.47 100,072.40	98.89 4.44%	98,891.00 327.17	1.71% (1,181.40)	Aa1/AAA AA+	1.90 1.77
Total Agency CMBS		**400,000.00**	**3.80%**	**399,261.72** **399,465.80**	**98.83** **4.42%**	**395,331.50** **1,260.00**	**6.82%** **(4,134.30)**		**1.72** **1.55**
CASH									
CCYUSD	Receivable	200.13	--	200.13 200.13	1.00	200.13 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		**200.13**		**200.13** **200.13**	**1.00**	**200.13** **0.00**	**0.00%** **0.00**		**0.00** **0.00**
CORPORATE									
00287YDR7	ABBVIE INC 4.8 03/15/2027	60,000.00	09/23/2025 3.89%	60,733.20 60,285.21	100.25 4.37%	60,152.22 1,088.00	1.04% (132.99)	A2/A- NA	0.62 0.51
025816CP2	AMERICAN EXPRESS CO 3.3 05/03/2027	60,000.00	09/23/2025 3.90%	59,444.40 59,739.27	99.27 4.29%	59,564.64 484.00	1.03% (174.63)	A2/A- A	0.76 0.73
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	60,000.00	09/24/2025 3.87%	60,114.00 60,051.12	99.80 4.26%	59,877.72 540.00	1.03% (173.40)	A2/A+ A+	0.77 0.74
009158AY2	AIR PRODUCTS AND CHEMICALS INC 1.85 05/15/2027	60,000.00	09/23/2025 3.83%	58,123.20 59,099.26	98.09 4.35%	58,855.98 234.33	1.02% (243.28)	A3/A NA	0.79 0.76
756109BG8	REALTY INCOME CORP 3.95 08/15/2027	60,000.00	09/24/2025 3.97%	59,978.40 59,988.12	99.58 4.37%	59,745.42 1,092.83	1.03% (242.70)	A3/A- NA	1.04 0.98
63743HFT4	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.12 09/16/2027	60,000.00	09/24/2025 3.90%	60,240.60 60,132.50	99.62 4.47%	59,769.60 927.00	1.03% (362.90)	A2/A- A	1.13 1.07
89236TKJ3	TOYOTA MOTOR CREDIT CORP 4.55 09/20/2027	60,000.00	09/23/2025 3.90%	60,740.40 60,423.23	100.20 4.36%	60,121.92 993.42	1.04% (301.31)	A1/A+ A+	1.14 1.07
828807DE4	SIMON PROPERTY GROUP LP 3.375 12/01/2027	60,000.00	01/21/2026 3.86%	59,481.00 59,627.21	98.52 4.53%	59,112.30 337.50	1.02% (514.91)	A3/A NA	1.34 1.27
61747YEK7	MORGAN STANLEY 2.475 01/21/2028	60,000.00	01/21/2026 4.36%	59,081.40 59,322.08	99.05 4.63%	59,432.58 41.25	1.03% 110.50	A1/A- A+	1.48 0.46

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
532457CU0	ELI LILLY AND CO 4.55 02/12/2028	60,000.00	09/24/2025 3.81%	60,964.20 60,607.94	100.23 4.39%	60,138.06 1,281.58	1.04% (469.88)	Aa3/AA- NA	1.54 1.35
341081GN1	FLORIDA POWER & LIGHT CO 4.4 05/15/2028	60,000.00	09/24/2025 3.87%	60,742.80 60,487.51	99.85 4.49%	59,908.14 557.33	1.03% (579.37)	Aa2/A+ AA-	1.79 1.68
30303M8L9	META PLATFORMS INC 4.6 05/15/2028	60,000.00	12/09/2025 3.81%	61,056.00 60,767.66	100.19 4.49%	60,111.54 582.67	1.04% (656.12)	Aa3/AA- NA	1.79 1.60
12572QAJ4	CME GROUP INC 3.75 06/15/2028	60,000.00	12/09/2025 3.79%	59,949.60 59,962.45	98.82 4.41%	59,294.22 287.50	1.02% (668.23)	Aa3/AA- AA-	1.88 1.77
02079KAV9	ALPHABET INC 3.875 11/15/2028	60,000.00	-- 3.78%	60,150.80 60,114.72	98.64 4.51%	59,181.42 490.83	1.02% (933.30)	Aa2/AA+ NA	2.29 2.14
023135CS3	AMAZON.COM INC 3.9 11/20/2028	60,000.00	-- 3.88%	60,026.55 60,020.15	98.40 4.64%	59,040.90 461.50	1.02% (979.25)	A1/AA AA-	2.31 2.15
06406RBN6	BANK OF NEW YORK MELLON CORP 4.543 02/01/2029	60,000.00	09/23/2025 3.94%	60,799.80 60,510.57	99.95 4.68%	59,972.76 1,362.90	1.03% (537.81)	Aa3/A AA-	2.51 1.43
92826CAY8	VISA INC 3.8 02/12/2029	60,000.00	02/04/2026 3.78%	60,027.00 60,022.69	98.51 4.43%	59,103.60 1,070.33	1.02% (919.09)	Aa3/AA- NA	2.54 2.34
857477CN1	STATE STREET CORP 4.53 02/20/2029	60,000.00	09/23/2025 4.00%	60,717.60 60,463.71	99.91 4.63%	59,947.08 1,215.55	1.03% (516.63)	Aa3/A AA-	2.56 1.45
023135DC7	AMAZON.COM INC 4.0 03/13/2029	25,000.00	06/04/2026 4.34%	24,781.50 24,793.81	98.35 4.68%	24,587.20 383.33	0.42% (206.61)	A1/AA AA-	2.62 2.41
09290DAA9	BLACKROCK INC 4.7 03/14/2029	60,000.00	09/23/2025 3.87%	61,574.40 61,179.21	100.43 4.52%	60,256.14 1,073.17	1.04% (923.07)	Aa3/AA- NA	2.62 2.32
58933YBW4	MERCK & CO INC 3.85 03/15/2029	60,000.00	12/09/2025 3.93%	59,851.20 59,880.44	98.35 4.53%	59,007.60 872.67	1.02% (872.84)	Aa3/A+ NA	2.62 2.42
57636QBK9	MASTERCARD INC 4.425 06/08/2029	65,000.00	06/10/2026 4.45%	64,958.40 64,960.34	99.42 4.64%	64,624.43 423.45	1.12% (335.91)	Aa3/A+ NA	2.85 2.63
46647PAV8	JPMORGAN CHASE & CO 4.203 07/23/2029	60,000.00	09/23/2025 4.09%	60,178.20 60,124.55	98.95 4.94%	59,368.92 56.04	1.02% (755.63)	A1/A AA-	2.98 1.87
06051GHM4	BANK OF AMERICA CORP 4.271 07/23/2029	60,000.00	09/23/2025 4.08%	60,294.00 60,205.49	99.07 4.95%	59,444.22 56.95	1.03% (761.27)	A1/A- AA-	2.98 1.87
Total Corporate		**1,410,000.00**	**3.95%**	**1,414,008.65 1,412,769.22**	**99.34 4.52%**	**1,400,618.61 15,914.13**	**24.17% (12,150.61)**		**1.86 1.52**

MONEY MARKET FUND

Item 7. c. 2.
Consent

Upper San Gabriel Valley Municipal Water District
Summary of Director Outreach Expenses
For the period ended July 31, 2026

Director	Jul-26	YTD Actual	Balance Remaining	
Director Chavez	$ -	$ -	$ 5,000.00	-
Director Fellow	400.00	400.00	4,600.00	-
Director Treviño	-	-	5,000.00	-
Director Santana	500.00	500.00	4,500.00	-
Director Garcia	200.00	200.00	4,800.00	-
Total	$ 1,100.00	$ 1,100.00	$ 23,900.00	

Upper San Gabriel Valley Municipal Water District
Director Public Outreach Program Expenses
Summary of Director Outreach Expenses

Director Chavez

Paid Date	Description	Amount	Check #	Recipient
	Total	-		
	Outreach Fund Balance	5,000.00		

Upper San Gabriel Valley Municipal Water District
Director Public Outreach Program Expenses
Summary of Director Outreach Expenses

Director Fellow

Paid Date	Description	Amount	Check #	Recipient
07/20/26	Summer Concert 2026	400.00	23717	City of Monrovia
	Total	**400.00**		
	Outreach Fund Balance	**4,600.00**		

Upper San Gabriel Valley Municipal Water District
Director Public Outreach Program Expenses
Summary of Director Outreach Expenses

Director Treviño

Paid Date	Description	Amount	Check #	Recipient
	Total	-		
	Outreach Fund Balance	5,000.00		

Upper San Gabriel Valley Municipal Water District
Director Public Outreach Program Expenses
Summary of Director Outreach Expenses

Director Santana

Paid Date	Description	Amount	Check #	Recipient
07/15/26	Pride of the Valley 5K Run/Fun Walk	500.00	23716	City of Baldwin Park
	Total	**500.00**		
	Outreach Fund Balance	**4,500.00**		

Upper San Gabriel Valley Municipal Water District
Director Public Outreach Program Expenses
Summary of Director Outreach Expenses

Director Garcia

Paid Date	Description	Amount	Check #	Recipient
07/10/26	2026 Summer Concert Series	200.00	23707	West Covina Community Services Foundation
	Total	**200.00**		
	Outreach Fund Balance	**4,800.00**		

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

P: 626-443-2297

E: info@usgvmwd.org

MEMORANDUM

ITEM 7.(d)
ACTION

DATE: September 9, 2026

TO: Board of Directors

FROM: General Manager

SUBJECT: Amendments to the District's Investment Policy

Recommendation

Staff recommends that the Board of Directors approve the proposed amendments to Upper Water's Investment Policy.

Background

Section 53600 et seq. of the California Government Code (CGC) requires public agency governing bodies to periodically review their investment policies. This review allows public agencies to incorporate statutory changes and adopt other updates deemed necessary to ensure sound investment practices. Upper Water's Investment Policy, in order of priority, follows the three fundamental principles of safety of principal, liquidity and return on investment. The Policy also mandates that all investment activities adhere to the prudent investor standard.

Each year, working with District Counsel and Chandler Asset Management (Chandler), Upper Water reviews the Investment Policy for any changes required by statute. This year, the proposed amendments include cleanup of some sections of the policy as well as the addition of joint powers authority (JPA) pools to the list of authorized investments in 3.2.7 (f).

A copy of the District's Investment Policy is attached showing the proposed redlined changes.

Fiscal Impact

No fiscal impact. The proposed amendments are administrative and do not change the District's authorized investments or investment practices, and therefore have no effect on investment earnings or on the adopted budget.

Attachment

Policy Manual Section 4.1, Investment Policy – redlined

4.1 Investment Policy

Purpose

4.1.1 Investments by the General Manager under the supervision of the Treasurer pursuant to the delegation hereby made by this Statement of Investment Policy are limited to those instruments specified by the Board as defined in this Statement of Investment Policy.

Background

4.1.2 In accordance with Section 53600 et seq. of the Government Code of the State of California, the authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to the General Manager with coordination and approval of the Treasurer.

Policy

4.1.3 In order of priority, three fundamental criteria shall be followed in the investment program:

(a) Safety of Principal - Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the portfolio. Each investment transaction shall be entered into after taking into consideration the quality of the issuer, the underlying security or collateral, and diversification of the portfolio. Market risk shall be reduced by limiting the average maturity of the portfolio, the maximum maturity of any one security, and by performing continuous cash flow analysis to avoid the need to sell securities prior to maturity.

(b) Liquidity - In an effort to ensure that the Upper Water's portfolio will be sufficiently liquid to meet current and anticipated operating requirements, a cash flow analysis will be performed on an ongoing basis. Investments shall be made so that the maturity date is compatible with cash flow needs and safety of principal.

(c) Return on Investment - Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity and the prudent investor standard.

4.1.4 All investment activity shall be consistent with the prudent investor standard.

4.1.5 Prudent Investor Standard: As applicable to Upper Water, the prudent investor standard is a standard of conduct whereby any person authorized to make investment decisions on behalf of the Upper District acts with care, skill, prudence and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the Upper Water, that a prudent person acting in like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and meet the liquidity needs of the Upper Water.

4.1.6 Portfolio: Any reference to the portfolio shall mean the total of the Upper Water's cash and securities under management by the General Manager with approval of the Treasurer, excluding cash and securities held in escrow or trust on behalf of the Upper Water. The General Manager may invest in any security authorized for investment under the State law, subject to the limitations described below. All percentage holding limitations and credit quality minimums apply at the time of purchase. The percentage limits in this Policy are checked at the time the Upper Water buys an investment, using the book value of the portfolio. For this purpose, the portfolio includes money held in any money market mutual fund or commercial paper sweep account tied to an Upper Water bank account. It does not include money in Upper Water checking accounts that is needed for day to day operating costs. If a limit is later exceeded because an investment matured, was sold, or was withdrawn, rather than because a new investment was purchased, the Upper Water is not required to sell anything to bring the portfolio back within the limit.

(a) Maturity Limitations

(1) The General Manager is authorized to invest the Upper Water's fund balances up to a maximum term of five years from the date of trade settlement. Special trust funds shall not be subject to the five-year maximum maturity. The General Manager is therefore authorized to invest special trust funds in excess of five years. These funds include: Employees' Deferred Compensation Fund.

(2) For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein.

(3) Not more than 20% of the portfolio shall consist of securities with a term to maturity in excess of three years, after deducting those Funds noted in 1a.

(b) Investment Transactions

(1) Information concerning investment opportunities and market developments will be gained by maintaining contact with the financial community.

(2) Annually the General Manager shall transmit a copy of the current Statement of Investment Policy to the investment management agent(s) or approved dealers. The investment management agent(s) or each dealer is required to return a signed statement indicating receipt and understanding of the Upper Water's investment policies.

(3) Prohibited investments include inverse floaters, range notes, interest only strips derived from a pool of mortgages (Collateralized Mortgage Obligations), securities with a forward settlement date exceeding 45 days from the time of the investment, and any security that could result in zero interest accrual if held to maturity (Zero

interest accrual means the security has the potential to realize zero earnings depending upon the structure of the security. Zero coupon bonds and similar investments that start at a level below the face value are legal because their value does increase). Upper Water may buy only the investments this Policy lists. Anything not listed is prohibited. That includes stocks, exchange traded funds (ETFs), real estate investment trusts (REITs), and insurance products such as annuities, none of which State law permits a public agency to buy.

(c) Portfolio Adjustments

(1) Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses.

(2) When no loss is indicated, the General Manager shall consider reconstructing the portfolio basing his decision in part on the expected length of time the portfolio will be imbalanced.

(3) Should a security held in the portfolio be downgraded below the minimum criteria included in this Statement of Investment Policy, the General Manager shall use discretion in determining whether to sell or hold the security based on its maturity, the outlook for the issuer, and other relevant factors.

(d) Safekeeping

(1) All securities transactions entered into by the Upper Water shall be conducted on a delivery versus payment (DVP) basis, with the exception of non-deliverable securities; money market mutual funds, time deposits, and local government investment pools.

(2) Securities will be held by an independent custodian designated by the General Manager and held in safekeeping pursuant to a safekeeping agreement.

(3) All financial institutions that provide safekeeping services for the Upper Water shall be required to provide reports or safekeeping receipts directly to the General Manager to verify securities taken into their possession.

4.1.7 Authorized Investments:

(a) U.S. Government and Agencies:

(1) Investments in U.S. Treasury obligations shall not be subject to any limitations.

(2) Investments in direct obligations of Federal Agencies guaranteed by the U.S. Government shall not be subject to any limitations.

(3) Investments in Federal Agency obligations that do not have a guarantee by the U.S. Government shall not exceed 60% of all investments in effect immediately after any such investment is made.

(b) Demand and Time Deposits/Certificates of Deposits: For purposes of this policy, collateralized demand deposits and time deposits shall be considered investments.

The following criteria will be used in evaluating financial institutions and form of collateral to determine eligibility for deposits:

(1) The financial institution must have been in existence for at least five years.

(2) Eligibility for deposits shall be limited to those financial institutions that maintain a rating equivalent to "F1" by Fitch or better. Credit requirements may be waived for any time deposit that is federally insured.

(3) The deposit shall not exceed the shareholders' equity of any depository bank. For the purposes of this constraint, shareholders' equity shall be deemed to include capital notes and debentures.

(4) The deposit shall not exceed the total of the net worth of any depository savings and loan association, except that deposits not exceeding a total of five hundred thousand dollars ($500,000) may be made to a savings and loan association without regard to the net worth of that depository, if such deposits are insured or secured as required by law.

(5) In order to secure such demand deposits, the financial institution shall maintain in the collateral pool, securities having a market value of at least 10% in excess of the total amount deposited.

(6) Promissory notes secured by real estate mortgages or deeds of trust may not be accepted as collateral.

(7) Purchased time deposits will be limited to a maximum maturity of one year.

(c) Corporate Notes and Bonds - Restrictions are as follows:

(1) Investment in corporate notes and bonds are limited to corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

(2) Corporate notes and bonds eligible for investment under this subdivision shall be rated in a rating category of at least "A" or its equivalent or better by a nationally recognized statistical rating organization (NRSRO). Maturities greater than two years must be rated "AA" or its equivalent or better.

(3) Purchases of corporate notes and bonds may not exceed 30% of the portfolio.

(4) Purchases of corporate notes and bonds will be limited to a maximum maturity of five years.

(5) Purchases of corporate notes and bonds from a single issuer may not exceed 5% of the portfolio.

(d) Local Agency Investment Fund Deposits: Deposits for the purpose of investment in the Local Agency Investment Fund of the State Treasury may be made up to the maximum amount permitted by State Treasury policy.

(e) Local Government Investment Pools

(f) Shares of beneficial interest issued by a joint powers authority (JPA), provided that:

(1) The JPA is organized pursuant to California Government Code Section 6509.7 and invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive.
(2) Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA.
(3) The JPA has retained an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (q).

(g) Money Market Mutual Funds: Registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:
(1) Such Funds meet either of the following criteria:
- Have attained the highest ranking provided by not less than two (2) NRSROs; or
- Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of $500 million.
- No more than 20% of the total portfolio may be invested in money market funds.

(h) Supranationals:
(1) Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank.
(2) The securities are rated in a rating category of "AA" or equivalent or higher by a NRSRO.
(3) No more than 30% of the portfolio may be invested in these securities.
(4) No more than 10% of the portfolio may be invested in a single issuer.
(5) The maximum maturity does not exceed 5 years.

(i) Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations from issuers not defined in section (a) of the Authorized Investments section of this policy, provided that:
(1) The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
(2) No more than 20% of the total portfolio may be invested in these securities
(3) No more than 5% of the total portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer.
(4) The maximum maturity does not exceed five (5) years.

4.1.8 In accordance with Administrative Code Section 5114, Government Code Sections 53607 and 53646, the General Manager shall submit a monthly report to the Board of Directors via the Treasurer indicating the type of investment, issuer, and date of maturity, and shall provide the par value, current market value of all securities, rates of interest, and expected yield to maturity, along with a statement that the Upper Water has adequate funds to meet its cash flow requirements for the next six months. The report shall also include a statement of compliance with the investment policy, or manner in which the portfolio is not in compliance along with a timetable for resolution. The General Manager shall also submit a monthly summary report to the Board of Directors via the Treasurer showing investment activity, including yield and earnings, and the status of cash by depository. These monthly reports shall be submitted within 30 days following the end of the month covered by the report.

4.1.9 The General Manager and the Treasurer shall monitor or cause to be monitored the extent to which financial institutions with which the Upper Water maintains deposits or investments are consistent with the Upper Water's policies regarding business activities within countries that may jeopardize the safety and liquidity of Upper Water funds or violate other Upper Water policies. Such matters shall be reported to the Budget Committee or as part of the General Manager's monthly report.

4.1.10 The Treasurer may, at any time, temporarily further restrict the securities approved for investment as deemed appropriate, subject to ratification by the Board of Directors at the next scheduled Board meeting.

UPPER WATER
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

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MEMORANDUM

ITEM 7.(e)
ACTION

DATE: September 9, 2026

TO: Board of Directors

FROM: General Manager

SUBJECT: Increase to the District's Capital Asset Capitalization Threshold

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Recommendation

Staff recommends that the Board of Directors approve an increase in Upper Water's capital asset capitalization threshold from $500 to $10,000 per individual item, effective for fiscal year 2025-26 activity and forward.

Background

Upper Water's accounting policy, as disclosed in the Annual Comprehensive Financial Report for fiscal year 2024-25, provides that the District reviews for capitalization those expenditures greater than $500 that have a useful life of more than one year. This threshold has not been re-evaluated in many years and is substantially below current practice for agencies of Upper Water's size.

Staff recommends revising the threshold to $10,000 per individual item, consistent with the equipment and capital expenditure threshold established under the Uniform Guidance at 2 CFR 200.1. Aligning with the federal standard provides an objective basis for the policy and allows Upper Water to apply a single threshold to both District-funded and federally funded acquisitions.

The revised threshold would apply to fiscal year 2025-26 activity and forward. Capital assets recorded under the prior threshold will remain on Upper Water's books and will continue to be depreciated over their remaining useful lives. Upper Water's independent auditor, Rogers, Anderson, Malody & Scott, LLP, has been consulted and concurs with the change, which will be reflected in the fiscal year 2025-26 Annual Comprehensive Financial Report.

Fiscal Impact

No fiscal impact. The proposed change affects only the classification of certain expenditures between capital assets and operating expense and does not change Upper Water's total expenditures or the adopted budget.

AMENDMENT TO EMPLOYMENT AGREEMENT BETWEEN UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT (“UPPER DISTRICT”) AND TOM LOVE (“LOVE”)

As of September 9th, 2026, UPPER DISTRICT and LOVE agree as follows:

Section 1. Purpose

On November 18, 2020, UPPER DISTRICT and LOVE entered into Employment Agreement (“Agreement”) for LOVE to serve as General Manager of UPPER DISTRICT, which has been amended since that date. UPPER DISTRICT and LOVE desire to again, modify the terms of the Agreement through this Amendment, to reflect an additional extension of the contract term and to provide for certain salary increase.

Section 2. Extension of Contract Term

Article 1 of the Agreement shall be amended in the following manner to reflect an extension of LOVE’s term of employment as General Manager:

> 1.10 Term. LOVE’s term of employment as General Manager (hereinafter referred to by the capitalized word “Term”) shall commence on the 1st day of July, 2020 and continue to the 14th day of February, 2030. In the event UPPER DISTRICT chooses not to terminate LOVE prior to the expiration of the Term, or fails to give notice as provided in this section, this AGREEMENT shall automatically renew on an annual basis, subject to its same terms and conditions, until the UPPER DISTRICT issues written notice of its intent not to renew the Agreement. No later than the 1st day of June 2029 and then June 1st of each year the contract is in effect, UPPER DISTRICT shall advise LOVE whether or not this Agreement will be extended, not extended, or revised as a result of negotiations. Nothing contained herein shall be construed to require UPPER DISTRICT or LOVE to extend the term or revise this Agreement.

Section 3. Salary Increase

Article 2 Section 2.1 of the Agreement shall be amended to increase LOVE’s salary to $396,000, effective as of July 1, 2026.

Section 4. Other

Except as provided herein, the Agreement identified in the Contract documents as “Employment Agreement for the Position of General Manager” is affirmed.

UPPER DISTRICT	GENERAL MANAGER
By:_______________________	By:_______________________
Katarina Garcia, Board President	Thomas A. Love
APPROVED AS TO FORM:	ATTEST:
By:_______________________	By: _____________________
Martin Koczanowicz	UPPER DISTRICT
General Counsel	Secretary

RESOLUTION NO. 09-26-685

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT HONORING THE RETIREMENT OF KIRK HOWIE

WHEREAS, ***Kirk Howie*** has dedicated nearly 30 years of distinguished service to the Three Valleys Municipal Water District ("Three Valleys"), beginning his tenure in February 1997, and serving with professionalism, integrity, and an unwavering commitment to public service; and

WHEREAS, ***Kirk Howie*** advanced his career through leadership positions of Chief Financial Officer, Assistant General Manager, and Chief Administrative Officer, providing Three Valleys with exceptional leadership in financial management, legislative affairs, strategic planning, public outreach, policy development, and emergency preparedness; and

WHEREAS, ***Kirk Howie*** held unwavering commitment to public service and tireless advocacy on behalf of Three Valleys and the greater San Gabriel Valley which earned him the prestigious 2024 California Special Districts Association Ralph Heim Exceptional Outreach & Advocacy Award, one of the association's highest individual honors; and

WHEREAS, ***Kirk Howie*** has led Three Valleys to earn the Association of California Water Agencies' Top Outreach Award on ten occasions and the Region 8 Most Active Agency Outreach Award on seventeen occasions, reflecting a remarkable commitment to public engagement and education; and

WHEREAS, ***Kirk Howie*** throughout his career has remained steadfast with integrity, humility, and dedication earning him the respect and admiration of his peers and colleagues throughout the water industry, and the many public officials with whom he has worked, leaving a legacy that will continue to inspire and benefit the water industry for years to come; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AS FOLLOWS:

Section 1: The Upper Water Board of Directors hereby honors and commemorates Kirk Howie for his nearly 30 years of outstanding service and expresses its sincere appreciation for his many contributions to the water industry in the San Gabriel Valley and across the State of California. The Upper Water Board congratulates him upon his retirement, wishing him continued health and happiness with his family in the years ahead.

PASSED, **APPROVED, AND ADOPTED** at a meeting of the Upper San Gabriel Valley Municipal Water District's Board of Directors, on this 9th day of September 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Katarina Garcia, President

ATTEST:

____
Jennifer Santana, Secretary

(SEAL)

APPROVED AS TO FORM:

____
Martin Koczanowicz, District Counsel

L.A.-ORANGE COUNTIES

Proposed water bill hike part of trend

Golden State Water Co. submitted 30% increase needs state approval

By Jason Henry

jhenry@scng.com

Golden State Water Co. customers in Los Angeles and Orange counties were hit with a hefty increase in their water bills last year, and now, if the state approves the company's latest request, those bills could climb 30% more by 2030.

That'll mean about $25 more per month for the average residential customer.

Those customers aren't alone, however. Such increases have become increasingly common in Southern California as utilities and water districts grapple with the broader economy, climate change, higher import and treatment costs and a never-ending battle against aging infrastructure, experts say.Last year, researchers at UCLA found the water bill for an average household in L.A. County jumped nearly 60% from 2015 to 2025, outpacing inflation and straining low-income families.

That trend is expected to continue.

"Rates are definitely on the rise in a lot of areas," said Grace Harrison, project manager of Water Equity Research at the UCLA Luskin Center for Innovation. "That is a real challenge for customers."

The new normal

Golden State previously received approval to increase rates across the board by 10.52% in 2025, 4.26% in 2026 and 4.07% in 2027.

Inglewood, which buys water from the West Basin Municipal Water District, approved a roughly 30% increase to its water and sewer rates last year after West Basin upped its prices.

In La Verne, water and sewer customers will see their bills effectively double by 2029.

Roughly a year after the Eaton fire, residents in Altadena fought against rate increases and fixed fire recovery fees.

Some cities are pushing back, too. Last year, a joint statement from Ontario, Montclair and Chino called a proposed 18% increase from the Inland Empire Utilities Agency a “stunning disregard” for “local economic realities” and accused the utility of sticking locals with the bill for a project benefiting others.

There are legitimate reasons why utilities might need larger increases, though that doesn’t make it any less painful for customers facing cost-of-living challenges across the board, Harrison said.

New regulations around forever chemicals like PFAS, or polyfluoroalkyl substances; surges in the cost of imported water, particularly from the Colorado River; and the need for capital improvements to adapt to climate change and maintain water quality are all potential factors, she said.

“As the Colorado River basin has become more and more depleted, the price of water is going up and up and up,” she said.

Some public utilities also kept prices artificially low for too long out of fear of political blowback and are now forced to make more dramatic increases, she said.

“Water has been on the more affordable side when it comes to utilities and there really are genuine needs for rate increases in some cases,” Harrison said. “There are a lot of old systems that are really struggling to keep up with the cost of doing business.”

Caty Wagner, the water campaign manager at the Sierra Club California, said costs in the water industry also trickle down. When the Metropolitan Water District, for example, increases its wholesale prices, as it did in both 2025 and 2026, those down the line — which, directly, or indirectly, includes most agencies in Southern California — follow suit, she said.

Massive, multibillion-dollar projects on the horizon, such as the Delta Conveyance Project, or the Sites Reservoir, also can raise costs for everyone, she said. Customers should be pushing their local water boards and other representatives to support projects that will ween the region off imported water and expand local water storage and resiliency, she said.

It may result in larger rate increases in the short term, but the long-term benefits will outweigh those costs, she said.

“Climate change is here, it is not going away,” Wagner said. “Everything we can do to decrease reliance on water imports will help with the cost.”

What Golden State is proposing

Golden State Water serves tens of thousands of residents in the San Gabriel Valley, south Los Angeles County, and north Orange County, including Monrovia, El Monte, Pomona, Anaheim, Inglewood, Long Beach and Los Alamitos.

The investor-owned utility submitted its most recent rate proposal to the California Public Utilities Commission in July and indicated it would increase its spending on infrastructure projects by more than $180 million if the plan were approved.

In the San Gabriel Valley, that would include $21 million in upgrades to improve water treatment systems, water quality and system reliability, according to the company. The Placentia and Los Alamitos service areas would each receive more than $34 million in investments, including replacing two 1.5-million-gallon reservoirs at the Florista plant, officials said.

The proposed rates will be reviewed and scrutinized over the next year.

Weary consumers

The proposal sparked outrage on Reddit, and more than 230 public comments on the proposal have already poured in from residents urging the CPUC to reject the high rates.

“The cost of water is already too high,” a Monterey Park resident wrote. “Raising the water rates by 30% is predatory and extractive during this time of unprecedented inflation.”

“Please don’t do this, we are paying so much more now,” a Long Beach resident wrote. “Every month is a struggle.”

Paul Rowley, the senior vice president for Regulated Water Utility at Golden State, said the company does not take rate increases lightly. Customers should participate in the CPUC process and see where their money is going, he said.

The company's prices are impacted by many of the same everyday costs that consumers experience. Even though water consumption is down 40% across the company's footprint, water treatment systems, storage facilities and other critical infrastructure must be maintained regardless, he said.

Equipment failures

Proactively dealing with problems before a failure occurs will save money, he said.

He pointed to the Los Angeles Department of Water and Power's recent water main break and sinkhole in West Hollywood as an example of what can happen if maintenance is deferred for too long.

"We don't believe in kicking the can down the road," he said.

Golden State offers a customer assistance program for low-income families that may need it, he said.

Criticisms that the company is being greedy are unfounded, he said. Golden State does provide a return on investment to its shareholders, he said, but publicly owned utilities are similarly beholden to bondholders, he argued.

Golden State had a state-authorized rate of return — the amount of profit it can earn — of 7.93% in 2025, according to a press release. This year, its parent company announced its 72nd consecutive year of dividend increases.

Spending 'excessive'

The California Public Advocates Office, which fights rate increases on behalf of customers, has already filed opposition to Golden State's proposal, calling the company's proposed spending "excessive." The protest filing argues that ratepayers have already paid for some of projects included in the increase without seeing "any benefits."

"The magnitude of this increase is unreasonable given the existing affordability challenges and the basic need of drinking water," its attorneys wrote.

Gregory Pierce, director of the Human Right to Water Solutions Lab at UCLA, said such protests from the public advocates' office are "very typical" now too and often follow a similar pattern.

Investor-owned utilities start with a "very high increase," advocates and the public criticize it, and then it is negotiated down, he said. Golden State's proposal for a 22.95% increase in 2025 in the last three-year cycle was more than halved in the final decision.

A final decision on Golden State's rates is not expected until November 2027.

News for Immediate Release

Metropolitan issues statement on release of 2027-2028 guidelines, ROD for Colorado River operations

August 21, 2026

Metropolitan Water District General Manager Shivaji Deshmukh issues the following statement regarding the U.S. Bureau of Reclamation's release today of Colorado River 2027-2028 Operating Guidelines, the Record of Decision for the Post-2026 Colorado River Operations Final EIS and the August 24-month study.

"The guidelines and Record of Decision released today, which call for 3.2 million acre-feet in contributions from the Lower Basin through 2028, are necessary to help the Colorado River Basin manage through the immediate challenges we're facing after record-low snowpack. But they are only a first step toward a short-term solution. Critical work remains to prevent our shared reservoirs from reaching levels that would jeopardize the water and power supplies of millions of people, in the immediate future and long term.

"First, in the coming months, California agricultural and urban water users must work to develop agreements on how reductions will be shared within the state. Then, water users across the basin must make a renewed effort to forge a longer-term agreement that produces additional reductions, including through participation of all seven Basin states. Renegotiating these issues every year means we could be one dry year away from crisis and one legal battle away from system failure.

"Metropolitan is prepared to do our part to support California's share of shortages. For more than two decades, we have invested in storage, conservation, recycled water and groundwater recovery, allowing Southern California to cut its use of imported water in half, from 2.5 million acre-feet a year to about 1.2 million acre-feet. Thanks to these investments – along with smart planning and the collective effort of Southern Californians to use water efficiently – we have managed previous cuts. And we are prepared to make additional reductions, with our agricultural partners in California, just as water users across the Basin must do their part to improve the sustainability of the river that we all rely on.

"The guidelines released today can be a start. In addition to the Lower Basin contributions, they include provisions for water users like Metropolitan to store water in Lake Mead as Intentionally Created Surplus, a tool that makes reductions in use more manageable. They also create a pathway for interstate exchanges, allowing water users to build cross-state partnerships and pool funding to develop new large-scale water supply projects, like Metropolitan's Pure Water Southern California. Tools like these improve the sustainability of the Colorado River system by increasing operational flexibility and minimizing the pain of cuts. Through creative problem solving, shared sacrifice and a renewed commitment to collaboration, a long-term agreement is possible. That remains our goal, and the best way to avoid a crisis."

U.S. Department of the Interior – Press Release

Interior Department Finalizes Plans for 2027-2028 Colorado River Operations

Secretary Burgum signs 2027-2028 Operating Guidelines and Record of Decision

08/21/2026

WASHINGTON — The Department of the Interior issued the 2027-2028 Operating Guidelines and the Record of Decision for the Post-2026 Colorado River Operations Final EIS, establishing a 10-year Decision Framework with a broad operational range that will be used to develop future operational guidelines for Lake Powell and Lake Mead. Together these decisions provide for reliable operations of the Colorado River system, delivery of vital water supplies, and protect critical federal infrastructure while preserving the flexibility necessary to respond to Basin states' voluntary actions, consensus recommendations and the continued prolonged drought. The combined contents of Lake Powell and Lake Mead have not been this low since before Lake Powell began filling following the closure of the gates at Glen Canyon Dam in 1963, with both Lake Powell and Lake Mead hitting record lows the last few weeks.

"We are grateful for the Seven Basin States, the thirty Basin Tribes, Mexico, and many other basin stakeholders who have provided the feedback and voluntary arrangements necessary for the development of the 2027-2028 Operating Guidelines." said Secretary of the Interior Doug Burgum. "Forty million people, millions of acres of farmland and ranchland, industries that power the American West, and some of our nation's fastest growing metropolitan areas depend on the Colorado River."

The 2027-2028 Operating Guidelines respond to hydrologic conditions and provide flexible tools to protect critical infrastructure at Glen Canyon Dam and Hoover Dam. They were developed after extensive engagement with the seven Basin States and incorporate concepts from proposals from both the Upper and Lower Basins and Basin tribes.

These 2027-2028 Operating Guidelines:

- Provide objective criteria to determine releases from Lake Powell based on actual hydrology and maintaining a minimum elevation of 3,510 feet to support continued operational reliability at Glen Canyon Dam.
- Provides for reductions in deliveries of Colorado River water among the Lower Basin States of 1.25 million acre-feet in each year of the next two years. If the Lower Basin States implement their proposed sharing agreement, the reduction per State would be:
    - Arizona: 760,000 acre-feet
    - California: 440,000 acre-feet
    - Nevada: 50,000 acre-feet
- Provide for Lower Basin States to voluntarily conserve and store at least 700,000 acre-feet of water over the two-year period to protect the system, in addition to the 1.25 million acre-feet per year of reductions.

- Provide for the Upper Basin States to enter into an agreement, in consultation with Lower Basin States and Basin tribes, using the Secretary's authorities to operate the Colorado River Storage Project Upper Initial Units (i.e. Aspinall (CO), Flaming Gorge (UT/WY) and Navajo (CO/NM) Reservoirs) to help protect Glen Canyon Dam infrastructure.
- Provide tools and flexibility in the Lower Basin to respond to drought conditions by allowing water users to store water.
- Provides for a Federally managed pool to help meet tribal firming obligations and provide limited offsetting to reduce tribal impacts.
- Provide elevation triggers for coordination and consultations to determine additional actions, if necessary, to minimize operational risks to infrastructure, and manage risks to the urban, agricultural, and natural systems that rely on the Colorado River.

Reclamation also released today the August 2026 24-Month Study, determining the 2027 operations based on the new guidelines. Lake Powell will begin the October 1 water year between elevations 3,540 and 3,510 feet, placing operations in the Lower Elevation Infrastructure Protection Range with an expected water year release between 6.0 and 7.0 million acre-feet. Reclamation will begin the water year with lower releases between 6.0 and 7.0 million acre-feet in order to attempt to maintain an elevation of 3,510 feet or higher and will adjust releases through April to continue to maintain elevation 3,510 feet. The water year 2027 release volume will be determined in April. For Lake Mead, water deliveries to the Lower Basin States will be reduced by 1.25 million-acre feet for calendar year 2027.

The Decision Framework establishes an operational range that provides the flexibility to develop specific operating guidelines within the 10-year period while preserving the opportunity for Colorado River Basin negotiations to continue and, if successful, be incorporated into years three or four or longer for future operational guidelines. Operational elements include enhanced coordinated reservoir operations and expanded opportunities for the storage and delivery of conserved water in system reservoirs and other flexible water management tools. The Decision Framework prioritizes consensus agreements, voluntary actions, and a commitment to coordination and consultation throughout the period of adoption.

The Decision Framework anticipates operating guidelines in two-year periods and can be scaled longer depending on evolving Basin circumstances. This mechanism leaves room for the Basin States, tribes and stakeholders to adjust these parameters with their own voluntary actions and consensus whenever such agreements are reached.

“These decisions provide a water management strategy for Basin stakeholders to respond to the prolonged drought by incorporating flexible tools and voluntary actions while leaving room for consensus agreements,” said Assistant Secretary — Water and Science Andrea Travnicek. “The Department and Reclamation will continue to work with all Basin stakeholders to identify areas to maximize efforts throughout the Basin to modernize infrastructure, develop conservation programs, and identify innovative approaches to deliver water under changing conditions”.

Since the beginning of the Trump administration, President Trump has made delivering water to people a high priority. The administration has demonstrated a commitment to improving and enhancing water supply within the Colorado River Basin through investments in water storage, distribution, treatment, and improving water efficiency. Specifically in the Lower Basin investments over $3 billion have been made since January 2025.

In April 2026, the Secretary asked for feedback from the seven Basin States on potential water supply and conservation projects throughout the Colorado River Basin during a time of shortage. The administration continues to review the submittals and will work with the Basin States and Basin Tribes to identify opportunities to use available Working Families Tax Cuts funds, and other federal cost-share programs related to water storage and expansion and optimization; desalination and advanced water treatment; and water movement, exchanges and infrastructure.

Background

The NEPA process was initiated in June 2023. Over this three-year period the Department of the Interior and Bureau of Reclamation engaged extensively with Basin stakeholders and that input is reflected in the alternatives analyzed in the Final EIS and the Preferred Alternative of a Decision Framework that would guide future operational guidelines, released on July 31, 2026. The 2027-2028 Operating Guidelines and ROD released today further incorporate extensive feedback from Basin stakeholders. The Final EIS, ROD and 2027-2028 Operating Guidelines are available on Reclamation's website.

For the past 26 years, the Colorado River Basin has been experiencing an unprecedented multidecadal drought, resulting in historically low runoff and reservoir levels. Conditions worsened during 2026, driven in part by the lowest observed snowpack on record during the winter of 2025-2026.

A separate binational process addressing water deliveries to Mexico is nearing completion and the Department is committed to continued collaboration with Mexico. The Department will conduct all necessary and appropriate discussions regarding post-2026 operations and implementation of the 1944 Water Treaty with Mexico through the International Boundary and Water Commission in consultation with the Department of State.

The Colorado River provides water for more than 40 million people and generates hydropower for seven states. It serves as a vital resource for 30 tribes and two Mexican states, sustaining 5.5 million acres of farmland and agricultural communities throughout the West, while also supporting critical ecosystems and protecting endangered species.

BIG PIVOTS
ENERGY and WATER transitions in Colorado and beyond

Absurdity of the Colorado River crisis

by Daniel M. Frey
August 30, 2026

Nearly half the river's water goes to growing livestock feed and low-value exports.

Forty million people depend on the Colorado River. Some of its largest cities are facing real shortages. Yet nearly half of the water put to human use in the basin goes to growing feed crops such as alfalfa, hay and silage for cattle, with a meaningful share exported overseas.

This is not a hydrology problem. It is a political one.

The misuse of water

Growing alfalfa and hay to feed livestock consumes roughly 46%of all the water put to human use in the basin—more than every city and industry combined, and more than any other single use of the river. In the Imperial Valley, a material portion of alfalfa is exported. Foreign agribusinesses, including Saudi Arabia's Fondomonte and the UAE's Al Dahra, have leased Southwestern land to grow water-intensive feed and ship it home to countries that have banned the same crop domestically to protect their own water. Arizona's governor already canceled state land leases with one of these companies over exactly this issue. We are draining a river that 40 million Americans depend on to grow low-value cattle feed.

This is not even a true market outcome. Between 2017 and 2023, the federal Crop Insurance Program paid $5.6 billion to farmers in the seven Colorado River states for drought-related losses, including more than $2 billion to alfalfa and hay growers alone. Separately, the federal government has committed $1.2 billion over three years under the 2023 Lower Basin conservation agreement to pay some of those same farmers to leave water in the river instead — and under "use it or lose it" water law, that money does not necessarily translate into lasting reduced consumption once the payments end. We are subsidizing the least essential, most water-intensive use of the river while barely funding a lasting transition away from it. These policies ignore urgent human needs and support the continued subsidized irrigation of low-value crops.

Because so much of this crop is exported, converting these acres would not meaningfully affect the U.S. or global food supply. Foreign and domestic buyers would simply source feed from places where water is not scarce. What we would lose is a low-value export that is consuming precious water.

Nobody needs Southwestern agriculture to disappear. Israel farms one of the driest landscapes on Earth and still exports produce because it rebuilt its water use around efficiency instead of volume.

Drip irrigation, which Israel pioneered in the 1960s, delivers water at 70% to 90% efficiency, compared with roughly 40% to 60% for the flood irrigation still common in the Colorado River Basin.

Israel recycles 85% to 90% of its municipal wastewater, supplying more than half its total agricultural demand. Israeli farming also shifted deliberately from low-value, high-water fodder crops to higher-value, lower-water produce such as tomatoes, peppers, dates and avocados. None of this is exotic or new.

Why the status quo persists

So why has nothing changed here? Under prior appropriation law, the oldest agricultural water rights, some dating to the 1800s, are legally senior to every city built afterward, including Phoenix, Las Vegas and Los Angeles. That seniority is the leverage in every negotiation.

The Imperial Irrigation Districtalone holds senior rights to roughly 3.1 million acre-feet a year — nearly a fifth of the river's average flow, and on its own equal to Arizona's and Nevada's entire combined state allocations. That gives a handful of districts a permanent seat at every basin-wide deal because the law guarantees it. When $4 billion in federal conservation funding was distributed through the Inflation Reduction Act, much of it paid agricultural districts to conserve water they were under no legal obligation to relinquish, thanks to their senior water rights.

This is organized and specific, not a vague farm lobby. The Family Farm Alliance, representing irrigated agriculture across 16 Western states, has testified before Congress repeatedly over the past two decades and led a 2025 push for at least $2 billion in near-term drought funding to sustain current agricultural use, not reduce it.

What should change

None of this is an argument against private property or against farmers and ranchers as people. Water rights in the West are real property, built into land value, farm equity and family inheritance. Any transition worth pursuing must compensate people fairly for what the law actually gave them. Conservation is not agriculture's job alone. Cities owe real cuts too, through tiered pricing, continued investment in water reuse, limits on ornamental turf and honest accounting of growth in already stressed areas.

But fairness among water users does not mean treating every use as equally necessary. Water for people—for drinking, sanitation and food—comes before subsidized hay exports. That ranking is not radical. It is what "beneficial use" was always supposed to mean before the term became a shield for the status quo.

The technical plan is not the missing piece; versions of it have circulated for years. What is missing is the political will to say, plainly and before the next crisis, that human need outranks irrigated hay, even when the institutions built to avoid that choice are loud, organized and well funded. The reservoirs will not wait for a more comfortable moment. Neither should we.

The 40 million people who depend on the Colorado River should demand that political and business leaders protect their most precious, life-sustaining resource.

Daniel Frey is a Boulder resident, non-practicing CPA and Certified Energy Manager (CEM). He researches and writes on energy and sustainability issues Top photo: A windrower cuts alfalfa for drying prior to baling in the Imperial Valley of California in June 2007.

INFRASTRUCTURE

Public gets a look at Whittier Narrows Dam

Structure is scheduled to undergo a $735M critical safety upgrade in 2027

The U.S. Army Corps of Engineers and the city of Pico Rivera offered walking tours Saturday of Whittier Narrows Dam to explain the upcoming safety upgrades that will happen in a $735 million project in Pico Rivera. Photos by John McCoy

Participants above and at left got a self-guided walking tour of the 3-mile-long dam — which manages flood risk for more than a million people and is designed to hold and release water from the Rio Hondo and San Gabriel rivers — on Saturday in Pico Rivera.

STAFF REPORTS

The U.S. Army Corps of Engineers and the city of Pico Rivera led the public on a firsthand look at Whittier Narrows Dam on Saturday.

The free event began at the Pico Rivera Golf Club, 3260 Fairway Drive, in Pico Rivera, where participants got a roughly 1-mile, self-guided walking tour of the dam, which is scheduled to undergo a $735 million critical safety upgrade beginning in 2027.

The 3-mile-long dam manages flood risk for more than a million people and about $200 billion in property between it and the Pacific Ocean. It was completed in 1957 and is designed to hold and release water from the Rio Hondo and San Gabriel rivers.

While the dam will remain fully operational throughout construction, work will require the closure of some bike paths, Streamland Park, home of the Pico Boys Baseball League for 70 years, the city-owned Pico Rivera Golf Course and Bicentennial Park.

Construction will also limit access to the storied Pico Rivera Sports Arena.

Manteca Bulletin

Delta Caucus secures $158.2 million for Delta levees

Published September 3, 2026

SACRAMENTO — The California Legislature Wednesday approved $90.2 million to protect the Delta and fortify its aging levees, along with up to $68 million to safeguard the State Water Project's California Aqueduct and canals.

The funding for the levees — which are being undermined by the over-drafting of groundwater — was secured by the California Legislative Delta Caucus.

"Today's vote was truly historic. California's water wars may finally be over," said State Sen. Jerry McNerney, who serves as co-chair of the caucus.

"Today we joined together, North and South, environmental groups and State Water Contractors, to support vital projects that will protect California's water and the Delta, while also benefitting the entire state."

"But we're not done. This historic investment is just a downpayment. In the years to come, we need to continue to protect California's primary supply of freshwater."

The budget funding allocation was supported by the environmental group Restore the Delta and State Water Contractors, which receive water from the State Water Project (SWP).

Together, the Sacramento-San Joaquin Delta and the SWP make up California's primary water system, providing freshwater supplies to 27 million people, businesses, and farms in the Central Valley, the Bay Area, and Southern California. The Delta also supports a vibrantly diverse ecosystem of plants and animals.

The funding will come from Proposition 4, the $10 billion bond measure approved by California voters in 2024. Gov. Gavin Newsom is expected to sign the budget bill in the days ahead.

Of the $90.2 million for the Delta, $75 million will be for projects that repair levees and improve flood protection and climate resiliency.

In addition, the budget allocates $15.2 million to the Sacramento-San Joaquin Delta Conservancy to reduce the risks of climate change impacts on communities, fish and wildlife, and natural resources.

Many of the Delta's critical levees date to the 1800s and are at risk of breaching because they no longer meet the US Army Corp of Engineers safety standards. Making the necessary levee improvements will cost, in total, about $3.24 billion.

The vote also included up to $68 million to repair SWP's California Aqueduct and canals, which are being impacted by sinking land. Over-pumping of groundwater has led to significant land subsidence along the California Aqueduct, which delivers water from the Delta to much of the state.

If not repaired, subsidence threatens to reduce the water carrying capacity of the SWP by 87% by 2040. Subsidence repairs to the SWP are estimated to cost about $3 billion over 20 years.

The legislature also approval was $5 million to acquire Jersey Island in the Delta and repair its levees.

The island sits in a particularly important spot in the western Delta, where a levee failure could threaten the water quality and water access that millions of Californians depend on.

By acquiring this island, the state can ease the pressure on its levees, guard against saltwater rushing in, and open the door to restoring critical wetlands.

In addition, earlier this year, the budget included $6 million to address the invasive golden mussel infestation in the Delta. The request was also a Delta Caucus priority, championed by Assemblymember Rhodesia Ransom, D-Stockton.

Metropolitan Monthly News

U.S. Bureau of Reclamation issues long-awaited Colorado River guidelines, framework. Next steps remain uncertain

September 3, 2026

U.S. Bureau of Reclamation issues long-awaited Colorado River guidelines, framework. Next steps remain uncertain

Metropolitan's Colorado River Aqueduct winds through the desert.

After months of anticipation, the U.S. Bureau of Reclamation released on Aug. 21 its post-2026 plans for managing the Colorado River. A prolonged drought and a changing climate has reduced flows in the Colorado River, while record-low snowpack this year worsened conditions, leading to historic low water levels at Lake Powell and Lake Mead.

In the short term, Reclamation's 2027-28 Operating Guidelines are based on a proposal from the Lower Basin states of California, Arizona and Nevada to make 3.2 million acre-feet of water supply reductions over the next two years to manage the immediate crisis on the river. The Upper Basin States of Colorado, Utah, Wyoming and New Mexico are not contributing to the plan.

Reclamation's longer 10-year preferred alternative in the Final Environmental Impact Statement (FEIS) lays out a broad framework for managing the river and critical infrastructure, such as Glen Canyon Dam, but gives the federal government and states flexibility to develop the next set of two-year guidelines based on river conditions, hydrology and negotiations.

What happens next, however, is uncertain. Nevada filed a lawsuit on Aug. 24 challenging Reclamation's analysis in the FEIS and it's not clear how the legal challenge will affect the 2027-28 Operating Guidelines. Metropolitan will work with our Lower Basin partners to develop a plan for the next two years. Ultimately Metropolitan continues to believe that the only path to a sustainable Colorado River requires all seven Basin states to work toward a consensus agreement for the long-term management of the Colorado River.

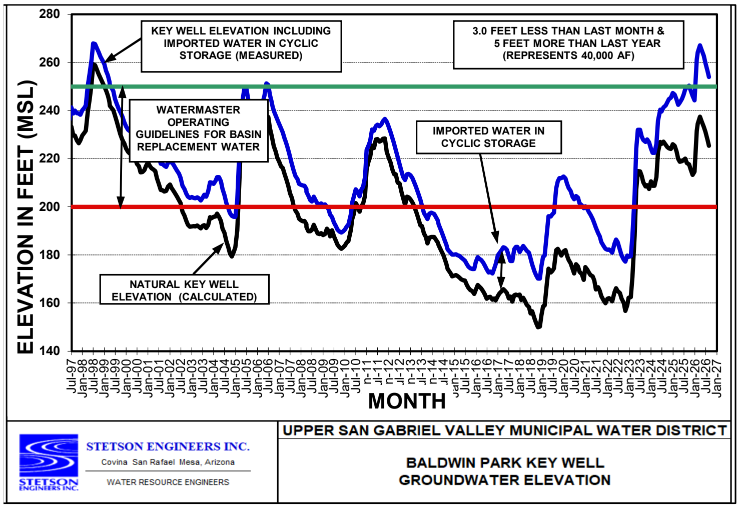
Read Metropolitan's Aug. 21 statement on Reclamation's 2027-2028 Operating Guidelines and Record of Decision. Listen to Metropolitan's Manager of Colorado River Resources Bill Hasencamp explain what Colorado River negotiations could mean for Southern California in The Drop Podcast.

"Through creative problem solving, shared sacrifice and a renewed commitment to collaboration, a long-term agreement is possible. That remains our goal and the best way to avoid a crisis."

Metropolitan General Manager Shivaji Deshmukh

REPORT OF THE DISTRICT ENGINEER
ON HYDROLOGIC CONDITIONS
SEPTEMBER 9, 2026

Baldwin Park Key Well



Groundwater Elevation
August 2026

	Groundwater Elevation (ft)	Difference from prior month (ft)	Difference from prior year (ft)
August 22, 2025	249.3		
July 24, 2026	256.8		
August 21, 2026	253.9	-2.9	4.6

Untreated Imported Water in Cyclic Storage Accounts

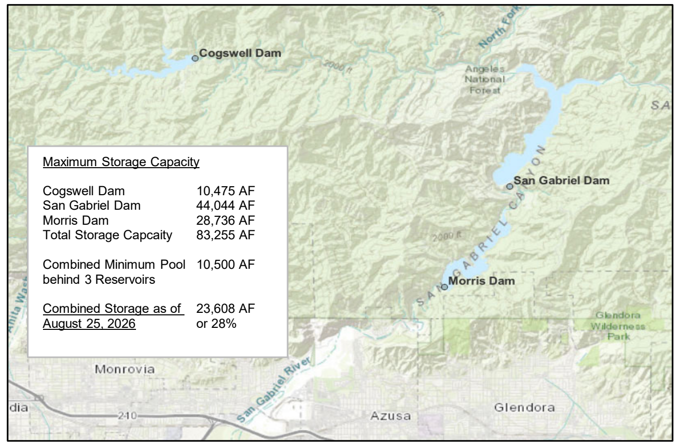
Producer Cyclic Storage	55,000 AF
MWD Cyclic Storage (For UD RDA Delivery)	127,000 AF
Upper Water Cyclic Storage	11,000 AF
Other Cyclic Storage	2,000 AF
Total	195,000 AF*

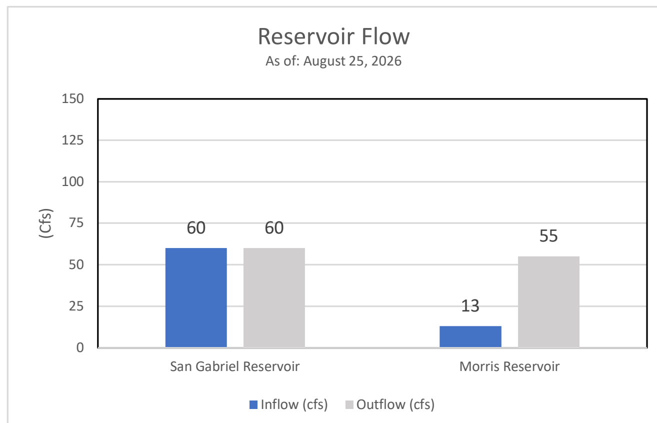
*Represents about 24 feet of groundwater elevation at the Key Well

USG-3

- Located in San Gabriel Canyon, just below Morris Dam, it represents Upper District's primary point of delivery of untreated imported water for groundwater replenishment to the San Gabriel Valley
- Typical delivery rate is about 190 cfs (or about 375 AF per day)
- On September 24, 2025, all deliveries ceased due to reported detection of Golden Mussels at Silverwood Lake by County staff.

Reservoir Storage and Releases





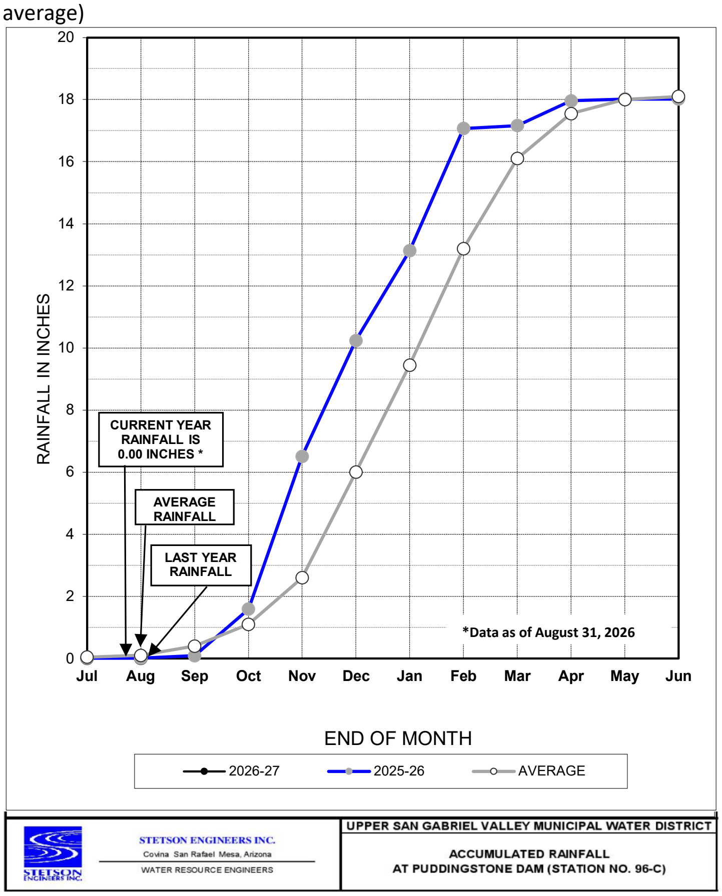
San Gabriel Canyon Spreading Grounds

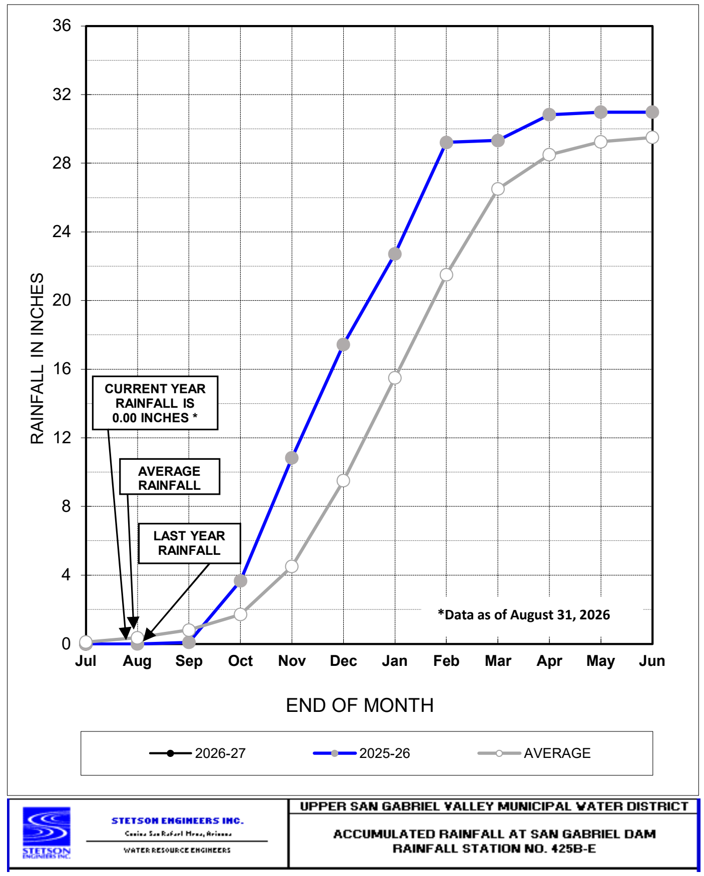
- On September 24, 2025, all deliveries ceased due to reported detection of Golden Mussels at Silverwood Lake by County staff.

REPORT OF THE DISTRICT ENGINEER ON HYDROLOGIC CONDITIONS SEPTEMBER 9, 2026

Rainfall

• Data are readily available on a daily basis and are indicative of comparative amount of rainfall in the San Gabriel Valley (percent of average)





Water Quality

• Water Systems are required by the Division of Drinking Water (DDW) to collect water quality data from source wells and provide the results to DDW Pursuant to Title 22 (Water quality data collected through Main San Gabriel Basin Watermaster's Basinwide Groundwater Quality Monitoring Program)

- During August 2026, 58 wells were sampled under Title 22
- During July 2026, 49 wells were sampled under Title 22
- During July 2026, Stetson Engineers Inc. received no public notice of wells shut down due to contamination

UPPER WATER
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT

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MEMORANDUM

ITEM 11. (c)
GENERAL MANAGER'S REPORT

General Manager's Monthly Report
September 9, 2026

Work Anniversaries: Patty Cortez, Assistant General Manager – 13 years

Water Supply Update

Baldwin Park Key Well: 253.1 feet on 8/28/26
San Gabriel Canyon: 23,608 AF combined storage as of 8/25/26
San Gabriel Reservoir: inflow 60 cfs; release 60 cfs
Morris Reservoir: inflow 13 cfs; release 55 cfs
MWD 2026 Water Supply/Demand Balance Forecast: Surplus 250 TAF as of 8/31/26

USG-3 deliveries during August 2026:
None
MWD Cyclic Account Balance (August 2026):
127,000 AF
Rainfall as of 8/31/26:
- 0.00" - Puddingstone Dam
- 0.00" - San Gabriel Dam

State Water Project Allocation:
45% as of 8/31/26

MWD Water Supply Conditions as of August 31, 2026, are summarized as follows:

Reservoir	Capacity	Current Storage
San Luis (SWP share)	1.06 MAF	81%, 859 TAF
Lake Oroville	3.42 MAF	58%, 1.97 MAF
Lake Powell	24.3 MAF	21%, 5.14 MAF
Lake Mead	26.1 MAF	26%, 6.90 MAF

**Storage volumes are in units of Million Acre-Feet (MAF), or Thousand Acre-Feet (TAF)*

Drought Actions
WSCP status: Level 2, 20% conservation target, 3 day/week outdoor watering summer, 2 day/week outdoor watering in winter

Water Use Efficiency

Residential Water$mart Rebates
Since July 2026 - $32,653

Commercial Water$mart Rebates
Since July 2026 - $48,290

Water Smart Home Kits
Homes Served This Month: 47

Education and Outreach

Landscaping Workshops with UC Master Gardeners
Upper Water has partnered with the UC Master Gardeners and Green Media Creations (sponsored by MWD) to provide free landscaping workshops for local communities. The workshops focus on regionally appropriate landscaping and offer residents practical guidance for improving their home landscapes.

September:

- Thursday, September 17th (Online): Gardening with Native Plants from the San Gabriel Valley and San Gabriel Mountains from 6:00PM-7:15PM (UC Master Gardeners)
- Saturday, September 19th (In-person): Garden Design Seminar at the Arcadia Public Library – 20 W. Duarte Rd. Arcadia, CA 91007 from 10:00AM-12:00PM (Green Media Creations)

National Theatre for Children
Available to K–5th grade students in the Upper Water service area. This free, new assembly program features live professional actors and interactive performances that teach students about water conservation, how the water system works, and the importance of protecting local water resources.

Los Angeles County Sanitation Districts Facilities Tour
Available to 6th–12th grade students in the Upper Water service area. In partnership with the Los Angeles County Sanitation Districts, this free program provides behind-the-scenes tours of solid waste and wastewater treatment facilities, giving teachers and students a firsthand look at how waste is managed and water is recycled. Upper Water may also provide up to $750 in bus stipends to eligible classes.

Watershed Restoration Program

- Upper Water staff has secured two dates with the U.S. Forest Service staff to plant trees in the San Gabriel Mountains, near crystal lake. The tree planting events are scheduled on the following Saturdays, from 8:00 a.m.-12:00 p.m.
- October 24, 2026
- November 14, 2026

"Being Water Wise is…" Student Art Contest
Upper Water is updating its student art contest submission requirements to align with the Metropolitan Water District of Southern California's revised guidelines. Beginning with the 2026-27 Art Contest, only original **hard-copy** artwork submissions will be accepted. The contest theme remains unchanged, and contest resources are available on our website. The Art Contest submission deadline is **Monday, April 12**, and all student artwork must be received by mail or hand-delivered in person by the end of the day.

Legislative Update

State Budget and End-of-Session Legislation

The California Legislature adjourned its 2026 session on September 1, concluding action on a significant package of budget trailer bills and end-of-session legislation. These measures implement portions of the June budget agreement, as well as make additional appropriations, adjust prior spending commitments, and enact substantive policy changes. While the June budget remains the foundation of the state's 2026-27 spending plan, lawmakers have allocated additional resources to the General Fund, climate bond, and other special funds to address emerging priorities. Key budget components include maintaining approximately $15 billion in reserves; continued investments in health and human services; transportation and infrastructure funding; and targeted revenue and tax policy changes. (See attached memo for additional details.)

Bills of Interest

AB 35	Safe Drinking Water Act	Approved by the Governor
AB 1894	Fish and wildlife: invasive mussels (imported water)	Enrolled
AB 2032	Fish and wildlife: golden mussels	Enrolled
AB 2568	Water district directors: compensation	Enrolled
AB 2739	The CA Water Affordability and Stabilization Act	Enrolled
SB 599	Atmospheric rivers: forecasting	Enrolled
SB 872	Delta Levees and Canal Subsidence Fund	Enrolled
SB 1153	Disaster preparedness: urban water suppliers and public water systems: wildfire	Enrolled

Federal Updates

Congress has returned from its September recess with only three legislative weeks remaining before adjourning ahead of the November midterm elections. Lawmakers are now working under a continuing resolution while advancing several key policy priorities Congressional attention remains focused on wildfire resilience and forest management through measures such as the Fix Our Forests Act. Meanwhile federal water legislation continues to gain momentum in areas including infrastructure funding, water affordability, cybersecurity, and the impacts of growing data centers and their water demands.

Notably, lawmakers are considering legislation to reauthorize key Safe Drinking Water Act funding programs, address the costs imposed on water systems by large data center developments, and strengthen cybersecurity requirements for drinking water and wastewater systems through Senator Adam Schiff's *Water Cyber Shield Act*. These proposals underscore Congress's continued focus on improving water system resilience, affordability, and long-term reliability.

Additional developments include the finalization of post-2026 Colorado River operating guidelines, which establishes a framework through 2036 and identifies potential Lower Basin reductions of up to 1.25 million acre-feet. Together, these legislative, regulatory, and policy developments highlight the federal government's continued focus on water reliability.

Finance and Administration

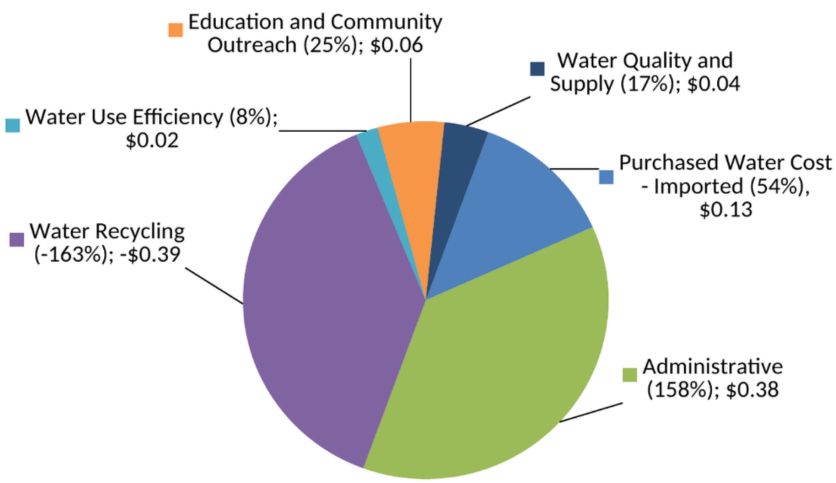
Financial Highlights through 7/31/26

- Treated water sales: 298 AF
- Untreated water sales: 0 AF
- Recycled water sales: 320 AF
- YTD net operating revenue: -$0.55M

Staffing Updates

- 9 FTE's, 1 Vacancy
- 1 Temporary Employee
- 1 Intern

YTD Use of Funds as of 7/31/26 - $0.24M



Note: July percentages are distorted by the reversal of FY 2025-26 year-end accruals. Figures should normalize with August YTD.

Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
August 18, 2026

CONSENT CALENDAR OTHER ITEMS - ACTION

Approved Commendatory Resolution for Director Thai Phan representing the City of Santa Ana. **(Agenda Item 6A)**

CONSENT CALENDAR ITEMS – ACTION

Authorized an increase of $25,000 in change order authority to an existing procurement contract with B&K Valves and Equipment Inc. to furnish two valves for the Lake Skinner outlet tower. **(Agenda Item 7-1)**

Adopted CEQA determination that the proposed action was previously addressed in the 2024 Mitigated Negative Declaration adopted by the City of Fontana for the Fontana Fire Station No. 80 and Training Center Project, and authorized the General Manager to execute a new license agreement with the City of Fontana for a base term of 15 years, with three 10-year options and one five-year option to extend the license for a maximum combined term of 50 years to support a new Fire Station and Training Facility with supplemental parking on Metropolitan fee-owned property in the City of Fontana, identified as San Bernardino County Assessor Parcel No. 0228-021-26. **(Agenda Item 7-2)**

Authorized increase of $200,000, to a maximum amount payable of $800,000, for existing General Counsel contract with Olson Remcho LLP to provide general government law advice related to the Political Reform Act, the Fair Political Practices Commission regulations, conflict of interest law and other legislative and ethics matters regulated by state law. **(Agenda Item 7-3)**

Approved the Metropolitan Water District of Southern California's salary schedules pursuant to CalPERS regulations. **(Agenda Item 7-4)**

Awarded a $5,164,432 contract to Bigfoot Homes Inc. to furnish and install up to twenty-one manufactured houses at four Colorado River Aqueduct pumping plants. **(Agenda Item 7-5)**

Authorized an agreement with Nokia of America Corporation in an amount not to exceed $6.831 million for equipment procurement and design support to upgrade the Western Region wide-area network. **(Agenda Item 7-6)**

OTHER BOARD ITEMS - ACTION

a. Authorized a $29,214,000 agreement with PCL Construction West Coast Inc. for Phase 1 progressive design-build services for the Lake Mathews Pressure Control Structure and Electrical System Upgrades Project; and b. Authorized an increase of $3.1 million to an existing agreement with Carollo Engineers Inc. for a new not-to-exceed amount of $4.4 million to serve as the owner's advisor for the Phase 1 design-build agreement. **(Agenda Item 8-1)**

a. Adopted the resolution establishing the ad valorem property tax rate for fiscal year 2026/27 at 0.0085 percent; and b. Directed staff to transmit that resolution to the county auditor-controllers, or equivalent, for the levy and collection of the ad valorem property tax. **(Agenda Item 8-2)**

THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.

All current month materials, and materials after July 1, 2021 are available on the public website here: https://mwdh2o.legistar.com/Calendar.aspx

This database contains archives from the year 1928 to June 30, 2021: https://bda.mwdh2o.com/Pages/Default.aspx

Summary Report for the San Gabriel Basin Water Quality Authority August 26, 2026

The Board of Directors discussed the following items:

- Approve the finalized Third Amendment to the Executive Director employment agreement with Randy Schoellerman to modify compensation terms following completion of Mr. Schoellerman's annual performance evaluation.
- Authorize the Board President to execute the written agreement on behalf of the Authority.

A closed session was held pursuant to Government Code 54956.9 Section(d)(4) – Conference with Legal Counsel re: Initiation of Litigation (settlement opportunities with potential defendants) – two (2) matters.

Summary Report for the Main San Gabriel Basin Watermaster Regular Board Meeting August 5, 2026

- The Board of Directors authorized the purchase of 1,900 acre-feet of water from TVMWD and 100.00 acre-feet of water from USGVMWD fo the City of Glendora's individual producer cyclic storage account.

- A Watermaster Status Conference is scheduled before The Honorable, Presiding Judge, Maureen Duffy-Lewis regarding Main San Gabriel Basin conditions and operations including an update on the Golden/Invasive Mussel and Baldwin Park Operable Unit Project Agreement Renewal on September 11, 2026.

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MEMORANDUM

Item 11. (g)
AB 1234 Compliance Report

Directors' Activity Report – (AB 1234)

In accordance with CA Government Code Section 53232.3 (d)

August 2026

Anthony R. Fellow, Division 1

Date	Event	Description/Topics
August 2026	No reportable activity	

Charles M. Treviño, Division 2

Date	Event	Description/Topics
August 24-27, 2026	CSDA 2026 Annual Conference	The Annual Conference & Exhibitor Showcase provided valuable opportunities to connect with peers and industry experts, explore new tools and resources, and learn about emerging trends. The event also offered meaningful networking opportunities with fellow special district professionals, along with more than 40 targeted breakout sessions addressing today's most relevant trends, challenges, and topics impacting special districts.

Edward Chavez, Division 3

Date	Event	Description/Topics
August 19-21, 2026	Urban Water Institute 2026 Annual Conference	The conference featured leading experts who delivered presentations on today's most pressing water management challenges, offering a broad range of expertise and nonpartisan perspectives. It also brought together water leaders from across California, representing public, private, nonprofit, and academic organizations.
August 28-30, 2026	CCCA 2026 Fall Educational Summit	A weekend conference of networking and policy discussions aimed at addressing common challenges in local government, such as housing, transit and service delivery.

Katarina Garcia, Division 4

Date	Event	Description/Topics
August 2026	No reportable activity	

Jennifer Santana, Division 5

Date	Event	Description/Topics
August 2026	No reportable activity	