WORKSHOP MEETING OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
BOARD OF DIRECTORS WITH METROPOLITAN DIRECTORS
18700 Ward Street, Conference Room 101, Fountain Valley, California
July 1, 2026, 8:30 a.m.

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

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

Computer Audio: You can join the Zoom meeting by clicking on the following link:
https://zoom.us/j/8828665300

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

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

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

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

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

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

NEXT RESOLUTION NO. 2177

PRESENTATION ITEM

1. OVERVIEW OF KEY METROPOLITAN PROJECTS IDENTIFIED IN THE CLIMATE ADAPTATION MASTER PLAN FOR WATER (CAMP4W) PROCESS

Recommendation: Receive and file the presentation.

DISCUSSION ITEMS

2. LEGISLATIVE ACTIVITIES

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

Recommendation: Review and discuss the information presented.

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

Recommendation: Receive input and discuss the information presented.

INFORMATION ITEMS

4. SENATE BILL (SB) 72 IMPLEMENTATION - MODERNIZING CALIFORNIA'S WATER PLAN

5. METROPOLITAN ITEMS CRITICAL TO ORANGE COUNTY

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

6. METROPOLITAN BOARD AGENDA DISCUSSION ITEMS

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

ADJOURNMENT

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

Item No. 1

PRESENTATION ITEM
July 1, 2026

TO: **Board of Directors**

FROM: **Harvey De La Torre, General Manager**

Staff Contact: Jared Dawson, Water Resources Policy Analyst
Heather Baez, Director of Government Affairs

SUBJECT: **OVERVIEW OF KEY METROPOLITAN PROJECTS IDENTIFIED IN THE CLIMATE ADAPTATION MASTER PLAN FOR WATER (CAMP4W) PROCESS**

STAFF RECOMMENDATION

Staff recommends the Board of Directors receive the presentation.

REPORT

Purpose

Metropolitan's Climate Adaptation Master Plan for Water (CAMP4W) process identified several water resources projects and programs to address the challenge of planning for a reliable water supply amid a changing climate. This item provides details on Metropolitan's identified projects and programs, outlines associated implementation timelines, and prompts discussion of how the CAMP4W process can aid decision-making.

Summary

Metropolitan's CAMP4W process was created to be a comprehensive, long-range planning initiative to help the region adapt to the growing challenges posed by climate change. Originally launched in 2023, CAMP4W attempts to integrate water supply reliability, infrastructure resilience, climate risk assessment, and financial sustainability into a single decision-making framework.

The process was established in response to growing uncertainty surrounding imported water supplies from the Colorado River and Northern California, as well as the need to address more frequent droughts, extreme weather events, and long-term affordability considerations. CAMP4W evaluates future investments through a climate lens, using

scenario planning, time-bound performance targets, and a structured framework to guide decisions on resources and infrastructure.

In the three years since CAMP4W began, Metropolitan has engaged member agencies, stakeholders, and the Metropolitan Board to develop an adaptive planning process. In April 2025, Metropolitan's Board adopted the CAMP4W Implementation Strategy, establishing a roadmap for evaluating projects, policies, and programs based on criteria such as reliability, affordability, environmental benefits, and resilience.

Through both its Integrated Resources Plan (IRP) and CAMP4W processes, Metropolitan has used scenario-based planning to evaluate future water supply reliability under a range of hydrologic, regulatory, demand, and climate conditions. This analysis assesses potential supply gaps by comparing projected water demands with available supplies across multiple future scenarios, including prolonged drought, reduced availability of imported water from the Colorado River and the State Water Project, changing climate conditions, and varying levels of conservation and local resource development.

The scenario planning approach recognizes the inherent uncertainty in long-term water management and enables Metropolitan to identify vulnerabilities, test the performance of existing and planned resources, and evaluate investment portfolios that can maintain reliability across a wide range of future conditions. The resulting supply gap analysis serves as a foundational planning tool, helping to quantify the magnitude and timing of potential shortages and informing decisions regarding conservation, storage, recycling, transfers, infrastructure investments, and other adaptive strategies needed to ensure long-term water reliability for Southern California.

Background

Metropolitan identified several projects and programs that could be utilized to meet future demand under a range of scenarios. These projects include:

- Pure Water Southern California (45 MGD stage, 75 MGD stage, 150 MGD stage)
- Sites Reservoir (22% participation)
- Delta Conveyance Project (47% share)
- South of Delta Surface Storage
- Sepulveda Feeder Stage 2
- Regional Conveyance
- Groundwater storage (in and out of region)
- In-Delta Investments
- Conservation and efficiency programs

To date, Metropolitan has conducted preliminary CAMP4W assessments for the three stages of the Pure Water Southern California project, as well as for the Sites Reservoir project. It is anticipated that the Delta Conveyance Project will undergo a similar evaluation in late 2026 or early 2027.

While the preliminary CAMP4W assessments (link attached) are currently under refinement, they illustrate the breadth and depth of the analysis being applied across the projects under consideration.

The initial assessment process also incorporated a preliminary set of assessments for project portfolios to test how the methodology may be used to evaluate projects working in combination. These initial assessments are informing process refinement and will be reflected in assessments presented to member agencies and the Metropolitan Board in the coming months.

Pure Water Southern California (PWSC)

Benefit

PWSC is a regional water recycling partnership between Metropolitan and the Los Angeles County Sanitation District that would produce base-loaded, highly purified recycled water with the potential for groundwater replenishment and potable reuse.

Cost

PWSC costs vary depending on the stage pursued, with each stage and the associated cost outlined below:

Capacity	Metropolitan's Share of Cost*
45 MGD	$2.9 B
75 MGD	$7.1 B
150 MGD	$9.8 B

*Metropolitan share of cost based on September 2025 PWSC cost update

Timeline

Metropolitan's Board of Directors recently approved a biennial budget that included allocating $150 million over the two-year biennium to support planning and final design of the initial 45 MGD PWSC project. It is anticipated that in late 2026, the Metropolitan Board will decide on funding for the design of the PWSC project.

Sites Reservoir

Benefit

Sites Reservoir is a proposed off-stream storage project in Northern California that would capture and store excess Sacramento River flows during wet periods for delivery and use during a drought and dry years. Metropolitan is evaluating participation in the project at approximately 22 percent of project capacity. A 22 percent participation would give Metropolitan approximately 312-thousand-acre feet (TAF) of storage and the ability to receive a long-term annual average supply of 32 TAF per year, with 56 TAF per year in dry and critically dry years.

Cost

Metropolitan Project Participation	Metropolitan Share of Cost*
22%	$1.7 B

*Metropolitan share of cost based on Sites Project Authority 2025 cost estimate of the project

Timeline

It is anticipated that the Metropolitan Board of Directors will take action on funding for the Sites Reservoir project in late 2026 or early 2027.

Delta Conveyance Project (DCP)

Benefit

The DCP is a major infrastructure project proposed in the Sacramento-San Joaquin Delta that would include a single tunnel with an export capacity of 6,000 cubic feet per second, two intakes along the Sacramento River, and a tunnel alignment east of the Bay-Delta, connecting to the existing Bethany Reservoir on the California Aqueduct. Metropolitan's benefit from participating in the project is linked to the project's ability to preserve and improve access to existing State Water Project supplies, with an expected benefit of providing up to 190 TAF annually.

Cost

Metropolitan is evaluating funding participation in the project at 47% of the total project cost, outlined below:

Metropolitan Project Participation	Metropolitan Share of Cost*
47%	$10.1 B

*Metropolitan share of cost based on DWR 2024 cost estimate of the project

Timeline

A Metropolitan Board decision on whether to fund the project's final design and construction is anticipated sometime in 2027, provided the project receives all necessary approvals. The DCP has not been a part of a formal CAMP4W assessment but is anticipated to be evaluated towards the end of 2026 or early 2027.

Discussion

One of the key challenges in evaluating the projects identified under the CAMP4W framework is that they are at significantly different stages of development and maturity. Some projects, such as Pure Water Southern California, Sites Reservoir, and the Delta Conveyance Project, have undergone extensive technical studies, environmental review, and cost estimation, while other projects remain at a more preliminary planning or feasibility stage. As a result, the level of certainty regarding project costs, schedules, yields, risks, and operational performance varies considerably across the suite of projects.

Comparing projects on a consistent basis, therefore, requires acknowledging differences in information quality and development status, while recognizing that less mature projects may offer future benefits or flexibility that are not yet fully quantifiable. This inherent uncertainty underscores the importance of CAMP4W's adaptive planning approach, which allows Metropolitan to refine evaluations and investment decisions as projects advance, new information becomes available, and future water supply conditions evolve.

As Metropolitan moves toward funding decisions on these projects, MWDOC's interest in the CAMP4W process is to ensure that Orange County's existing investments and interests are reflected in Metropolitan's scenario planning, that the process provides usable decision-making output, and that affordability and cost-share impacts to Metropolitan member agencies are clearly understood before funding commitments are made.

Next Steps

The Metropolitan Board will be asked to make financial commitments on several major infrastructure projects over the next one to two years. The development of a decision-making framework like CAMP4W can guide the Metropolitan Board in making critical investments.

The next CAMP4W workshop is currently scheduled for August or September 2026. Metropolitan staff plan to provide additional detail on project descriptions and completed assessments at this workshop. In preparation, Metropolitan is planning one-on-one meetings with each member agency, and MWDOC staff will meet with Metropolitan staff to provide feedback ahead of the workshop.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

☐ *Clarifying MWDOC's mission and role; defining functions and actions.*
☒ *Balance support for Metropolitan's regional mission and OC values and interests.*
☒ *Strengthen communication and coordination of messaging.*
☐ *Work with member agencies to develop water supply and demand objectives.*
☒ *Solicit input and feedback from member agencies.*
☐ *Invest in workforce development and succession planning.*

Attachments/Links:
Link 1: Preliminary CAMP4W Assessments https://mwdh2o.legistar.com/View.ashx?M=F&ID=14331558&GUID=34236EA0-168F-4E3C-BD69-89827F612D71

To: Board of Directors, *Municipal Water District of Orange County*
From: Natural Resource Results
RE: Monthly Board Report – July 2026

Colorado River Post-2026 Negotiations

The Senate Energy and Natural Resources Committee held a hearing on June 10 to examine the status of Colorado River Basin negotiations and the development of post-2026 operating guidelines. The hearing featured two panels. The first included the Department of the Interior Assistant Secretary Andrea Travnicek and Bureau of Reclamation Deputy Commissioner David Palumbo. The second panel featured representatives from across the Basin, including Amy Haas of Utah and Bill Hasencamp of the Metropolitan Water District of Southern California.

Participating senators included Alex Padilla (D-CA), Catherine Cortez Masto (D-NV), Ruben Gallego (D-AZ), Martin Heinrich (D-NM), and Mike Lee (R-UT). During the hearing, Senator Lee pressed Interior officials on whether federal funding should be made available to states that pursue litigation against other Colorado River Basin states, signaling concerns about the role of federal resources in ongoing disputes. Senator Lee's comments indicate a potential effort to leverage federal funding as a means of discouraging interstate litigation.

Colorado River Desalination and Interstate Water Swap MOU

On June 3, 2026, the Bureau of Reclamation signed a memorandum of understanding with six water agencies in Arizona, California, and Nevada to explore the first-ever interstate water swap mechanism involving desalinated or recycled water in the Colorado River Basin. The agreement was formalized at the Carlsbad Desalination Plant and includes the San Diego County Water Authority, Metropolitan Water District of Southern California (MWD), Southern Nevada Water Authority, Arizona Department of Water Resources, Central Arizona Water Conservation District, and Salt River Project Agricultural Improvement and Power District.

The MOU does not alter existing water rights or commit any party to a specific project. Rather, it initiates a two-year process to assess the legal authorities and policy frameworks needed to enable these trades. The core concept is that Arizona or Nevada agencies could invest in coastal California desalination or recycled water projects; California agencies would then use that water and reduce their Colorado River diversions by a corresponding amount, freeing up system storage. For MWDOC, this arrangement is directly relevant given MWD's participation and its implications for Colorado River water supply reliability in Southern California.

West Coast Advisors
Strategic Public Affairs

June 24, 2026

To: Municipal Water District of Orange County

From: Michael Boccadoro
Beth Olhasso

RE: June Report

California ends June with generally strong water supply conditions, supported by robust reservoir storage across key facilities including Oroville, Shasta, and San Luis Reservoir. State Water Project operations reflect this stability with a 45 percent allocation, and most urban water agencies remain well positioned for summer demand due to healthy carryover storage, groundwater banking, recycled water use, and conservation programs. Despite this near-term strength, the rapid loss of Sierra Nevada snowpack during an unusually warm spring has emerged as a key concern, as the early melt reduces the system's natural runoff replenishment and reinforces growing uncertainty around temperature-driven hydrology.

Legislative Democrats passed a $325 billion state budget by the June 15 deadline. The budget closes a projected deficit while maintaining targeted investments in water, including continued support for Bay-Delta collaborative programs. A notable allocation includes $25 million for the Healthy Rivers and Landscapes Program, contingent on State Water Resources Control Board adoption of Bay-Delta Plan amendments, linking funding to regulatory action. While stronger-than-expected tax receipts helped stabilize near-term finances, the state continues to face structural fiscal pressure, relying on reserves, spending delays, and internal borrowing to balance competing priorities while protecting core infrastructure and climate-related commitments. Negotiations are heating up between the Legislature and the Governor on a final version of the budget before the July 1 fiscal year.

The Delta Conveyance Project reached a major milestone in June with the issuance of federal biological opinions under the Endangered Species Act by the U.S. Fish and Wildlife Service and NOAA Fisheries. These approvals remove one of the final major federal permitting barriers and allow the project to continue advancing toward financing and pre-construction phases.

Recent amendments to California's Advanced Clean Fleets (ACF) regulation have sparked concern among local governments over how contracted vehicle operations are counted toward fleet compliance requirements. CARB maintains that updates clarify existing rules, but agencies argue the changes could effectively extend compliance burdens into contracted services across public works, transit, and utility operations. In response, AB 1436 seeks to prevent regulatory reach into private contractor fleets under the state and local government provisions.

California's response to the golden mussel invasion is shifting from prevention to long-term system management as the species spreads through State Water Project and Central Valley Project infrastructure, including pumping plants, reservoirs, and conveyance facilities. Local responses now vary by region, from aggressive boat inspection programs in Northern California to expanded monitoring and treatment protocols in the Bay Area, San Joaquin Valley, and Southern California import-dependent systems.

The Legislature is entering the final stretch before its July recess, with key water-related bills advancing through policy and fiscal committees. Among the most significant measures, SB 872 would establish long-term funding for Delta levee rehabilitation and subsidence-related conveyance repairs, while AB 2215 advances timelines related to State Water Project water rights administration. Additional legislation includes AB 2777 to expand Clean Water State Revolving Fund capacity and several bills addressing tribal water rights and invasive species management. With the second year of the legislative session set to conclude on August 31, stakeholders are closely tracking final negotiations on infrastructure funding, regulatory authority, and statewide system resilience.

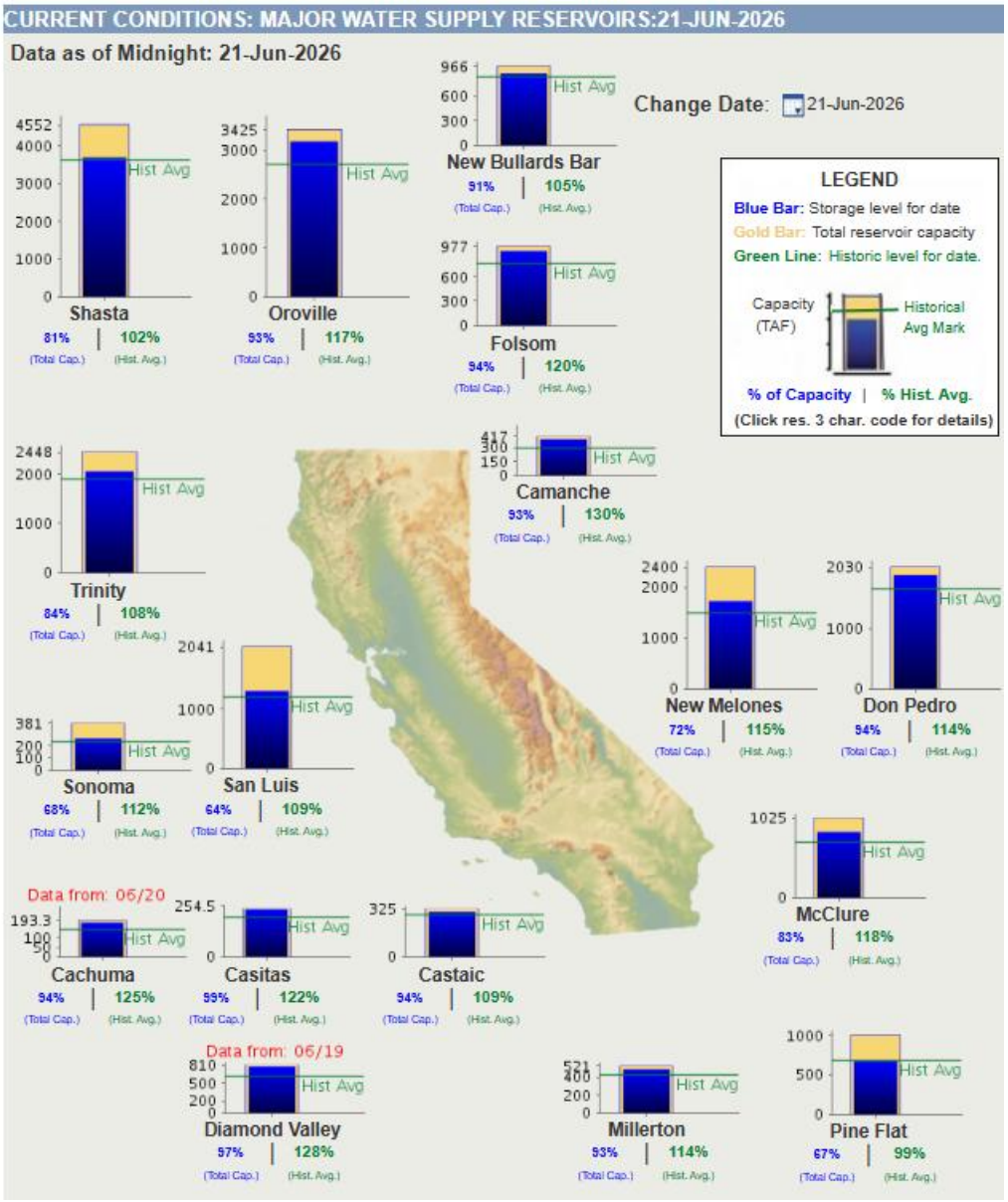
Municipal Water District of Orange County
Status Report – June 2026

Water Supply Conditions

California ends June with generally strong water supply conditions, as major reservoirs—including Oroville, Shasta, and San Luis—remain near or above historical averages for this time of year. Oroville is at 93 percent capacity, 117 percent historical average. Shasta is at 81 percent capacity, 102 percent historical average. San Luis Reservoir is at 64 percent capacity and 109 percent historical average.

A 45 percent State Water Project allocation, combined with healthy carryover storage and extensive local investments in groundwater banking, recycled water, and conservation, has left most urban agencies in a stable position heading into peak summer demand.

That strength in storage, however, masks a key vulnerability: the rapid loss of Sierra Nevada snowpack this past spring. Despite near-average precipitation, unusually warm conditions caused the snowpack to melt weeks early, reducing the natural “slow-release” snowpack that typically sustains summer and fall runoff. Water managers are increasingly concerned that this pattern reflects a structural shift toward more volatile, temperature-driven hydrology.



State Budget Preserves Key Water Funding Amid Ongoing Fiscal Challenges

California lawmakers approved the Legislative Democrats version of the $325 billion state budget last week, closing a projected budget shortfall while preserving several water-related investments, including funding tied to the state's efforts to advance a collaborative approach to Bay-Delta management. The Legislature and the Governor will work towards a final budget before the July 1 start of the fiscal year.

Among the notable water allocations is $25 million for the Healthy Rivers and Landscapes Program, the centerpiece of the Voluntary Agreements framework being negotiated among water agencies, environmental organizations, state agencies, and other stakeholders. The funding is intended to support habitat restoration, scientific monitoring, planning, and implementation

activities designed to improve ecosystem conditions in the Sacramento-San Joaquin watershed while maintaining water supply reliability.

However, the appropriation comes with an important condition: the funding will only become available if the State Water Resources Control Board adopts the Bay-Delta Plan amendments necessary to implement the Healthy Rivers and Landscapes Program. The contingency reflects the Legislature's desire to support the collaborative framework while ensuring that state funds are tied to formal regulatory action.

The budget's support for the program is viewed by many water stakeholders as a signal that state leaders remain committed to pursuing negotiated solutions to Bay-Delta challenges rather than relying exclusively on traditional regulatory approaches.

The water funding comes against the backdrop of a mixed fiscal picture for California. The state's finances improved modestly during the spring as stronger-than-expected personal income tax receipts, particularly from high-income taxpayers and capital gains revenue, provided additional resources beyond earlier projections. Those revenues helped narrow the immediate budget gap and reduced the need for deeper spending reductions.

Despite the improved near-term outlook, state fiscal analysts continue to warn of persistent structural budget challenges. Spending commitments established during years of record revenues continue to outpace projected long-term revenue growth, and the state faces ongoing pressures from Medi-Cal costs, climate and infrastructure investments, pension obligations, and other programs. Both the Legislative Analyst's Office and Department of Finance have projected that California could face annual operating deficits over the next several years absent stronger economic growth or future budget adjustments.

As a result, the Legislature relied on a combination of spending restraints, funding delays, internal borrowing, reserve drawdowns, and other budget solutions to balance the current year's spending plan. The budget reflects a continued emphasis on protecting core priorities while limiting new commitments that could worsen the state's long-term fiscal outlook.

Federal Approvals Advance Delta Conveyance Project

California's long-planned Delta Conveyance Project reached a significant milestone in June with the completion of key federal environmental reviews, moving the project closer to construction and marking another step in the state's effort to modernize critical water infrastructure.
The U.S. Fish and Wildlife Service and National Marine Fisheries Service issued biological opinions evaluating the project's construction activities under the federal Endangered Species Act. State officials characterized the approvals as one of the final major federal permitting hurdles for the project, which is designed to improve the reliability of State Water Project deliveries in the face of climate change, seismic risks, and sea level rise.

The Delta Conveyance Project would construct a new intake and tunnel system to move water beneath the Sacramento-San Joaquin Delta. Supporters argue the project is necessary to protect California's primary north-to-south water conveyance system from disruptions caused by earthquakes, extreme storms, flooding, and saltwater intrusion. The State Water Project provides

water to approximately 27 million Californians and supports millions of acres of agricultural land.

For Southern California water agencies, the project is viewed as a long-term reliability investment. Studies by the Department of Water Resources have projected that climate change could reduce the State Water Project's delivery capability by more than 20 percent by mid-century if no additional conveyance improvements are made.

While the federal approvals represent meaningful progress, the project still faces ongoing legal challenges, financing decisions, and additional regulatory reviews before construction can begin. Nevertheless, June's milestone demonstrates continued momentum behind one of California's largest water infrastructure investments in decades.

As California prepares for a future characterized by more extreme swings between drought and flood, the Delta Conveyance Project remains at the center of discussions about how to maintain reliable water supplies for urban, agricultural, and environmental needs throughout the state.

Advanced Clean Fleets Amendments Spur Local Government Concerns as Legislature Advances AB 1436

California's Advanced Clean Fleets (ACF) regulation continues to evolve, with recent regulatory amendments and legislative activity intensifying debate over how zero-emission vehicle requirements should apply to local governments and their contractors.

On June 1, the California Air Resources Board (CARB) released a second set of 15-day modifications to the ACF regulation governing state and local government fleets. The changes seek to “clarify” how public agencies must account for vehicles operated under contract when determining compliance with fleet electrification requirements. According to CARB, public agencies must include covered vehicles operated through contractual arrangements when calculating fleet compliance, even though the private contractors themselves are not directly regulated under the state and local government provisions of the rule.

The clarification has generated significant concern among cities, counties, special districts, and public utilities. Stakeholders argue the revised language could effectively shift compliance obligations onto local agencies for services performed by private contractors, potentially affecting a wide range of contracted activities including construction, maintenance, solid waste, transit, water, and wastewater operations. Critics contend the changes expand the practical reach of the regulation beyond what many agencies understood when the original amendments were proposed.

In response to those concerns, Assemblymember Anamarie Avila Farias has amended AB 1436, to clarify that CARB may not regulate private contract fleets through the state and local government fleet provisions of the ACF regulation.

Supporters of AB 1436 argue the legislation is necessary to preserve the distinction between public fleets and private businesses, prevent unintended compliance burdens on contractors, and avoid increased costs for local government services. Counties, special districts, and other local government organizations have expressed concern that the current regulatory approach could

increase procurement costs and reduce the pool of contractors available to perform essential public services.

CARB maintains that the recent modifications are intended to clarify existing requirements rather than expand them, emphasizing that private fleets themselves remain outside the scope of the state and local government fleet rule. However, stakeholders continue to question how the provisions will be implemented and whether public agencies could ultimately be held responsible for ensuring contracted services meet fleet requirements.

For water agencies, the outcome of both the regulatory process and AB 1436 could have significant implications. Many agencies rely extensively on contractors for construction, maintenance, emergency response, vegetation management, and infrastructure projects. The final resolution will help determine whether fleet electrification requirements remain focused on agency-owned vehicles or extend more broadly into contracted operations.

AB 1436 is currently moving through the Senate, while CARB continues reviewing comments on the latest proposed modifications. The coming months are expected to be critical in determining how the Advanced Clean Fleets regulation will be implemented for local governments and special districts across California.

Golden Mussel Crisis Expands Across California Water Systems

California water agencies are rapidly shifting from prevention to long-term management of the invasive golden mussel as the species spreads through the state's interconnected water delivery network.

First discovered in the Sacramento-San Joaquin Delta in 2024, golden mussels have now been detected throughout portions of the State Water Project and Central Valley Project systems, including facilities serving the Bay Area, San Joaquin Valley, and Southern California. Water managers report infestations at pumping plants, pipelines, fish screens, reservoirs, and treatment facilities.

The mussels attach to hard surfaces and reproduce rapidly, creating dense colonies capable of clogging pipes, restricting flows, increasing maintenance costs, and impairing critical infrastructure. State officials have reported infestations at key export facilities in the Delta, while local water agencies are increasing monitoring and treatment efforts to protect their systems.

The response is becoming increasingly regional. Lake Tahoe officials recently intercepted a contaminated vessel carrying golden mussels and continue to operate one of the state's most rigorous watercraft inspection programs. Reservoir operators throughout Northern California are expanding inspection requirements and decontamination protocols. Water agencies in the Bay Area and San Joaquin Valley have increased monitoring at treatment plants and conveyance facilities, while Southern California agencies are evaluating potential impacts to imported water infrastructure and reservoir operations.

The Legislature is also considering several measures aimed at strengthening California's response. AB 1772 would expand invasive mussel prevention requirements and require existing prevention plans to address all invasive mussel species known to be present in California waters.

AB 2032 would establish additional authorities and requirements specifically focused on golden mussels, reflecting growing concern that the species presents unique risks compared with earlier quagga and zebra mussel infestations.

AB 1894 seeks to strengthen statewide protections against the introduction and spread of invasive mussels, including measures related to imported water and consistency among local prevention programs.

The CA Department of Fish and Wildlife is expected to release new regulations and guidelines in the coming weeks.

Legislative Update

The Legislature heads to a month-long summer recess on July 3, but not before taking final action on legislation in second house policy committees. Bills that made it through their first house are rushing to get to Appropriations committees before the break. When they return, they will be in Sacramento for the final month of the session before adjourning the second year of the two-year session on August 31.

State Water Contractors Sponsored Legislation:

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

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

Key provisions include:

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

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

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

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

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

AB 2215 (Calderon): moves a portion of the DCP Trailer Bill from 2025 into a policy bill. AB 2215 would require that the time periods for the application of water to beneficial use and for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project be December 31, 2045. The bill passed out of the Assembly Water, Parks and Wildlife Committee 11-0 and the Appropriations Committee and was approved by the full Assembly 57-1. ACWA recently took a support position on the bill. The bill will be heard in the Senate Natural Resources and Water Committee on July 1.

State Water Project contractors and MWD member agencies are rallying behind these two bills as essential legislation to keep water flowing.

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

<u>Other significant legislation:</u>

- **AB 1881 (Ramos)** and **AB 2218 (Kalra)** on tribal water rights. Both bills give tribes significant powers over infrastructure projects. Stakeholders have been working with the authors and sponsors to work out mutually aggregable language. Both bills passed out of Appropriations Committee and passed off the Assembly Floor.

  Interestingly, AB 1881 has not been assigned to a Senate Committee.

  AB 2218 passed out of the Senate Natural Resources and Water Committee on June 23.

- Golden Mussels Bills
  AB 2032 (Ransom): specifies specific actions for the state to undertake to research and provide best management practices for eradication. The bill has an urgency clause, but passed off the Assembly Floor well ahead of the 2/3 vote threshold with 78 "aye" votes. The bill passed out of the Senate Natural Resources and Water Committee on June 23 and will likely be heard in the Environmental Quality on July .1

    - **AB 1772 (Papan):** creates a standardized boat inspection program for all reservoir operators. The bill passed out of the Senate Natural Resources and Water Committee June 23 and will be herd by the Judiciary Committee on June 30.

- **AB 1894 (Rubio):** Looks to address some agencies forbidding SWP water from entering a system. The bill has been amended to address some concerns of other water users, including MWD. The bill was passed by the Senate Natural Resources and Water Committee 7-0 and is in the Appropriations Committee

Legal and Regulatory

July 1, 2026

1. **Alameda Island:** The city of Alameda, in the Bay Area, is an island. When it was founded in 1853 is was mostly marsh land. Starting in 1874, extensive dredging occurred to improve the water ways and the marsh was filled in to create the island. Its 23 square miles is home to over 80,000 residents. It is totally surrounded by water and has some large beaches. It is now having serious water issues. Sea level rise, groundwater depletion and soil saturation are forcing the City to consider many solutions. Many of their resident's homes have basements which require constant pumping to keep dry. What land to save and which beaches to sacrifice. The nature and character of this historical and beautiful area is probably going to change.

2. **More PFAS:** It is amazing to learn about research studies in one area leading to important discoveries in a totally unrelated area. The University of Chicago has been studying battery failures in lithium based batteries, trying to discover the causes and possible cures. They studied the chemical process that caused the degrading. They worked with researchers from Northwestern University (just around the corner in Chicago) who asked if that chemistry could breakdown PFAS. It turns out that the answer was Yes. The method uses lithium mediated electroreduction in non aqueous electrolytes to mineralize fluorine. This breaks down the PFAS and makes it easier to separate and remove. It is having a 95% success rate. Scaling and economic analysis is underway.

3. **Microbes and Emissions:** Groundwater throughout the world contains methane. The level of methane can range from practically zero to heavy. Methane is a serious greenhouse gas that can impact climate change and water quality. German researchers (with some help for UCI) have studied the impact of microbes on this methane emission. They have discovered that these microbes can remove up to half of the methane found in groundwater. Using a radiocarbon tracer method they can measure the methane content and the success of microbes in fighting the issue. They are using active microbe filters in the groundwater systems to improve this problem. They acknowledge that there is still significant uncertainty about the role of freshwater methane from a climate change perspective but believe their research will add additional data for the process.

4. **Nonfunctional Turf Regulations:** The California legislature passed AB 1572 in 2023. This bill will ban the use of potable water for nonfunctional turf. The effective date for the bill is 2029. It is mainly aimed at HOAs and could be a significant burden financially and practically. However, whoever drafted the bill may have missed their target. The definition of nonfunctional turf is mowed grass in areas that is inaccessible to residents for walking, sitting or otherwise enjoying the area. Most HOAs that have mowed grass areas allow access to people. Back to the drafting board for the author>>

5. **Public v Private Utilities:** A recent article in Inside Climate News compared the pros and cons of public and private utilities focused on the electrical market. Private utilities charge on average 50% higher rates, spend more on infrastructure, are governed by PUC, pay more interest on bonds, have more liability (wildfires), pay taxes, have different service areas and population, are more regulated, are forced to spend money on social issues and state mandated programs, are trying to make a profit for their investors. Public utilities charge cheaper rates, spend less and are behind on infrastructure, have local government control, have cheaper bond costs, pay no taxes, are not regulated as ardently as privates. There is clearly not a level playing field in this area. Suggested solutions included public ownership of infrastructure (grid and transmission lines), better and equal oversight, scaling back rates of return for privates. Some of these ideas are being considered legislatively now.

6. **Data Centers:** Data centers are getting more attention and more publicity day by day. Many are being built, some cities are banning their construction and more people are questioning the data on data centers. Location is an issue. Most centers in California have been placed in dense urban tech hubs (Silicon Valley). Others are being proposed in more rural areas where energy infrastructure is much smaller. The exact energy requirements, both water and electricity, is not known. The definition of a data center is fluid. Some are big and some are small. Backup generators have become an issue. Since they are normally diesel, the environmental groups are in opposition. Reliability is an issue. These centers are sensitive to voltage changes. The more pressure that is put on a grid, the higher the risk of disconnections and grid failures. The cost of electricity may go up because of additional costs to improve and increase the systems. Who should pay these added costs?? The debate will continue.

7. **Lake Tahoe:** The Lakes clarity is improving. Last year's average was 69 feet which was 7 feet better than the year before. Clarity is measured by how far down you can see a 10 inch white disk. It was 97 feet from 1967 through 1971. Another issue is microplastics. Tahoe was rated the third worst lake for concentration of microplastics in a recent study. Health impacts are still being debated. Efforts at Tahoe are in process to remove as much as the big plastics as possible before they degrade into smaller micros.

8. **Crop Forecast**: As a result of water conditions, climate change and market, California produce is expected to see some changes this crop year. Almonds at 2.7 billion pounds, down 1%. Peaches at 532,000 tons, down 10%. Winter wheat at 9.5 million bushels, down 25%. Duram wheat at 1.9 million bushels, up 8%. Hay stacks at 1.6 million tons, up 14%. Cotton, which is big water user, was down in acres planted but up in yield produced.

9. **Water Mapping:** Stanford University is making a new map. The map of California and the associated tracking of our water supply is a monumental task. They plan to measure all California water, above and below ground, by volume and movement. Groundwater, rivers, creeks, storage, soil saturation will be followed by electromagnetic sensors, satellites, drones, airplanes and stationary equipment. They plan to measure where our water starts and where it ends up. This type of measurement has been done on a regional basis but not on a statewide basis. They are looking at travel through soils to aquifers including quantity and speed. This type of information will be invaluable to water planners and policy makers.

10. **Livestock Feeding:** Stanford is keeping busy this month. They are studying rangelands and animal grazing habits and that impact on the environment and health. Rangelands (grasslands and prairies) cover about one half of the Earth's surface. It supports about 500 million people, worldwide, by feeding livestock. This study looks to maximize use of rangelands and grain fed livestock to reduce emissions and produce better livestock and food supply. Significant reduction in methane can be achieved by proper diet to the herds. Local climate conditions can also influence the methane/diet balance.

11. **Iran Hacks Water World(?):** Iran has claimed they hacked in to various water infrastructure facilities in the US. While this matter is still being investigated, the information available would question this claim. Iran's history of truth telling is fairly consistent. They lie a lot. The pictures of billing records and such do not equate with how to poison the water system or drain the dam. Stay tuned.

12. **PFAS Levels Drop:** New York and California passed laws and/or pressured certain industries to reduce certain chemicals which result in PFAS issues in targeted industries. The industry in question was certain household textiles. The results were a drop in PFAS in that segment by over 98%. The debate is still ongoing in many industries on the basis of safety, cost, quality of product and other issues. As we have mentioned before the causation question is still being analyzed.

WHITTINGHAM
PUBLIC AFFAIRS ADVISORS

TO: MWDOC Board of Directors

FROM: Whittingham Public Affairs Advisors

DATE: July 1, 2026

SUBJECT: July 2026 Local Legislative Report

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

- The Garden Grove manufacturing site of GKN Aerospace, a global multi-technology leader in the aerospace industry which serves more than 90% of the world's aircraft and engine manufacturers, continues to dominate local headlines. Officials from various local, regional, state, and federal agencies are reviewing the documents and protocols in place at the facility, and Justice Department agents arrived at the site early one morning to collect documents and records. The Garden Grove City Council held a special meeting at which a GKN representative appeared to share information about the facility, mention the company's $3 million contribution to the Orange County United Way for distribution to a number of the 50,000-plus residents of Stanton, Garden Grove, and neighboring cities who were evacuated from their homes over Memorial Day weekend, and pledge the company's commitment to holding a town hall meeting when there is more information that can be shared. The United Way relief fund program was closed after roughly two weeks when funds were exhausted. A Senior VP at GKN attended the June 23 Garden Grove City Council meeting and reiterated the company's commitment to holding a town hall meeting soon and to sharing all information as it becomes available.

- The Orange County Board of Supervisors approved a $10.8 billion budget for 2026-27, some $300 million less than FY 2025-26 and $75 million short of a self-balancing budget. County executives pointed to inflation and a number of lawsuit settlements, the largest of which is related to the Airport Fire, when explaining the need one-time funds to help balance the budget. The County has thus far managed to avoid layoffs through a hiring freeze and the elimination of more than 400 vacant positions.

- The Board of Supervisors also appointed County Chief Information Officer KC Roestenberg to serve as Interim Chief Executive Officer, succeeding Michelle Aguirre. Ms. Aguirre had announced her plans to retire at the end of her current contract, which concluded June 26, after a 35-year career at the County.

- Moulton Niguel Water District General Manager Joone Kim-Lopez has been appointed Executive Director of the City of Los Angeles Bureau of Sanitation by Mayor Karen Bass. Ms. Kim-Lopez's tenure begins July 27, pending City Council confirmation.

- Peter DeMarco, who has served as the Director of Legislative Affairs at the County for the past 11 years, will be succeeding Stacy Taylor as Water Policy Manager at Mesa Water® . Ms. Taylor has served in that position since 2010.

- The appointment of former Orange County Supervisor and two-term Congresswoman Michelle Steel to serve as US ambassador to South Korea was confirmed by the US Senate. The former Supervisor, a Seal Beach resident, was born in South Korea to parents who fled North Korea and was raised in Japan before immigrating to the US when she was 19.

- In response to public opposition and outcry regarding the use of herbicides by the County and other public agencies, the County Board of Supervisors voted to permanently discontinue the use of herbicides to control foliage in San Juan and Trabuco Creeks. Fifth District Supervisor Katrina Foley had called for County Public Works to discontinue the use of such chemicals in all waterways maintained by the County, but a majority of the Board voted to focus initially on those two creeks and gather more information on the implications in other areas. The focus is the potential use of glyphosate, a chemical found in many herbicides and pesticides which is an effective weed killer but has faced scrutiny over whether it can cause health concerns, including cancer. Several cities had already banned the use of glyphosate and other chemicals, but a watchdog group has asserted that even in cities where their use was banned, oversight was minimal and spraying often continued.

- The 2026 Orange County Grand Jury took aim at the Board of Supervisors, highlighting how each Supervisor receives $2.5 million annually to both manage staffs of up to a dozen people and provide discretionary funding to organizations and projects in their respective districts. One of the six findings in their new report, entitled "Growing Political Appointees and Discretionary Spending within the OC Board of Supervisors," detailed a "…widening distance between Supervisors and the Executive Team (which) undermines the value of the County Executive Team and complicates coordination, slows policy implementation, and contributes to fragmented decision-making." Recommendations include limiting or eliminating the discretionary fund practice, establishing criteria for Supervisorial staff members, and realigning the Board's engagement with the County Executive Team and department heads on policy matters to enhance collaboration.

- The Grand Jury also released a report entitled, "PFAS and Public Awareness: A Closer Look at Orange County Drinking Water," which seeks to provide a clear and current understanding of the response by water agencies countywide to PFAS. The Jurors conducted interviews with a number of elected and appointed officials and reviewed published water quality reports and other records from all Orange County water retailers and relevant agencies. The recommendations of the report include enhanced public education and awareness, and the pursuit of cost recovery from PFAS

manufacturers "…to offset treatment, monitoring, and long-term remediation costs incurred by local water agencies and ratepayers."

- In response to the Grand Jury's PFAS report, OCWD noted that since 2019 it has returned 53 of 106 impacted groundwater wells to service and has secured approximately $283 million through grants, legal settlements with chemical manufacturers, and other sources to offset costs, with the total cost of addressing PFAS countywide estimated at roughly $1.8 billion over 30 years.

- Orange County's coastline experienced record swells for several weeks in June, which contributed to dangerous conditions at beaches, including the tragic passing of a five-year-old girl in Laguna Beach, who was swept into the ocean along with her mother and brother, the latter two being rescued by onlookers. King tides also led to flooding in Newport Beach and other coastal areas.

- As results from the June 2 election continue to be updated as signatures are verified and ballots are reviewed, it is expected that two of the three County Board of Supervisors seats on the ballot will move on to a runoff election this November. Second District Supervisor Vicente Sarmiento overwhelmingly defeated three challengers and will retain his seat for another four years, but in the 4th Supervisorial District, Buena Park Mayor Connor Traut and Orange County Department of Education Board member Tim Shaw bested two other candidates and will move on to a runoff in November. In the 5th Supervisorial District, incumbent Katrina Foley received several hundred more votes than Assemblymember Diane Dixon, but neither was able to secure more than 50% due to a third candidate who received roughly 6% of the vote, forcing a runoff for this seat.

- Communities nationwide are examining the potential benefits and detriments of data centers, with several Southern California cities adopting moratoriums on such industrial uses. This campaign has also impacted proposed battery energy storage system, or BESS, projects, with opponents linking the two and raising concerns about increased fire risks. While a proposed BESS project in San Juan Capistrano was put on indefinite hold by its developer earlier this year, the Westminster Reliability Project, which was unanimously approved by the Westminster City Council in 2025, is well into construction adjacent to the SCE Shawnee substation on Garden Grove Blvd. and is expected to come online in October.

- Elsewhere in Westminster, for three generations, members of the Palomino family have lived just yards from Rosita Elementary, a school they helped desegregate. The Garden Grove Unified School District Board has voted to rename the school the Frank and Irene Palomino Elementary School to reflect the family's legacy as one of five plaintiffs in the 1946 Mendez, et al v. Westminster School District of Orange County et al case, which sued school districts in Westminster, Garden Grove, Santa Ana and El Modena — today part of the Orange Unified School District — to challenge the segregation of Mexican-American students into separate schools. A federal judge ultimately ruled in the families' favor, ending segregation in public schools in California. The decision is said to have paved the way for the U.S. Supreme Court decision in Brown v. Board of Education in 1954.

- The non-profit organization known as PierPride, which was formed in 2016, has rebranded as the San Clemente Pier Conservancy ahead of the iconic structure's 100th anniversary in 2028. Among the initiatives the Pier Conservancy will be focused on is improving the Pier Entrance at Avenida Victoria, a crucial transportation-anchored project in preparation for Trestles hosting the surfing competition at the 2028 Summer Olympics.

- Tustin City Council members have called off the local emergency declared in the aftermath of the north hanger fire, roughly 950 days after the blaze burned through the World War II-era landmark. The decision to terminate the local emergency declaration followed the California Department of Toxic Substances Control's announcement that remediation of the hangar property is officially complete. The fire erupted after midnight on Nov. 7, 2023, in the hangar, a 17-story wooden structure built in 1942 to house blimps during World War II and later designated an historic landmark at the former Marine Corps Air Station Tustin.

- An analysis done by a rental website found Irvine's 92618 ZIP code, which includes Great Park and communities north and south of the former El Toro Marine Corps Air Station, is the 20th fastest growing in the country, with the area's housing stock jumping 172% over nine years. Chino's 91708 ZIP code was tops nationally, growing 1,318% between 2014 and 2023, while its population skyrocketed 402%.

- The results of the first phase of an independent review done by a Newport Beach-based audit, tax and advisory firm of the City of Fullerton's budget process did not reveal signs of fraud or intentional financial misconduct. The firm checked for potential errors and miscommunication at the request of city officials, including looking at issues in reporting for the prior fiscal year. The audit request came after a March budget update by staff revealed several issues, including a $2.9 million audit adjustment that was made in 2022 but not documented until 2025 and the nearly $10 million in reserve funds that were believed to be available for various uses, but were instead earmarked for specific needs, leaving City officials with far less in reserve funds that could be spent at the city's discretion.

- Facing at least $170,000 in fines for violating state mandates, the Huntington Beach City Council voted 5-2 to adopt a required housing element to accommodate the construction of more than 13,000 units. In May, a San Diego Superior Court judge ordered the city to pay $10,000 per month from Jan. 1, 2025, through the end of May, which had grown to the $170,000 now owed. If the council had not adopted the housing element, the fine was set to increase to $50,000 a month until a compliant housing element was adopted, and starting next month, the city could have been fined an additional $100,000 a month, according to a staff report, with the court having the option later to increase the penalties sixfold and appoint a receiver to strip the city of its local zoning control. The housing element will need to be updated again in three years.

As part of our scope of work, Whittingham Public Affairs Advisors has continued to monitor the agendas of the 26 city and water district MWDOC members to identify items of relevance to MWDOC. We also continue to monitor activities at the South Coast Air Quality Management District and Orange County Water District. It is a pleasure to work with you and to represent the Municipal Water District of Orange County.

Sincerely,



Peter Whittingham

Bill Report: Municipal Water District of Orange County

6/24/2026

Measure	Author	Topic	Last Amend	Location	Calendar	Brief Summary	Position
Support							
AB 1436	**Ávila Farías, D**	State Air Resources Board: air pollution regulations: private fleets: exception.	06/22/2026	06/15/2026 - Senate Environmental Quality	*07/01/26 S-ENVIRONMENTAL QUALITY 9 a.m. - 1021 O Street, Room 1200 BLAKESPEAR, CATHERINE, Chair*	The California Global Warming Solutions Act of 2006 establishes the state board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases and requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from those sources. Pursuant to its authority, the state board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. Existing federal law, the Clean Air Act, prohibits any state or any political subdivision thereof from adopting or attempting to enforce any standard relating to the control of emissions from new motor vehicles or new motor vehicle engines, except through a waiver, as provided. This bill would prohibit the State Air Resources Board from enforcing any regulation that directly or indirectly compels compliance by private fleets, as provided, until the state has obtained a required waiver or authorization under the federal Clean Air Act. (Based on 06/22/2026 text)	Support
AB 2215	**Calderon, D**	Water rights: permits: State Water Project.	04/16/2026	06/10/2026 - Senate Natural Resources and Water	07/01/26 S-NATURAL RESOURCES AND WATER 9 a.m. - State Capitol, Room 113 BECKER, JOSH, Chair	The Department of Water Resources operates the State Water Resources Development System, commonly referred to as the State Water Project. Existing law requires that construction work for a project that will put appropriated water to beneficial use be commenced, prosecuted with due diligence, and completed within the time period specified in the water right permit. Existing law authorizes the State Water Resources Control Board to extend the deadline specified in the permit to commence or complete construction work and to put appropriated water to beneficial use for good cause shown. This bill would require that the time periods for the application of water to beneficial use and for the completion of construction work for specific water right permits held by the Department of Water Resources for the operation of the State Water Project be December 31, 2046. (Based on 04/16/2026 text)	Support

AB 2739	**Soria, D**	Water: affordability and system stabilization.	06/11/2026	06/23/2026 - Senate Environmental Quality		The California Safe Drinking Water Act requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would establish in the State Treasury the Water Affordability and System Stabilization Fund for holding the principal and income of the Water Affordability and System Stabilization Trust, which the bill would create. The bill would designate the Treasurer as trustee of the trust, as specified, and would require the trustee, among other things, to hold, manage, and invest the principal of the trust with the obligation of providing a growing perpetual source of annual funding to the Water Rate Assistance Fund, administered by the state board, and the Community Water Affordability Assistance Fund, administered by the department, beginning 25 years after the Legislature transfers funding from the General Fund to the Water Affordability and System Stabilization Fund. This bill would require, during the first 25 years following the Legislature's transfer, 45% of the income of the trust to be transferred from the Water Affordability and System Stabilization Fund to each of the Water Rate Assistance Fund and the continuously appropriated Community Water Affordability Assistance Fund, and would continuously appropriate the remaining 10% of the income of the trust to be invested as part of the principal of the trust. After the first 25 years, the bill would require 50% of the income of the trust to be transferred from the Water Affordability and System Stabilization Fund to each of the Water Rate Assistance Fund and the Community Water Affordability Assistance Fund. The bill would continuously appropriate no more than 1% of the annual income of the trust to pay for administration of the trust. (Based on 06/11/2026 text)	Support

SB 872	**McNerney, D**	Delta Levees and Canal Subsidence Fund.	05/14/2026	05/26/2026 - Assembly Water, Parks and Wildlife	06/30/26 A-WATER, PARKS AND WILDLIFE 9 a.m. - State Capitol, Room 444 PAPAN, DIANE, Chair	the Sacramento-San Joaquin Delta Reform Act of 2009, declares that the Sacramento-San Joaquin Delta (Delta) is a critically important natural resource for California and the nation and it serves as both the hub of the California water system and the most valuable estuary and wetland ecosystem on the west coast of North and South America. Existing law establishes in the Natural Resources Agency the Department of Water Resources. Existing law requires the department and the Department of Fish and Wildlife to determine the principal options for the Delta and requires the department to evaluate and comparatively rate each option for its ability to do specified things, including, among others, to maintain Delta water quality for Delta users, and to preserve, protect, and improve Delta levees. Existing law establishes in the agency the Sacramento-San Joaquin Delta Conservancy. Existing law requires the conservancy to act as a primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. Existing law provides for the preservation of specified management areas of the Suisun Marsh, pursuant to a protection plan prepared and adopted by the San Francisco Bay Conservation and Development Commission, as provided. Existing law establishes the Delta Stewardship Council, and requires the council to develop, adopt, and implement a comprehensive long-term management plan for the Delta, known as the Delta Plan, as provided. This bill would establish the Delta Levees and Canal Subsidence Fund in the State Treasury and, upon appropriation, would make the moneys in the fund available to the Secretary of the Natural Resources Agency for expenditure consistent with the allocations described below. The bill would authorize the secretary to seek out, and the fund to accept, state moneys from, among other sources, any bond funds, the General Fund, or the Greenhouse Gas Reduction Fund. The bill would authorize the fund to accept moneys from nonstate sources, including federal and private moneys, and would continuously appropriate those moneys without regard to fiscal year, for allocation as described, thereby making an appropriation. (Based on 05/14/2026 text)	Support

SB 952	**Laird, D**	State Water Project: renewable energy resources and zero-carbon resources.	05/18/2026	06/10/2026 - Assembly Appropriations		This bill would require the Department of Water Resources , in procuring electricity to serve all state agencies, to consider portfolio diversity, resource type, location, and hours of typical peak operation. The bill would expand the scope of the department's authorization to defer the procurement of those resource quantities to apply to an existing contract to procure fossil generation entered into before January 1, 2011, rather than January 1, 2010. The bill would authorize, on and after January 1, 2036, excess procurement, as defined, of eligible renewable energy resources and zero-carbon resources in one year to be applied to any subsequent year's obligation, as provided. (Based on 05/18/2026 text)	Support
SB 1048	**Becker, D**	State Seal of Climate Literacy.	06/17/2026	05/26/2026 - Assembly Education	07/01/26 A-EDUCATION 1:30 p.m. - 1021 O Street, Room 1100 PATEL, DARSHANA, Chair	Existing law establishes the State Seal of Civic Engagement to recognize pupils who have demonstrated excellence in civics education and participation and have demonstrated an understanding of the United States Constitution, the California Constitution, and the democratic system of government, as provided, and establishes the State Seal of Biliteracy to recognize high school graduates who have attained a high level of proficiency in speaking, reading, and writing in one or more languages in addition to English. This bill would establish the State Seal of Climate Literacy for the purpose of giving high school pupils personal agency to help them and their communities understand and adapt to the effects of climate change. The bill would require the Superintendent of Public Instruction, on or before July 1, 2027, to recommend to the State Board of Education criteria for awarding a State Seal of Climate Literacy to pupils who have demonstrated mastery in climate literacy disciplines, green skills or technical green skills, as defined, and any and all other best practices for climate literacy. The bill would require the Superintendent, in developing the criteria, to consider including (1) the successful completion of at least 2 approved courses in the area of climate literacy and (2) the successful completion and presentation of a climate literacy final experiential learning project, as provided. The bill would require the Superintendent to also recommend to the state board the criteria necessary to award a State Seal of Climate Literacy with specified distinctions. (Based on 06/17/2026 text)	Support

SB 1125	**Menjivar, D**	Water Rate Assistance Program.	06/09/2026	06/16/2026 - Assembly Utilities and Energy	06/24/26 A-UTILITIES AND ENERGY 1:30 p.m. - State Capitol, Room 437 PETRIE-NORRIS, COTTIE, Chair	Existing law requires the State Water Resources Control Board to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program. Existing law requires the plan to include, among other things, a description of the method for collecting moneys to support and implement the program and a description of the method for determining the amount of moneys that may need to be collected from water ratepayers to fund the program. This bill would establish the Water Rate Assistance Program. As part of the program, the bill would establish the Water Rate Assistance Fund in the State Treasury, available upon appropriation by the Legislature, to provide water affordability assistance for residential water services to low-income residential ratepayers, as specified. The bill would require the state board to take various actions in administering the fund, including, among other things, tracking and managing revenue in the fund separately from all other revenue. The bill would require the state board, in consultation with relevant agencies and after a public hearing, to adopt guidelines for implementation of the program and to adopt an annual report to be posted on the state board's internet website identifying how the fund has performed, as specified. The bill would require the guidelines to include minimum requirements for eligible systems, including the ability to confirm eligibility for enrollment through a request for self-certification of eligibility under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program. (Based on 06/09/2026 text)	Support

Total Measures: 7
Total Tracking Forms: 7

Metropolitan Water District of Southern California
State Legislative Matrix: Second Year of Legislative Session
June 8, 2026

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 35 **D. Alvarez** **(D – San Diego)** Sponsor: San Diego County	Amended 1/14/2026. Senate Desk	**Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.** This bill exempts the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4) from the Administrative Procedure Act (APA), which establishes rulemaking procedures and standards for state agencies in California, to expedite funding allocations.	**Support** Based on 2026 Legislative Policies and Principles.	AB 35 would streamline the funding process for Proposition 4 projects and allow Metropolitan, its member agencies, and partner agencies to access funds more quickly and accelerate project timelines. Proposition 4 funding includes multiple critical areas for Metropolitan, including funding for groundwater management, water recycling, Delta levees, and repairs to regional conveyance.
AB 259 **B. Rubio** **(D – Baldwin Park)** Sponsors: California Special Districts Association, Three Valleys Municipal Water District	Amended 4/21/2025. Two-Year Bill	**Open meetings: local agencies: teleconferences.** This bill eliminates the sunset on provisions added to the Brown Act by AB 2449, a bill that provided additional flexibility with Brown Act meeting procedures in the event of a board member's physical absence in connection with a "just cause" or "emergency circumstances," allowing those members to participate in the meeting remotely consistent with the process detailed in the bill.	**Support** Based on 2026 Legislative Policies and Principles.	By removing the sunset on the Brown Act provisions, AB 259 preserves flexibility for Metropolitan and Member Agency board members to meet remotely and continue providing the public with essential services.

Metropolitan Water District of Southern California
State Legislative Matrix: Second Year of Legislative Session
June 8, 2026

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 794 **J. Gabriel** **(D – Encino)** **Sponsors:** Clean Water Action, Environmental Working Group	Amended 4/10/2025. Two-Year Bill Dead	**California Safe Drinking Water Act: emergency regulations** This bill would authorize the State Water Resources Control Board (SWRCB) to adopt an emergency regulation for water quality based on federal regulations in effect on January 19, 2025, regardless of whether the requirements were repealed or amended to be less stringent. The bill would prohibit an emergency regulation adopted pursuant to these provisions from implementing less stringent drinking water standards, as provided, and would authorize the regulation to include requirements that are more stringent than the requirements of the federal regulation. The bill would require, on or before January 1, 2026, the SWRCB to adopt an emergency regulation and to initiate a primary drinking water standard for perfluoroalkyl and polyfluoroalkyl substances (PFAS).	**Oppose Unless Amended** Based on 2026 Legislative Policies and Principles.	While AB 794 aims to protect public health, its approach circumvents the established regulatory process for setting Maximum Contaminant Levels (MCLs). Metropolitan's Legislative Priorities and Principles call for using the best available science to protect public health and improve water quality when setting MCLs. The broad scope of this bill, which would allow the SWRCB to set through emergency action primary and secondary MCLs for any chemical with a federal MCL, sets a dangerous precedent and fails to align with well-established regulatory principles.
AB 2215 **L. Calderon** **(D – Whittier)** **Sponsor:** State Water Contractors	Amended 3/19/2026. Senate Desk	**Water rights: permits: State Water Project.** This bill would extend the timeline for the full development of the State Water Project water right permits to December 31, 2046, the same term as existing, validated contracts for the State Water Project water supply.	**Support** Based on 2026 Legislative Policies and Principles.	AB 2215 would grant a necessary time extension to more fully modernize the State Water Project infrastructure in response to climate change. This bill is consistent with the Governor's Executive Order N-16-15 (CA EO), January 31, 2025, which ordered the minimization of administrative obstacles to maximize water supplies. This legislative proposal implements this order without weakening environmental protections and while protecting existing due process protections.

Metropolitan Water District of Southern California
State Legislative Matrix: Second Year of Legislative Session
June 8, 2026

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 2739 **E. Soria** **(D – Merced)** **Sponsors**: Irvine Ranch Water District, Rancho California Water District	Amended 4/6/2026. Senate Desk	**Water: affordability and system stabilization.** This bill would require the Department of Water Resources (DWR), upon appropriation, to develop the Community Water Affordability Program and would establish the Community Water Affordability Assistance Fund within the State Treasury. The program would provide funding in the form of grants to local water suppliers for water system repairs, rehabilitation and enhancements, water safety and quality, and other local water system infrastructure projects, for the purpose of reducing the amount of local ratepayer funding required for those projects.	**Support** Based on 2026 Legislative Policies and Principles.	AB 2739 aims to establish a durable statewide funding framework to address water affordability by targeting key cost drivers and by creating a sustainable funding source for a Low-Income Rate Assistance (LIRA) program and a system stabilization fund. This bill would support ratepayer affordability for our member agency retailers and also includes a fund that supports local infrastructure projects, which could be used to support upgrades to Metropolitan's water supply system and reductions in energy costs.

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 601 **B. Allen** **(D – Santa Monica)** **Sponsors:** California Coastkeeper Alliance, Defenders of Wildlife	Amended 7/10/2025. Two-Year Bill	**Water: waste discharge** The intent of this bill is to restore Clean Water Act protections in California that were removed per the U.S. Supreme Court's 2023 Sackett v. Environmental Protection Agency (EPA) decision. However, the bill goes beyond restoring the statute and includes several provisions that expand regulatory requirements without the benefit of scientific analysis.	**Oppose** Based on 2026 Legislative Policies and Principles.	Currently, SB 601 poses risks to Metropolitan and its member agencies by: increasing costs of waste discharge requirements (WDRs) permits for discharges of water when dewatering or operating water supply infrastructure, potentially requiring all such water to be recycled regardless of cost to comply; exposing Metropolitan and its Member Agencies to citizen suits in state court, and, for certain nexus waters, both state and federal court; and creating uncertainty in discharge permitting as the bill's ambiguous provisions and implications are likely to be litigated.

Metropolitan Water District of Southern California
State Legislative Matrix: Second Year of Legislative Session
June 8, 2026

SB 872 **J. McNerney** **(D – Pleasanton)**	Amended 3/26/2026. Assembly Desk	**Delta Levees and Canal Subsidence Fund.** This bill would establish the Delta Levees and Canal Subsidence Fund in the State Treasury and require funds to be appropriated to the Department of Water Resources (DWR) to support capital improvements to restore water conveyance capacity for state water conveyance systems affected by subsidence. Additionally, this bill would require funds to be appropriated to the Sacramento-San Joaquin Delta Conservancy for levee improvements that would improve the sustainability of local or state water supplies, and projects that improve instream, riparian, flood plain, and wetland habitat.	**Support** Based on 2026 Legislative Policies and Principles.	The proposed appropriations to fund capital costs of subsidence repairs could reduce State Water Project charges to contractors. The total cost of SWP subsidence repairs is estimated at $3 billion, meaning this proposal could result in substantial savings for Metropolitan ratepayers. Subsidence in the Central Valley has been caused by decades of over pumping of groundwater and was not caused by Metropolitan or the State Water Contractors. However, in the absence of state and federal funding, the costs for these critical repairs will be shifted to our agencies. The proposed allocations for improvements to levees within the Delta and other actions to improve the sustainability of local or state water supplies and projects that improve instream, riparian, floodplain, and wetland habitat would directly benefit Metropolitan by providing additional funding streams for levee improvements and indirectly through improvements within the Delta region.

Metropolitan Water District of Southern California
State Legislative Matrix: Second Year of Legislative Session
June 8, 2026

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 935 **S. Choi** **(R – Irvine)**	Assembly Desk	**Local agency design-build projects: authorization.** This bill would repeal the sunset date of January 1, 2031, authorizing local agencies to use the design-build procurement process for public works construction projects more than $1,000,000 indefinitely.	**Support** Based on 2026 Legislative Policies and Principles.	Repealing the sunset date for alternative project delivery processes is aligned with Metropolitan's policy to streamline procurement of public works construction contracts.
SB 952 **J. Laird** **(D – Santa Cruz)** **Sponsor:** State Water Contractors	Amended 3/17/2026. Assembly Desk	**State Water Project: renewable energy resources and zero-carbon resources.** Existing law mandates that the Department of Water Resources (DWR) achieve a power portfolio that consists of 100% of renewable and zero-carbon energy by 2035. This bill would require DWR to also consider portfolio diversity, resource type, location, and hours of typical peak operation when procuring eligible resources to satisfy state agency obligations imposed on the State Water Project; and allow DWR to shift energy credits from one year to the next if DWR procures more energy than necessary in a given year.	**Support** Based on 2026 Legislative Policies and Principles.	SB 952 is an important affordability measure for the 27 million customers within the SWP service area, as it would clarify generation attributes DWR may consider for procurement and create certainty for DWR by allowing excess energy procured in low water years be applied to years when SWP energy needs are high. Metropolitan pays a significant portion of the State Water Project's energy cost. This proposal provides a continued commitment to environmental sustainability while adding flexibility that maintains affordability.

Metropolitan Water District of Southern California
State Legislative Matrix: Second Year of Legislative Session
June 8, 2026

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 1125 **C. Menjivar** **(D – San Fernando Valley)**	Amended 3/23/2026 Assembly Desk	**Water Rate Assistance Program.** This bill would establish the Water Rate Assistance Program and Fund, upon appropriation by the Legislature, administered by the State Water Resources Control Board (State Board) to help provide water affordability assistance for drinking water to low-income residential ratepayers. This bill would authorize the State Board to provide for the deposit of the following moneys into the Fund: federal or state funding; voluntary contributions, including gifts, grants, or bequests; and returned funds.	**Support** Based on 2026 Legislative Policies and Principles.	SB 1125 proposes a viable, reasonable path forward for Low-Income Rate Assistance that protects existing programs and limits the administrative burden on water suppliers. This bill is intended to be a companion measure to AB 2739 and would guide the State Board's implementation of a low-income water rate assistance program. Water rate assistance would provide needed relief at the local retail level, leading to improved revenue stability for local water systems.

Item No. 4

INFORMATION ITEM
July 1, 2026

TO: **Board of Directors**

FROM: **Harvey De La Torre, General Manager**

Staff Contact: Jared Dawson, Water Resources Policy Analyst
Heather Baez, Director of Government Affairs

SUBJECT: **SENATE BILL (SB) 72 IMPLEMENTATION - MODERNIZING CALIFORNIA'S WATER PLAN**

STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file the information.

REPORT

Purpose

This item provides the Municipal Water District of Orange County (MWDOC or District) Board of Directors (Board) with an update on the implementation of Senate Bill (SB) 72 (Caballero, 2025).

Background

At its February 5, 2025, Joint Workshop Board Meeting, the Board took a position in support of SB 72, and it was signed into law by Governor Newsom on October 1, 2025.

The passage of SB 72 in 2025 was in response to the recognition that California's existing water-planning framework did not adequately address increasingly severe droughts, climate change impacts, aging infrastructure, and shifting water demands. The bill and subsequent objectives intend to create a data-driven roadmap across California to ensure a long-term, reliable water supply for urban, agricultural, and environmental uses.

SB 72 requires the Department of Water Resources (DWR) to develop a long-term water supply planning target for 2050 and establishes an interim target to develop an additional 9 million acre-feet (MAF) of water by 2040 to modernize California's long-term water

planning and establish measurable water-supply goals to help the state adapt to a changing climate.

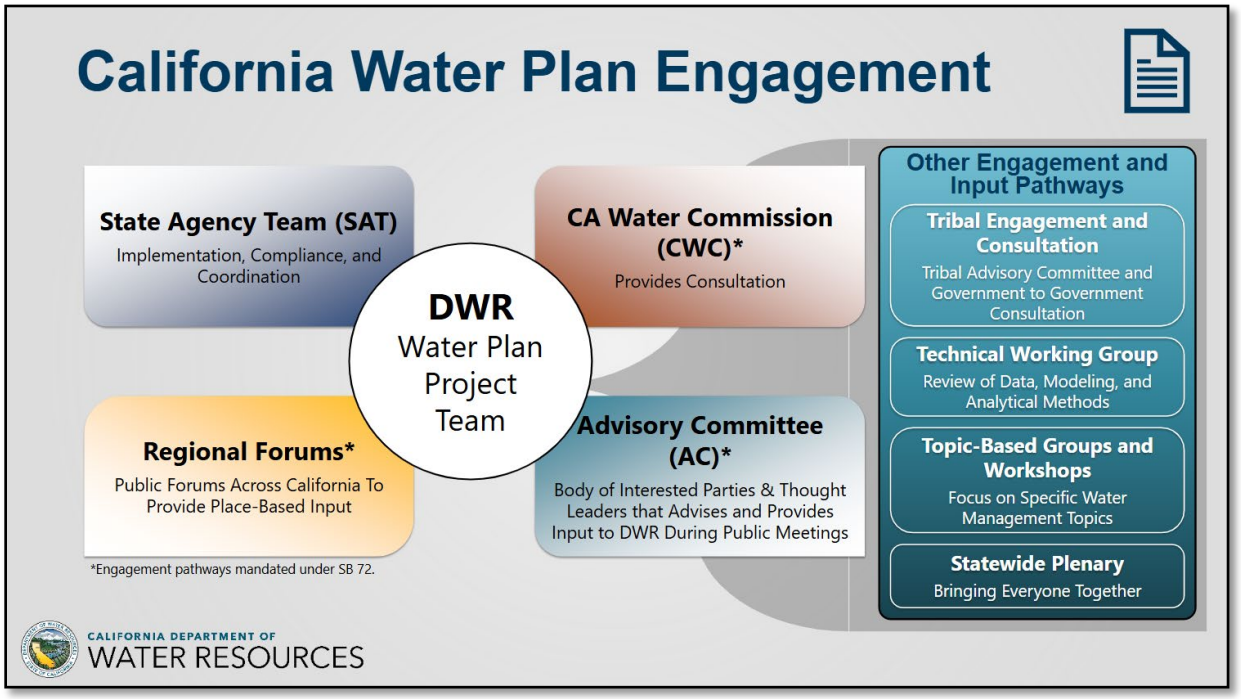
Key objectives of SB 72 include:

- Requiring DWR to update and strengthen the California Water Plan as a comprehensive, long-range strategy for managing California's water resources
- Identifying projected water-supply gaps at both statewide and watershed levels
- Establishing measurable long-term water supply targets and strategies to meet them
- Improving data collection, forecasting, and economic analysis of water management options
- Coordinating state, regional, and local water planning to ensure long-term reliable supplies across sectors

Implementation of SB 72 is in the early stages. The current framework and process that DWR is undertaking are outlined below.

Discussion/Analysis

As part of developing the 2028 California Water Plan, DWR has created a robust engagement plan to gather input from a range of stakeholders.



Source: California Department of Water Resources

Advisory Committee

The Advisory Committee comprises 38 appointed members (Link 1) who represent a wide range of perspectives on water management, agriculture, environment, equity, energy, and business from the private, non-governmental organization (NGO), local, regional, state, and federal government lenses.

Several agencies and organizations, with which MWDOC works closely, are represented on the Advisory Committee, including the Orange County Water District, Moulton Niguel Water District, Western Municipal Water District, Metropolitan Water District of Southern California, Association of California Water Agencies (ACWA), and California Water Efficiency Partnership (CalWEP).

Advisory Committee Meeting

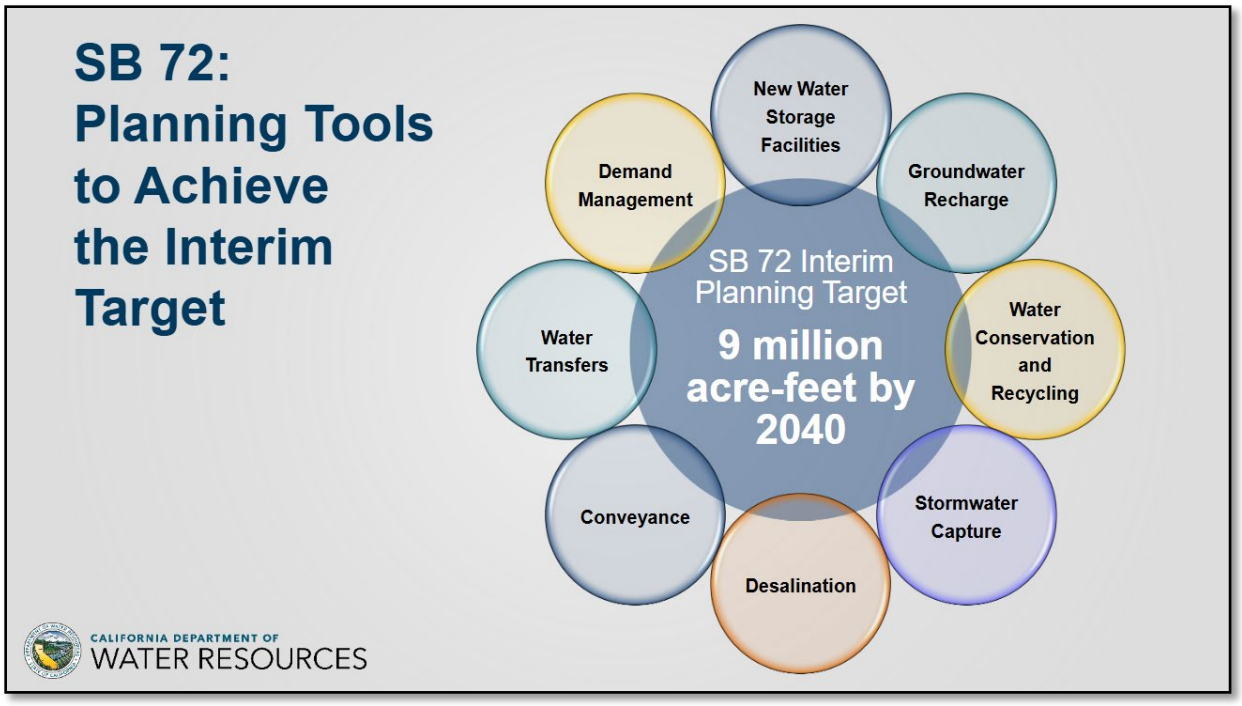
On May 13-14, 2026, DWR hosted the inaugural meeting of the Advisory Committee, where DWR Director Karla Nemeth shared her vision for a new era of water planning in California.

The meeting objectives were:

- Discuss and confirm the Advisory Committee's purpose, role, requirements, and expectations
- Develop a shared understanding of California water history and reflect on the drivers for change
- Develop a shared understanding of Senate Bill 72, Senate Bill 659, and the CWP Roadmap for 2028 and 2033
- Discuss DWR's approach for achieving the 9 MAF interim water supply target, the origins of the target, and how this target will be addressed in the California Water Plan 2028 and 2033

The Committee was briefed on multiple key issues, including setting baseline assumptions for DWR's statewide modeling efforts, which will rely on the Water Evaluation and Adaptation Planning (WEAP) model. The WEAP model is a scenario-based planning tool being developed by DWR to provide a common analytical framework for achieving the goals set forth in SB 72.

Additionally, the Committee discussed planning tools to achieve the 9 MAF target. DWR plans to develop an initial statewide database of projects and actions based on local plans, including Urban Water Management Plans, Groundwater Sustainability Plans, and Agricultural Water Management Plans. DWR will then work at a regional scale to identify projects and actions for regional project portfolios within each hydrologic region statewide, assessing each portfolio's ability to meet statewide targets.



Source: California Department of Water Resources

Next Steps

Future Advisory Committee meetings are scheduled for August and October 2026, during which the Committee will consider baseline WEAP model assumptions, project selection criteria, and the 9 MAF interim target.

Staff will continue to monitor the development of the 2028 California Water Plan and, when feasible, coordinate with Advisory Committee members to participate in MWDOC Committee meetings to share their experience and insights.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- ☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
- ☒ *Balance support for Metropolitan's regional mission and OC values and interests.*
- ☐ *Strengthen communication and coordination of messaging.*
- ☐ *Work with member agencies to develop water supply and demand objectives.*
- ☐ *Solicit input and feedback from member agencies.*
- ☐ *Invest in workforce development and succession planning.*

Budgeted: ☐ Yes ☐ No ☒ N/A		Budgeted amount:
Core: ☐	Choice: ☐	Movement between Cost Centers: ☐ Yes ☐ No
Action item amount:		

Attachments/Links:
Link 1: California Water Plan Advisory Committee: https://www.californiawaterplan.com/public-involvement/advisory-committee Link 2: Water Evaluation and Adaptation Planning model fact sheet: https://cdn.prod.website-files.com/6995fe55dccae08e1a7a76f7/6a05f415c000c02fdcb854e0_20260513_WEAP Fact Sheet.pdf

Item No. 5

INFORMATION ITEM
July 1, 2026

TO: **Board of Directors**

FROM: **Harvey De La Torre, General Manager**

Staff Contact: Melissa Baum-Haley, Assistant General Manager
Kevin Hostert, Senior Water Resources Analyst
Jared Dawson, Water Resources Policy Analyst

SUBJECT: **METROPOLITAN ITEMS CRITICAL TO ORANGE COUNTY**

STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file the information.

REPORT

This report provides a brief update on the status of the following key Metropolitan Water District of Southern California (Metropolitan) issues that may affect Orange County:

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

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
☒ *Balance support for Metropolitan's regional mission and OC values and interests.*
☐ *Strengthen communication and coordination of messaging.*
☐ *Work with member agencies to develop water supply and demand objectives.*
☐ *Solicit input and feedback from member agencies.*
☐ *Invest in workforce development and succession planning.*

Attachments/Links:
Attachment 1: Issue Briefs A-E

Issue Brief A

SUBJECT: Metropolitan Finances

RECENT ACTIVITY

Water Transactions for June 2026 (for water delivered in April 2026) totaled 101.1 thousand acre-feet (TAF), which was 9.1 TAF lower than the budget of 110.2 TAF. This translates to $120.1 million in receipts for June 2026, which were $9.9 million lower than the budget of $129.9 million.

Year-to-date water transactions through June 2026 (for water delivered in May 2025 through April 2026) were 1.24 million acre-feet (MAF), which was 101.2 TAF lower than the budget of 1.34 MAF.

Year-to-date water receipts through June 2026 were $1.4 billion, which was $102.2 million lower than the budget of $1.5 billion.

FY 2025/26 Cash Water Transactions and Revenues Budget vs Actual (Preliminary, subject to change)

Month		Acre-Feet (AF)[1]		Variance		Revenue ($)[2]		Variance	
Delivered/Billed In	To be Collected in	Budget	Actual	AF	%	Budget	Actual	$	%
May	July	110,834	104,802	(6,032)	-5%	122,873,672	134,899,988	12,026,316	10%
June	August	117,893	105,957	(11,936)	-10%	150,194,358	117,905,817	(32,288,541)	-21%
July	September	130,799	117,324	(13,475)	-10%	149,512,493	134,297,129	(15,215,364)	-10%
August	October	133,060	121,437	(11,623)	-9%	152,486,828	153,574,498	1,087,670	1%
September	November	125,227	131,836	6,609	5%	141,365,920	150,893,965	9,528,045	7%
October	December	126,161	123,200	(2,961)	-2%	139,251,899	132,150,366	(7,101,533)	-5%
November	January	128,056	103,951	(24,105)	-19%	136,399,566	109,283,424	(27,116,142)	-20%
December	February	107,621	118,702	11,081	10%	112,940,009	119,011,598	6,071,589	5%
January	March	90,739	78,972	(11,767)	-13%	105,775,733	97,372,901	(8,402,832)	-8%
February	April	78,856	56,904	(21,953)	-28%	91,212,001	66,031,067	(25,180,934)	-28%
March	May[3]	84,484	78,592	(5,892)	-7%	98,206,004	92,435,206	(5,770,799)	-6%
April	Jun[3]	110,200	101,065	(9,135)	-8%	129,990,583	120,106,395	(9,884,188)	-8%
FY Total		**1,343,930**	**1,242,741**	**(101,189)**	**-8%**	**1,530,209,068**	**1,427,962,354**	**(102,246,714)**	**-7%**

[1] AF reflected does not include non-member agency transactions.
[2] Includes Water Sales, Exchanges, and Wheeling for member agency and non-member agency.
[3] Information is presented on an accrual basis; corresponding cash data is not yet available.

ISSUE BRIEF B

SUBJECT: Metropolitan's Supply Condition Update

RECENT ACTIVITY

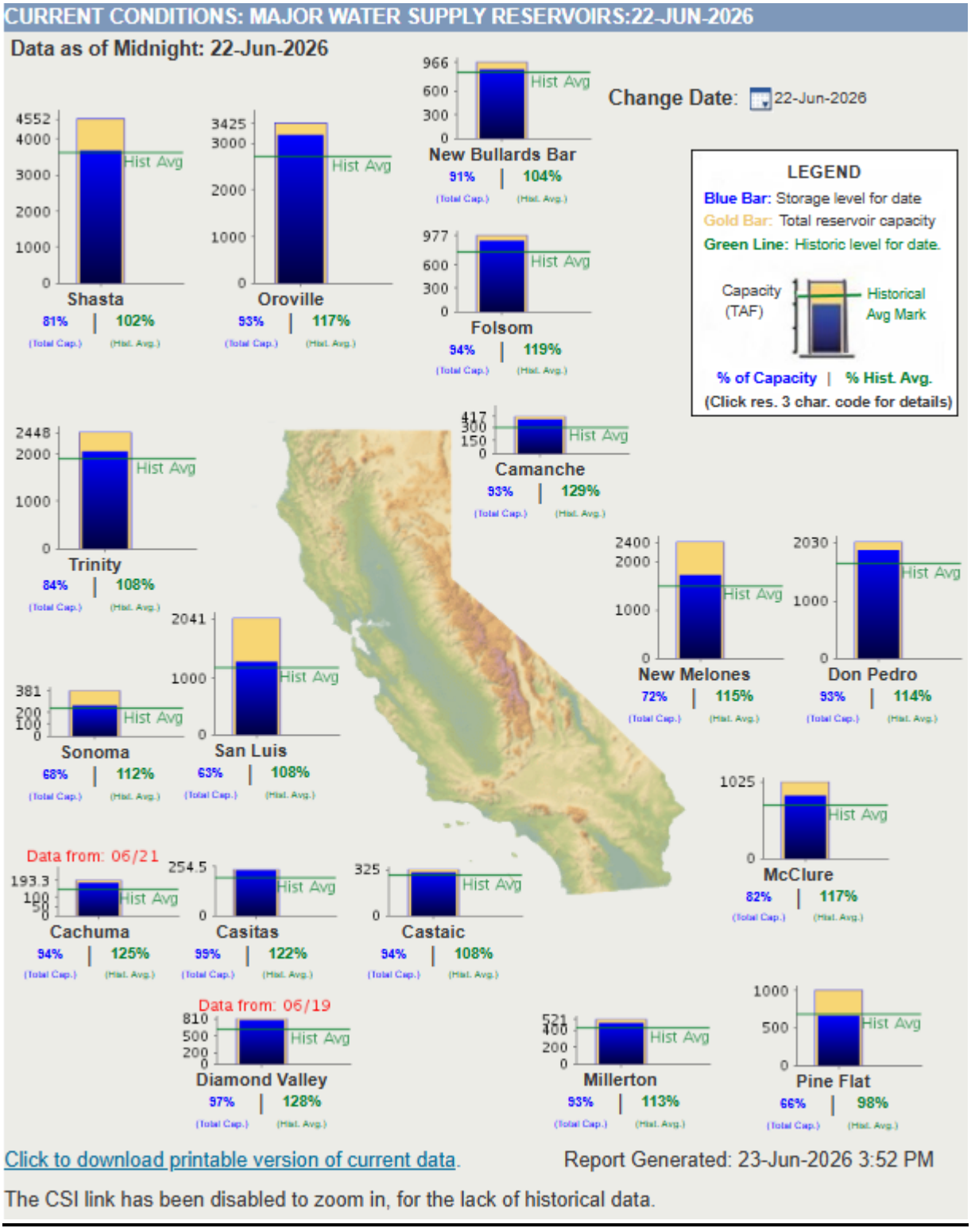
The 2025-26 Water Year (WY) officially started on October 1, 2025. Thus far, Northern California accumulated precipitation (8-Station Index) reported ***50.5 inches or 104% of normal as of June 18th.*** The Northern Sierra Snow Water Equivalent peaked at ***11.9 inches on February 24th***, which is ***49% of normal*** for that day. The Department of Water Resources (DWR) has increased the initial State Water Project (SWP) ***"Table A" allocation for WY 2025-26 to 45%.***

The Upper Colorado River Basin has accumulated precipitation of ***18.47 inches, or 80% of normal, as of June 17th***. Snowpack is measured across four states in the Upper Colorado River Basin, encompassing the Colorado River system. The Upper Colorado River Basin Snow Water Equivalent peaked at ***9.37 inches as of March 9th***, which is ***69% of normal*** for that day. Due to below-average inflows into Lake Powell over the past several years, the U.S. Bureau of Reclamation **declared a shortage at Lake Mead that has been ongoing since January 1, 2022 (below the 1,075-foot storage level)**. As of May 2026, **there is a 93% chance of the shortage continuing in Calendar Year (CY) 2027, a 97% chance in CY 2028, and a 90% chance in CY 2029. Additionally, there is a 13% chance of a California shortage (below a 1,045-foot storage level) in 2028.**

As of June 17th, Lake Oroville storage is at ***96% of total capacity and 124% of normal.*** Additionally, as of June 17th, San Luis Reservoir is at ***72% of its total capacity and is 102% of normal.***

With CY 2026 estimated total demands and losses of 1.493 million acre-feet (MAF) and with a 45% State Water Project (SWP) Table A Allocation, Metropolitan is projecting that supply will exceed demand levels in CY 2026. Based on this, the estimated total dry-year storage for Metropolitan at the end of ***CY 2026 will be approximately 4.0 MAF.*** A projected dry-year storage supply of ***4.0 MAF would be approximately 3.0 MAF above the typical level where Metropolitan enters Water Supply Allocations.*** A significant factor in maintaining high water storage levels is lower-than-expected water demands. We are seeing regional water demands reaching a 40-year low. **However, *with a majority of Metropolitan's water supplies stored in Lake Mead, which still projects a five-year shortage, there remains considerable uncertainty about future supply balances. The Colorado River Basin States failed to meet the February 14, 2026, deadline to negotiate new, post-2026 operations at Glen Canyon Dam, located at Lake Powell, and Hoover Dam, located at Lake Mead.***

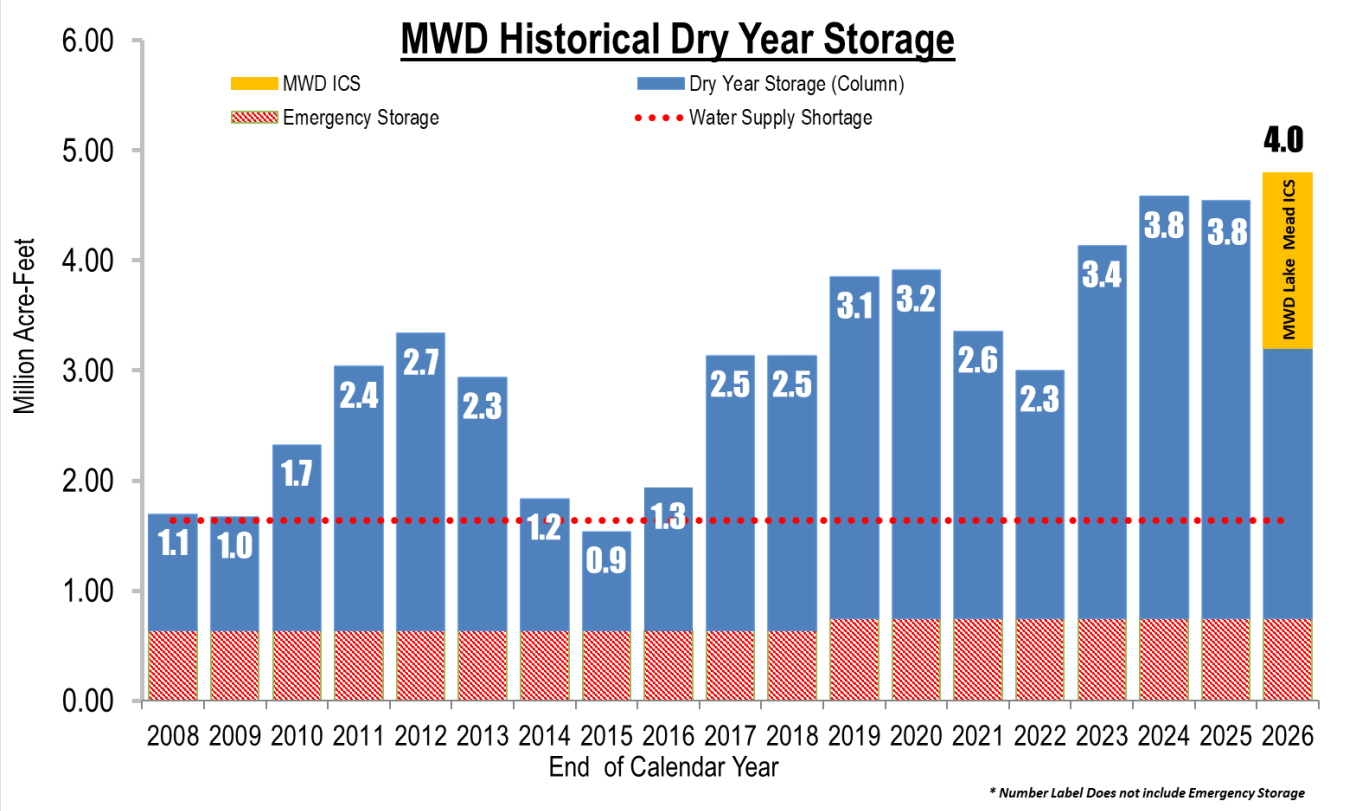
DWR Reservoirs



Click to download printable version of current data.

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MWD Historical Dry Year Storage
MWD ICS
Dry Year Storage (Column)
Emergency Storage
Water Supply Shortage
Million Acre-Feet
6.00
5.00
4.00
3.00
2.00
1.00
0.00
1.1
1.0
1.7
2.4
2.7
2.3
1.2
0.9
1.3
2.5
2.5
3.1
3.2
2.6
2.3
3.4
3.8
3.8
4.0
MWD Lake Mead ICS
2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026
End of Calendar Year
* Number Label Does not include Emergency Storage

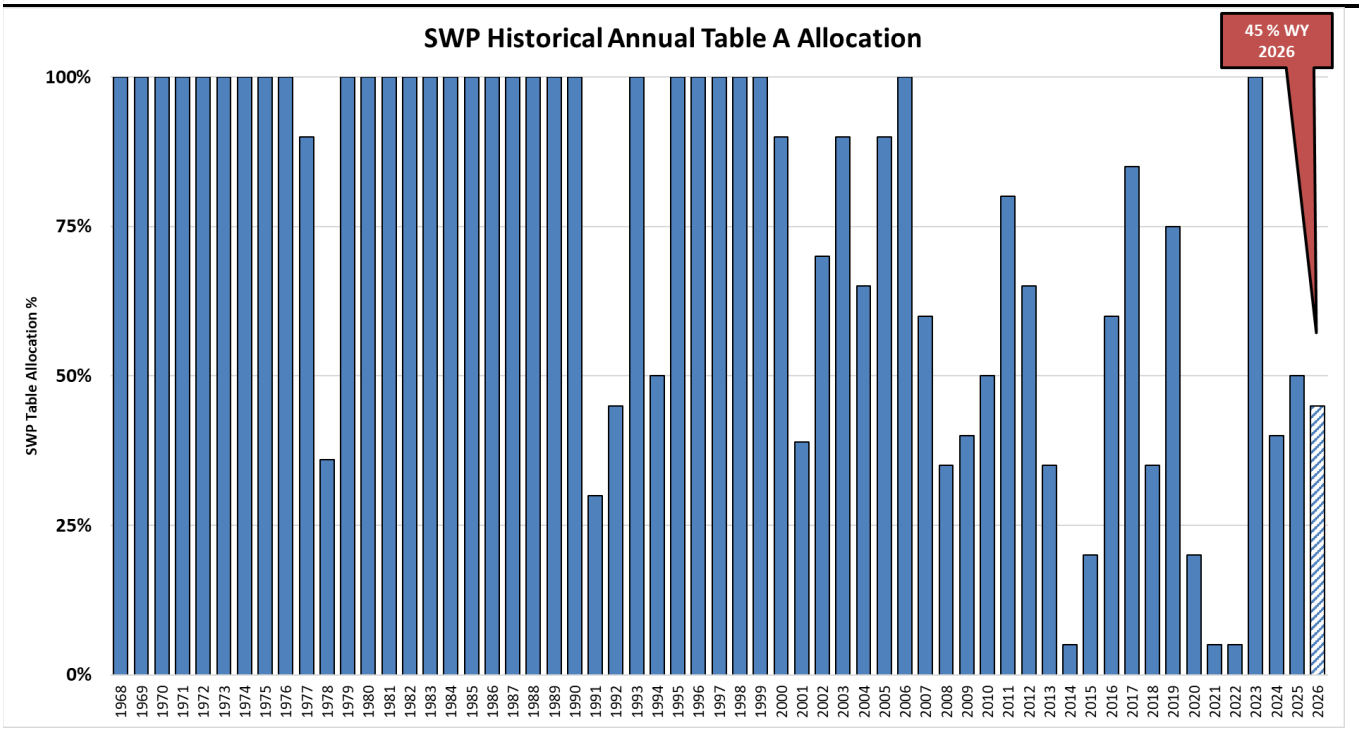

SWP Historical Annual Table A Allocation
45 % WY 2026
SWP Table Allocation %
100%
75%
50%
25%
0%
1968 1969 1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026

Table 4 shows WSDM Storage Detail as of 4/15/2026.

Table 4: WSDM Storage Detail

WSDM Storage	1/1/2026 Estimated Storage Levels[1]	CY 2026 Put Capacity [2]	CY 2026 Take Capacity [2]	2026 Total Storage Capacity
Colorado River Aqueduct Delivery System	**1,622,000**	**0**	**131,000**	**1,622,000**
Lake Mead ICS	1,622,000 [3]	0	131,000 [4]	1,622,000 [3]
State Water Project System	**1,265,000**	**356,000**	**768,000**	**2,430,000**
MWD and DWCV SWP Carryover	473,000 [5]	149,000	473,000	621,000 [6]
MWD Articles 14(b) and 12(e)	0	0	0	0
Castaic and Perris DWR Flex Storage	219,000	0	219,000	219,000
Arvin-Edison Storage Program	100,000	0 [7]	0	350,000
Semitropic Storage Program	237,000	92,000	45,000	350,000
Kern Delta Storage Program	142,000	45,000	32,000	250,000
Mojave Storage Program	19,000	0	0	330,000
AVEK Storage Program	30,000	0	0	30,000
AVEK High Desert Water Bank Program	45,000	70,000	0	280,000
In-Region Supplies & WSDM Actions	**1,042,000**	**71,000**	**633,000**	**1,151,000**
Diamond Valley Lake	760,000	50,000	503,000	810,000
Lake Mathews and Lake Skinner	204,000	22,000	92,000	226,000
Conjunctive Use Programs	77,000	0	38,000	115,000
Other Programs	**684,000**	**118,000**	**93,000**	**1,181,000**
Other Emergency Storage	381,000	0	0	381,000
DWCV Advanced Delivery Account	303,000	118,000	93,000	800,000
Total	**4,613,000**	**545,000**	**1,626,000**	**6,384,000**
Emergency	750,000	0	0	750,000
Total WSDM Storage (AF) [8]	**3,863,000**	**545,000**	**1,626,000**	**5,634,000**

[1] Preliminary start of year balances, subject to DWR adjustments and USBR final accounting in May 2026.

[2] Put and Take capacity assumed under a 30 percent SWP Table A Allocation. Storage program losses were included where applicable.

[3] This amount is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.

[4] Take capacity is based on planned maintenance activities and the current CRA supply estimate.

[5] The carryover beginning balance is subject to change based on actual December 2025 conditions.

[6] Total storage capacity varies year-to-year as the contractual annual storage limit, based on the current SWP Table A allocation of 30 percent, is combined with the remaining balance from the previous year. There is a potential risk that Metropolitan's stored water may be converted to SWP contractor water if the San Luis Reservoir approaches full capacity. Metropolitan is actively monitoring the storage in San Luis Reservoir and has plans to manage carryover supply should the reservoir fill.

[7] Puts are limited due to water quality considerations.

[8] Total WSDM Storage level subject to change based on accounting adjustments. Total may not sum due to rounding.

ISSUE BRIEF C

SUBJECT: Metropolitan's Water Quality Update

RECENT ACTIVITY

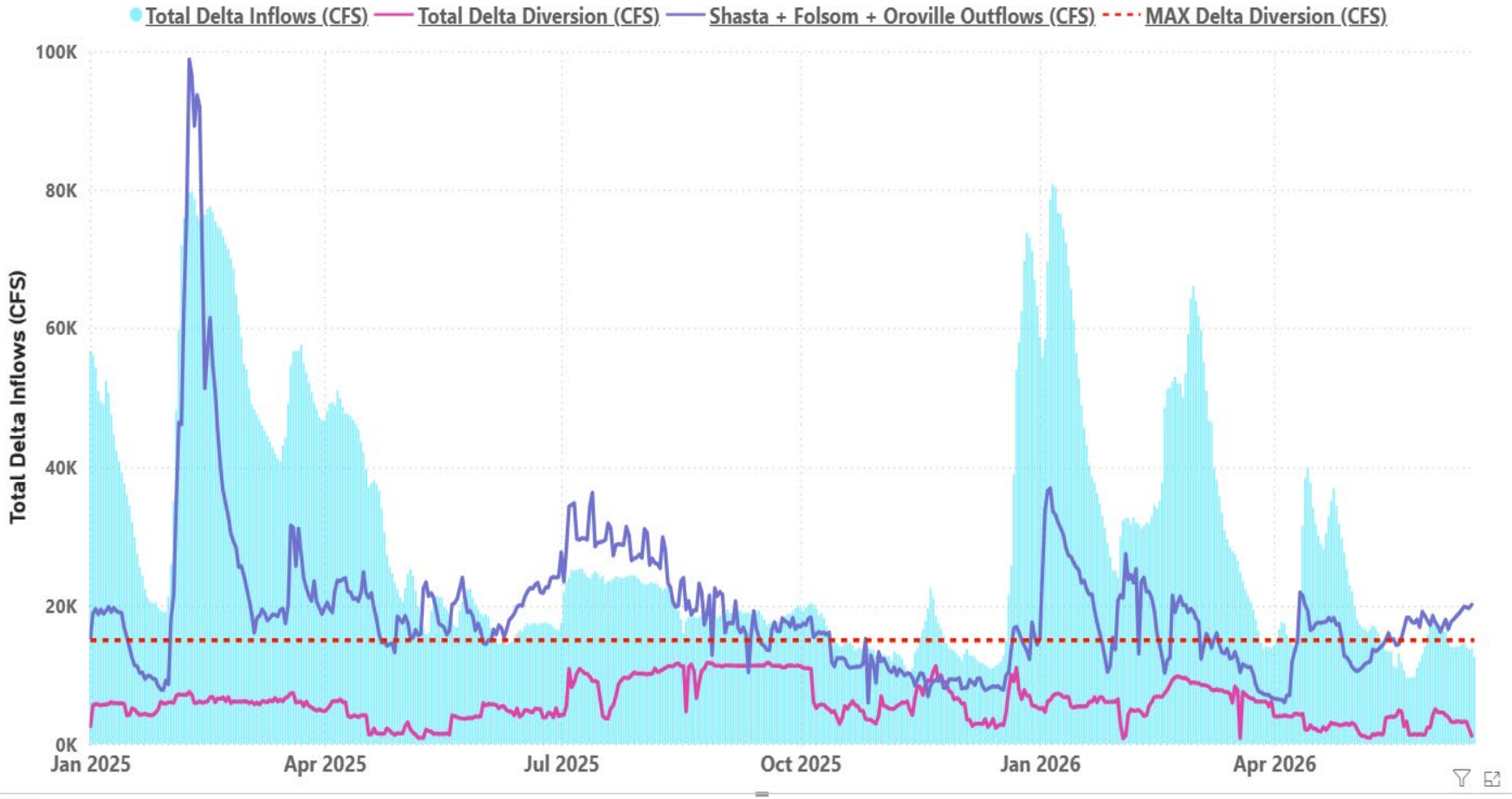
Water System Operations

Metropolitan member agency water deliveries are projected to be 100,000 acre-feet (AF) for May, with an average of 3,330 AF per day, which is about 387 AF per day lower than in April. The Colorado River Aqueduct (CRA) projected diversions are 81,300 AF in May. SWP imports averaged 1,500 AF per day, totaling about 45,000 AF for the month.

The target SWP blend is 0 percent at the Weymouth, Diemer, and Skinner plants. SWP blends decreased to 0 percent in early April to help preserve carryover storage with the drier hydrologic conditions in March. With the end of 2025 marking another record storage level of over 3.8 million AF, Metropolitan has sufficient imported supplies and storage to meet demands in 2026. Water continues to be managed according to WSDM principles and operational objectives with an emphasis on positioning SWP supplies to meet future demands in the SWP-dependent area. DWR increased the SWP Project allocation to 45 percent. Metropolitan is managing the use of Table A and carryover supplies to guard against potential drought conditions as well as carryover spill.

The SWP target blend entering the Weymouth and Diemer plants, and entering Lake Skinner, decreased from 50 percent to zero percent in May 2026. Flow-weighted running annual averages for total dissolved solids from March 2025 through February 2026 for Metropolitan's treatment plants capable of receiving a blend of supplies from the SWP and the CRA were 472 mg/L, 469 mg/L, and 490 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.

Bay Delta Daily Historical Water Operations



DATE

1/1/2025 6/17/2026

The Metropolitan Water District of Southern California

Weekly Operations Plan

For additional information, please contact Miluska Propersi at MPropersi@mwdh2o.com

06/11/2026 - 06/18/2026

Colorado River Aqueduct:
6-pump flow

Hydroelectric Generation:
0.0 MW
0 plant(s) in operation

0 (0 – 15)

Total Member Agency Demands
3,520 AF/Day

Change in Member Agency Demands*
▲ 230 AF/Day

Forecast
June
Deliveries to Member Agencies
106 TAF

East Branch SPW Imports

Rialto Pipeline	540 AF/day	▲
Santa Ana Valley Pipeline	180 AF/day	▲
Inland Feeder	600 AF/day	▼

West Branch SPW Imports

Castaic Lake	740 AF/day	▲
SCVWA (formerly CLWA)	120 AF/day	▶

Water Quality

Plant Name	Targeted Blend (% SPW) As of 6/10/2026	TDS (mg/L) As of 6/10/2026	TTHMs (µg/L) As of 6/1/2026
Weymouth	35	479	29
Diemer	35	484	27
Skinner	35	549	19
Jensen	100	302	13
Mills	100	228	25

Terminal Reservoirs

as of 6/11/2026

Lake Mathews
133,000 AF
▲ 40 AF*
73%

Lake Skinner
38,400 AF
▼ -130 AF*
87%

Diamond Valley Lake
784,000 AF
▼ -470 AF*
97%

* = data from 6/4/2026

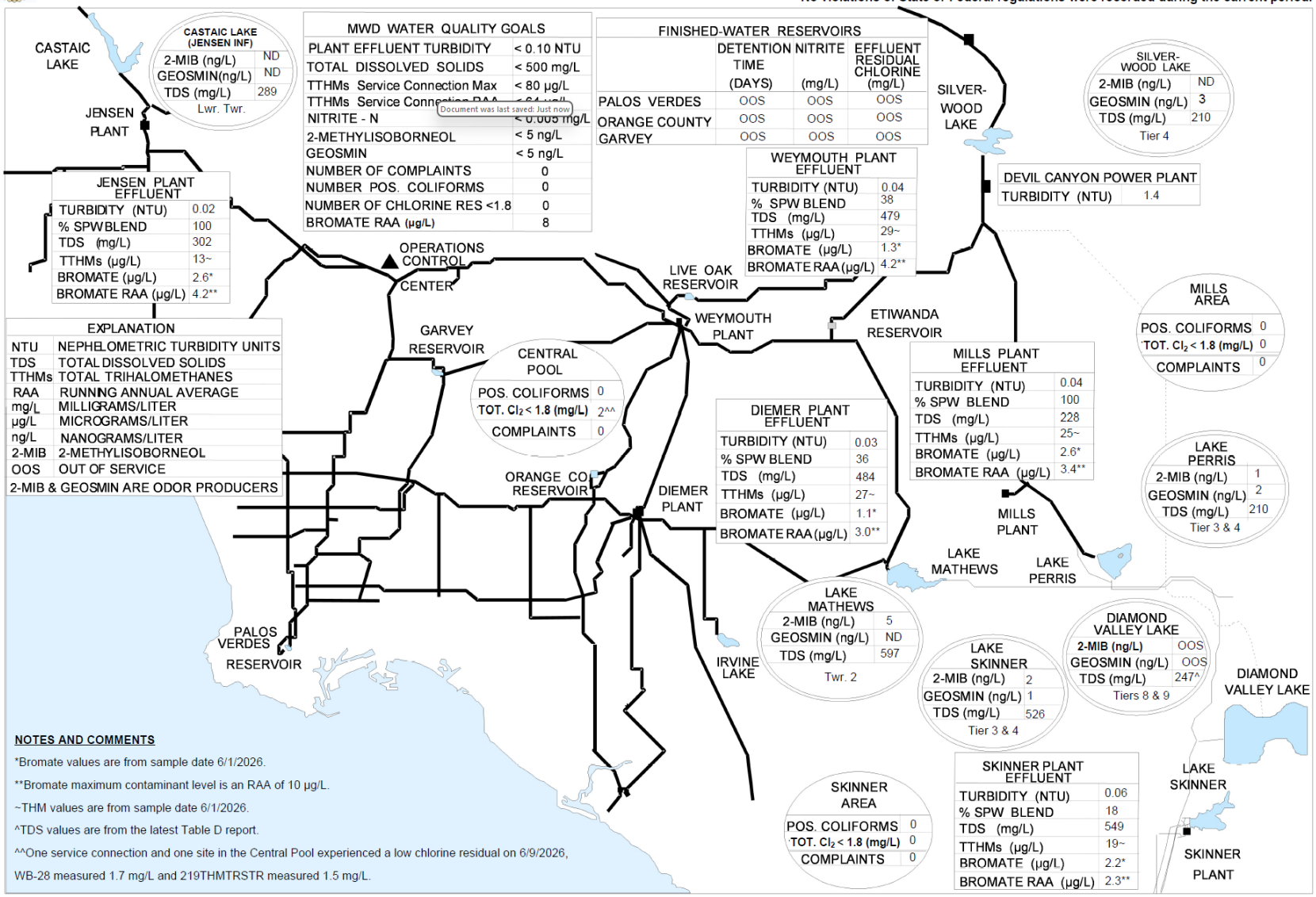
Weekly Water Quality System Status

Wednesday, June 10, 2026

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THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

No violations of State or Federal regulations were recorded during the current period.



NOTES AND COMMENTS

*Bromate values are from sample date 6/1/2026.

**Bromate maximum contaminant level is an RAA of 10 µg/L.

~THM values are from sample date 6/1/2026.

^TDS values are from the latest Table D report.

^^One service connection and one site in the Central Pool experienced a low chlorine residual on 6/9/2026, WB-28 measured 1.7 mg/L and 219THMTRSTR measured 1.5 mg/L.

WATER QUALITY INFORMATION LINE: (800) 354-4420
VISIT MWD ON THE WEB AT http://www.mwdh2o.com

ISSUE BRIEF D

SUBJECT: Colorado River Issues

RECENT ACTIVITY

Lower Division States May 1 Proposal

The Lower Division States submitted a proposal to the Bureau of Reclamation (Reclamation) on May 1, outlining a framework for short-term operations of the Colorado River system for calendar years 2026 through 2028. The proposal is intended to provide interim operational stability while longer-term post-2026 operating guidelines continue to be developed.

The proposal includes coordinated operational measures for Lake Powell, Lake Mead, and the Bureau of Reclamation's three Colorado River Storage Project Upper Initial Units (UIUs) that are reservoirs upstream of Lake Powell. The Lower Division States propose that Reclamation release at least 1.0 million acre-feet (MAF) of additional water from the UIUs into Lake Powell through April 2027, with corresponding adjustments to Lake Powell releases if those volumes are not achieved. The proposal also recommends modifications to UIU operating targets to prioritize movement of water to Lake Powell and ultimately Lake Mead during critically dry conditions.

For Lake Powell operations, the proposal contemplates maintaining a 6.0 MAF release in water year 2026, the lowest release amount since Lake Powell was initially filled, with potential additional releases if reservoir elevations improve. For water year 2027, Lake Powell releases would depend on reservoir elevations at the beginning of the water year, with scheduled releases of either 7.0 or 8.0 MAF. The proposal includes iterative operational adjustments during the year to avoid Lake Powell declining below the minimum power associated with Glen Canyon Dam infrastructure risks. In addition, the proposal requests that Interior develop a long-term plan to address operational and structural risks at Glen Canyon Dam.

The proposal includes Lower Basin reductions totaling 1.25 MAF annually in 2027 and 2028, allocated among Arizona (760 TAF), California (440 TAF), and Nevada (50 TAF). The proposal allows reductions to be satisfied through reduced water orders and/or the use of Intentionally Created Surplus (ICS), subject to certain limitations. The proposal also contemplates consultation regarding additional protective actions if Lake Mead projections decline below an elevation of 1,010 feet.

The proposal would extend and modify the existing ICS framework through 2028, including new evaporation and system assessments on ICS balances, increased state storage limits, and additional flexibility for ICS withdrawals at lower Lake Mead elevations. The proposal also establishes a new Lower Basin Offset Pool intended to provide flexibility to conserve water early to avoid future mandatory reductions beyond 1.25 MAF.

In addition, the proposal establishes a separate Tribal Firming and Offset Pool intended to support federal tribal trust responsibilities in Arizona. The proposal also includes provisions addressing interstate exchanges of augmented water, operational flexibility for additional UIU releases, and federal investment in Colorado River system infrastructure improvements.

The proposal is preliminary in nature and includes reservation of rights and non-waiver language. Discussions among the Lower Division States and Reclamation remain ongoing.

Develop Post-2026 Guidelines and Negotiate Implementation Agreements: Provide Input that Shapes Reclamation's Selected Alternative

Metropolitan staff also participated in recent meetings and briefings regarding Reclamation's anticipated approach to development of a preferred alternative for the post-2026 operational guidelines. In those discussions, Reclamation indicated that it is proceeding on an accelerated schedule, with consultations on a preferred alternative expected to begin in mid-May, publication of a Final Environmental Impact Statement anticipated in late June, and issuance of a Record of Decision currently anticipated by late July.

Reclamation also indicated that it anticipates adopting operational guidelines for 2027 and 2028 in connection with the Record of Decision later this summer and is continuing to review recent proposals submitted by the Upper and Lower Basin States for possible incorporation into those near-term operations.

Based on the discussions, Reclamation appears to be considering a framework that would allow operational determinations to be revisited periodically as hydrologic conditions evolve and additional consensus-based agreements are developed. Discussions generally focused on coordinated operations of Lake Powell and Lake Mead, Lower Basin shortage and surplus operations, storage and delivery of ICS, and potential operational actions above Lake Powell.

Metropolitan staff will continue to participate in development of the post-2026 operational guidelines and advocate for Metropolitan's Colorado River interests throughout the process.

ISSUE BRIEF E

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Decide on Sites Reservoir and Bay-Delta Interests

Sites Reservoir

On April 17, 2026, the Sites Reservoir Committee and Authority Board approved an Exchange Agreement between the Sites Project Authority and the California Department of Water Resources (DWR) governing voluntary exchanges of water between the Sites Project and the State Water Project (SWP) (Agreement). This Agreement is subject to final legal review and approval. The Agreement allows DWR to reduce SWP releases from Lake Oroville in exchange for providing an equivalent amount of SWP water to certain SWP Sites participants and for Proposition 1 ecosystem benefits, subject to legal, regulatory, and operational constraints. The Agreement preserves DWR's discretion over exchanges and incorporates comments received at the February 2026 Board meeting into the final version.

The Sites Reservoir Committee and Authority Board also authorized the Executive Director to enter into an agreement with the U.S. Bureau of Reclamation (Reclamation) related to accepting and conveying Incremental Level 4 refuge water as part of the Sites Reservoir Project's Proposition 1 ecosystem benefits (donation agreement). Under the donation agreement, the Sites Project Authority will deliver Proposition 1 Sites water to designated points of donation for conveyance by Reclamation to Central Valley Project Improvement Act refuges north and south of the Delta. The Sites Project Authority is responsible for delivery costs and losses to the points of donation, while Reclamation is responsible for conveyance costs to the refuges.

Delta Conveyance-Related Joint Power Authorities

At the April 16, 2026, meeting, the Delta Conveyance Design and Construction Authority Board received updates on project engineering, environmental permitting, and organizational readiness. Executive Director Graham Bradner reported ongoing support for the DWR, including design advancement studies, preparation of updated cost estimates and a revised Basis of Design Report for early 2027, and development of internal procedures for the transition to the delivery phase.

The Department of Water Resources Environmental Manager reported issuance of key permits, including a biological opinion from the U.S. Fish and Wildlife Service (USFWS) for construction and Amendment 1 to the project's Incidental Take Permit from the California Department of Fish and Wildlife. Coordination with the National Marine Fisheries Service on its construction biological opinion is ongoing.

Delta Conveyance Project

On April 23, 2026, the Delta Stewardship Council (Council) voted 6-1 to remand the DWR's Certification of Consistency for the Delta Conveyance Project on two narrow issues under two Delta Plan policies, while denying all other appeals from the ten appellant groups.

Before proceeding to implementation, DWR must submit a revised certification addressing: habitat impacts related to the invasive golden mussel; and potential conflicts between the Twin Cities Complex and the Sacramento Area Sewer District's Harvest Water project, including effects on ecosystem protection, agricultural use, groundwater recharge, and sandhill crane habitat. Once submitted, DWR anticipates a second round of appeals to the Council limited to the golden mussel and siting of the Twin Cities Complex, a process that takes 150 days.

The Council also directed DWR to submit annual implementation reports beginning March 1, 2028, consistent with the Council's independent oversight role.

Advance Science and Multi-Benefit Solutions That Improve the Sustainability of the Delta and Inform Regulation

Metropolitan staff presented to the Subcommittee on Imported Water an update on the Delta Smelt and Native Species Preservation Project. The objective of the project is to develop and determine the efficacy of innovative tools for the culture of Delta smelt. Recent milestones include the successful harvest of three sets of pond cultures for Delta smelt.

Metropolitan staff, along with researchers at Southern Illinois University, UC Davis, and USFWS, published work on Chinook Salmon outmigration pesticide hazard assessment. The paper is titled "Tracking pesticide accumulation in juvenile Chinook Salmon during outmigration through the Sacramento-San Joaquin River Delta." The results of the study determined that outmigrating hatchery-origin juveniles from the Sacramento-San Joaquin River Delta had greater hazard risks from the Feather River and Battle Creek. Elevated body burden of pesticides suggests increased predation risks. The results suggest that pesticide management in those rivers could improve outmigration survival.

Metropolitan released four addendums related to the Webb Tract Wetland Restoration Project bid solicitation. The bid opening occurred on May 14, and four bids were received. A July 2026 board action is planned to award the construction contract.

Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
June 9, 2026

CONSENT CALENDAR OTHER ITEMS - ACTION

Approved Committee Assignments:

Appointed Board Vice Chair Pressman and Director Gold to the Ad Hoc Committee on Delta Islands on June 4, 2026.

Appointed Director Shepherd Romey as Vice Chair of the Legal and Claims Committee.

Appointed Director Paule as Alternate on the Delta Conveyance Design and Construction Authority and the Delta Conveyance Finance Authority. **(Agenda Item 6B)**

CONSENT CALENDAR ITEMS – ACTION

Awarded a $698,352.64 contract to Tintometer Inc. to furnish 128 turbidity meters for the Robert A. Skinner and Robert B. Diemer Water Treatment Plants. **(Agenda Item 7-1)**

a. Awarded a $4,542,000 construction contract to J.F. Shea Construction Inc. for upgrades to the Hollywood Tunnel North Portal Pressure Control Structure; b. Amended Metropolitan's Project Labor Agreement to include the subject project; and c. Authorized the General Manager to acquire a temporary construction easement for an amount not to exceed $60,000. **(Agenda Item 7-2)**

Approved the resolution adopting the Hazard Mitigation Plan. **(Agenda Item 7-4)**

Approved up to $2.65 million to purchase insurance coverage for Metropolitan’s Property and Casualty Insurance Program to renew or replace all the expiring excess liability and specialty insurance policies and maintain the $25 million self-insured retention for general liability coverage. **(Agenda Item 7-5)**

Approved Metropolitan’s Statement of Investment Policy for fiscal year 2026/27; and delegated authority to the Treasurer to invest Metropolitan’s funds for fiscal year 2026/27. **(Agenda Item 7-6)**

Approved amendments to the Metropolitan Water District Administrative Code Section 6451 regarding the Audit Department Charter. **(Agenda Item 7-7)**

Approved the General Auditor’s Internal Audit Plan for Fiscal Year 2026/27. **(Agenda Item 7-8)**

Awarded a $789,356 construction contract to Ortiz & Son Inc. to rehabilitate the toe of the slope supporting Basin No. 8 at the Robert B. Diemer Water Treatment Plant. **(Agenda Item 7-9)**

Approved the Metropolitan Water District of Southern California's salary schedules pursuant to CalPERS regulations. **(Agenda Item 7-10)**

OTHER BOARD ITEMS - ACTION

Authorized an increase under contract with Van Ness Feldman, LLP in the amount of $500,000 for a total amount not to exceed $1,000,000 and with Milbank, LLP in the amount of $1,000,000 for a total amount not to exceed $1,250,000 for legal advice on Colorado River matters. **(Agenda Item 8-2)**

OTHER MATTERS - ACTION

Approved a cost of wage increase of 3.4% for each of the department heads - the General Manager (annual base pay is $495,040), General Counsel (annual base pay is $427,627.20), General Auditor (annual base pay is $346,569.60), and Ethics Officer (annual base pay is $335,691.60), with an effective date of June 21, 2026, for competent or better review. The final increased pay rate for these positions would be reflected on the salary schedules, which would be submitted for Board approval at the August 2026 meeting. **(Agenda Item 10-2)**

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

The Metropolitan Water District of Southern California

Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Board of Directors - Final

July 14, 2026

11:30 AM

Tuesday, July 14, 2026 Meeting Schedule
09:00 a.m. FAAME 10:00 a.m. ETHICS 11:00 a.m. BREAK 11:30 a.m. BOD

To livestream the meetings on the internet: click here.

Members of the public may present their comments to the Board and Committees on matters within their jurisdiction in real-time during the public comment section of the meeting by teleconference and in-person. To attend remotely or to provide public comment dial 1-877-853-5257 and enter meeting ID: 891 1613 4145 or to join through the internet click here.

Written public comments sent to BoardPublicComment@mwdh2o.com and received by 3:00 p.m. the business day before the meeting is scheduled are sent to the Board and will be posted under the Submitted Items and Responses tab available here: https://mwdh2o.legistar.com/Legislation.aspx. Written comments not received on time will not be included in the record for that meeting. Comments within the subject matter jurisdiction will be sent after the meeting for the record of the next meeting.

Disclaimer: Written and oral public comments are received in compliance with the Ralph M. Brown Act. Please note that Metropolitan does not endorse or ensure the accuracy or reliability of the information provided as public comment or by third parties.

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012
Teleconference Locations:
3008 W. 82nd Place • Inglewood, CA 90305
Fullerton City Hall • 303 W. Commonwealth Avenue, Chambers • Fullerton, CA 92832
Santa Ana City Hall • 20 Civic Center Plaza, 8th Floor • Santa Ana, CA 92701

Boardroom

* Translated Agendas **21-6029**

Attachments: 07142026 BOD Agenda - Armenian
07142026 BOD Agenda - Chinese Mandarin
07142026 BOD Agenda - Spanish

Agendas are translated by a digital translation service. Metropolitan does not guarantee accuracy of any translation.

1. Call to Order

a. Invocation: TBD

b. Pledge of Allegiance

2. Roll Call

3. Determination of a Quorum

4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code §54954.3(a))

5. OTHER MATTERS AND REPORTS

A. Report on Director's Metropolitan Expenses **21-5718**

B. Chair's Monthly Activity Report **21-5719**

C. General Manager's summary of activities **21-5720**

D. General Counsel's summary of activities **21-5721**

E. General Auditor's summary of activities **21-5722**

F. Ethics Officer's summary of activities **21-5723**

**** CONSENT CALENDAR ****

6. BOARD CONSENT ITEMS

A. Approve the Minutes of the Board of Directors of June 9, 2026, and the Special Joint Board of Directors and Executive Committee of May 26, 2026 and June 23, 2026 **21-5724**

B. Approve Commendatory Resolution for Director Jacquelyn McMillan representing Calleguas Municipal Water District **21-6038**

C. Approve Committee Assignments **21-5725**

7. BOARD LETTERS CONSENT

7-1 Award a $7,159,500 contract to Shimmick Construction Company Inc. to replace two radial gates along the San Diego Canal and authorize an increase of $515,000 to an agreement with Lee & Ro Inc. for a new not-to-exceed amount of $1,419,000 for technical support during construction; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) **21-5988**

Attachments: 07142026 EOT 7-1 B-L

7-2 Authorize an increase of $2,750,000 to an existing agreement with Pure Technologies U.S. Inc. for a new not-to-exceed amount of $9,750,000 million for inspections and analysis of Prestressed Concrete Cylinder Pipe; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) **21-5989**

7-3 Authorize the General Manager to execute a new license agreement with the California Department of Fish and Wildlife for up to twenty-five years to allow for the storage of boats, law enforcement vehicles, and related equipment for the continuation of enforcement of state conservation and environmental laws and fishery protection at Diamond Valley Lake, Lake Skinner, and surrounding lakes; the subject property is located in the County of Riverside, in the Winchester area, and is identified as the County of Riverside Assessor Parcel Number 465-190-078; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAAME) **21-5996**

7-4 Authorize the General Manager to execute a one-year amendment to a funding agreement for support of the Colorado River Board of California, Six Agency Committee, and Colorado River Joint Powers Authority, and by a two-thirds vote, authorize payment of Metropolitan's share up to $1,022,720 for fiscal year 2026/27; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (OWA) **21-6006**

**** END OF CONSENT CALENDAR ****

8. BOARD LETTERS ACTION

8-1 Award a $16,525,536 contract to Wood Bros Inc. to construct a wetland on Webb Tract; and authorize a $1,988,400 agreement with MBK Engineers to provide construction management services; an increase of $864,000 to an existing agreement with Environmental Science Associates for a new not-to-exceed total of $1,844,000 for environmental monitoring; an increase of $260,000 to an existing agreement with GEI Consultants Inc. for a new not-to-exceed total of $1,760,000 for technical support; an increase of $145,000 to an existing agreement with HydroFocus Inc. for a new not-to-exceed total of $600,000 for scientific monitoring; and an increase of $100,000 to an existing agreement with J.A. Spezia Consulting for a new not-to-exceed total of $300,000 for public outreach and tribal coordination; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) **21-5986**

8-2 Adopt resolution supporting the Association of California Water Agencies Vision for our Water Future initiative; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LEG) **21-5999**

8-3 Express support for AB 1894 (Rubio—D, West Covina) Fish and Wildlife: invasive mussels: imported water; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LEG) **21-6000**

8-4 Amend the Metropolitan Water District Administrative Code concerning review of matters for the naming of facilities, and amend the criteria, policies and procedures for the naming of facilities; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LEG) **21-6022**

8-5 By a two-thirds vote, authorize payments of up to $4.16 million for participation in the State Water Contractors for fiscal year 2026/27 and up to $4.25 million for fiscal year 2027/28; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA (OWA) **21-6005**

Attachments: 07142026 OWA 8-5 B-L

8-6 Authorize Colorado River System Conservation Agreements (OWA) **21-6035**

8-7 Approve the Metropolitan Water District of Southern California's salary schedules pursuant to CalPERS regulations; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (OPE) **21-6036**

8-8 Review and approve the Department Head Operations Plan; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **21-5938**

Attachments: 07142026 BOD 8-8 Department Head Operations Plan

9. BOARD INFORMATION ITEMS

9-1 Report on Assembly Bill (AB) 1881 (Ramos, D – Highland): California Indian Freedom Act of 2026 (May 19, 2026); AB 2218 (Kalra, D – San Jose): Water policy: California Native American tribes (April 16, 2026); and Senate Bill (SB) 1326 (Wahab, D – Hayward): California Environmental Quality Act: tribal cultural resources: mitigation measures (June 11, 2026) (LEG) **21-6039**

9-2 Diversity, Equity, and Inclusion activities **21-6019**

9-3 Equal Employment Opportunities activities **21-6020**

10. OTHER MATTERS

10-1 Discuss department head performance [Public employee performance evaluation—Ethics Officer, General Auditor, General Counsel, and General Manager; to be heard in closed session pursuant to Government Code Section 54957] **21-6017**

10-2 Conference with Labor Negotiators; agency designated representatives: Chair of the Board Ortega, Chair and Vice Chair of Legal and Claims Committee Kassakhian and Shepherd Romey and Vice Chair Sutley, Chair and Vice Chair of Organization, Personnel, and Effectiveness Committee Katz and Bryant, Chair and Vice Chair of Audit Committee Ramos and Crane, Chair and Vice Chair of Ethics Committee Seckel and Cordero; Unrepresented employee(s): Ethics Officer, General Auditor, General Counsel, General Manager; to be heard in closed session pursuant to Gov. Code Section 54957.6 **21-6018**

11. FOLLOW-UP ITEMS

NONE

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

NOTE: Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parenthesis at the end of the description of the agenda item, e.g. (EOT). Board agendas may be obtained on Metropolitan's Web site https://mwdh2o.legistar.com/Calendar.aspx

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site https://mwdh2o.legistar.com/Calendar.aspx.

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.