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
November 4, 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. 2182

PRESENTATION ITEMS

1. METROPOLITAN END OF FISCAL YEAR FINANCIAL UPDATE RECAP

Recommendation: Receive and file the presentation.

2. METROPOLITAN WATER SURPLUS AND DROUGHT MANAGEMENT PLAN OVERVIEW

Recommendation: Receive and file the presentation.

DISCUSSION ITEMS

3. 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)

Recommendation: Review and discuss the information presented.

4. 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

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 October 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
November 4, 2026

TO: **Board of Directors**

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

Staff Contact: Heather Baez, Director of Government Affairs

SUBJECT: **METROPOLITAN END OF FISCAL YEAR FINANCIAL UPDATE RECAP**

STAFF RECOMMENDATION

Staff recommends the Board of Directors receive the presentation.

REPORT

Purpose

The Municipal Water District of Orange County (MWDOC or District) invited Arnout Van den Berg, Section Manager, Revenue and Budget at Metropolitan Water District of Southern California (Metropolitan), to recap Metropolitan's end-of-fiscal-year financial update for Fiscal Year (FY) 2025-26.

Discussion

At Metropolitan's August 18, 2026, Finance, Affordability, Asset Management, and Efficiency (FAAME) Committee meeting, Metropolitan staff presented the Quarterly Financial Report, which reported preliminary, unaudited, cash-basis financial results for FY 2025-26, covering July 2025 through June 2026. The report compared year-end results with the adopted budget and summarized the primary factors contributing to significant revenue and expenditure variances.

Water sales totaled 1,238 thousand acre-feet (TAF), 106 TAF below the budget of 1,344 TAF. Water transactions revenue was $1,416.4 million, $113.8 million below budget. Total revenues were $2,240.2 million against a budget of $2,286.0 million. Higher tax revenues (+$87.5 million) and $71 million in one-time outside water sales partly offset the shortfall in water transactions.

Total expenditures were $1,989.9 million, $279.8 million below the budget of $2,269.6 million. State Water Contract costs were $141.7 million under budget, driven by lower power costs and a $75 million State Water Project credit. Additional savings came from Colorado River Aqueduct power ($37.1 million), supply programs ($60.7 million), and demand management ($31.0 million).

Unrestricted reserves increased by $211.6 million, compared with a budgeted increase of $47.8 million, due to expenditure savings and one-time revenues. The unrestricted reserve balance at June 30, 2026, was $788 million, which is $364 million above the minimum reserve and $293 million below the target reserve. Of that balance, $177 million is committed, including $91 million for remaining Reverse Cyclic Program obligations and $58 million for Pure Water Southern California costs.

Next Steps

Metropolitan staff will present the first quarter financial review and forecast for FY 2026-27, covering July through September, to the FAAME Committee on November 9, 2026.

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: Metropolitan Presentation, Quarterly Financial Report Fiscal Year 2025-26
Link 1: Metropolitan Board Letter, Quarterly Financial Report Fiscal Year 2025-26 (July through June) https://mwdh2o.legistar.com/View.ashx?M=F&ID=15722780&GUID=6DD14CC4-6FDB-4EAD-861B-71DF505BF2C6

Finance, Affordability, Asset Management and Efficiency Committee

Quarterly Financial Report

Item 6a
August 18, 2026
Presented by: Khanh Phan

Item 6a

Quarterly Financial Report

Subject

- Quarterly Financial Report

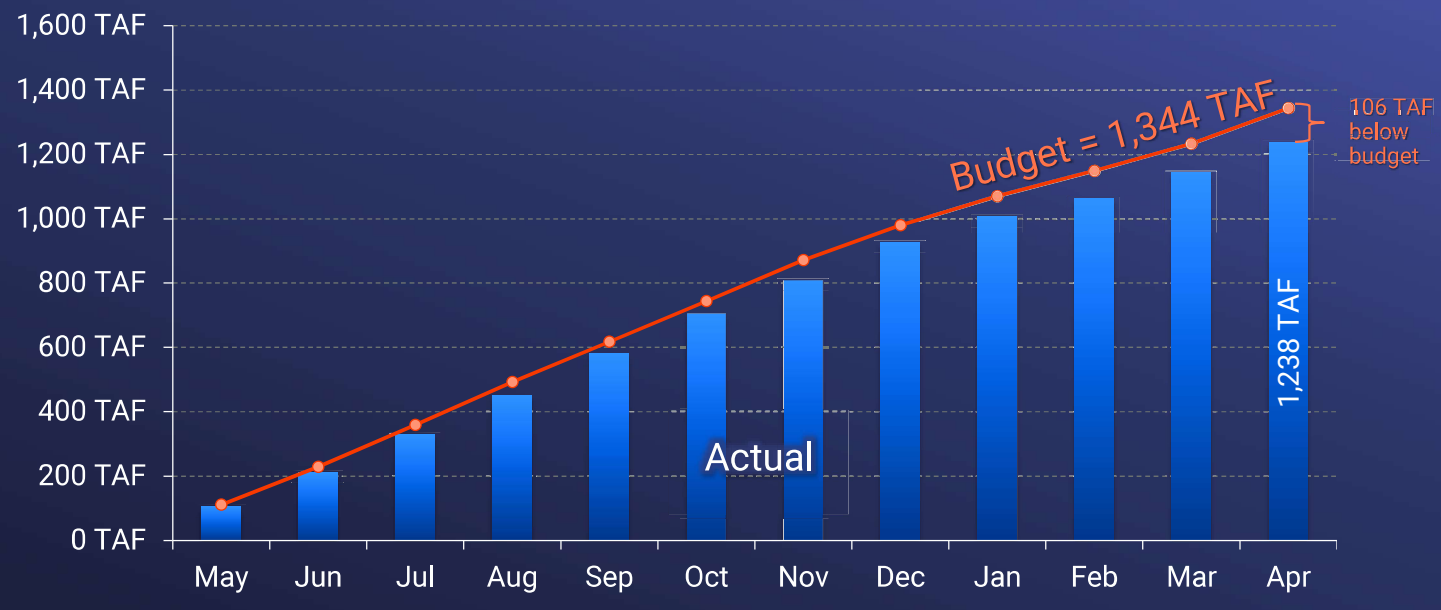
Purpose

- Review Metropolitan's financial results for Fiscal Year 2025/26

FY 2025/26 Preliminary Year-end Financial Results

Cumulative Water Transactions [1]

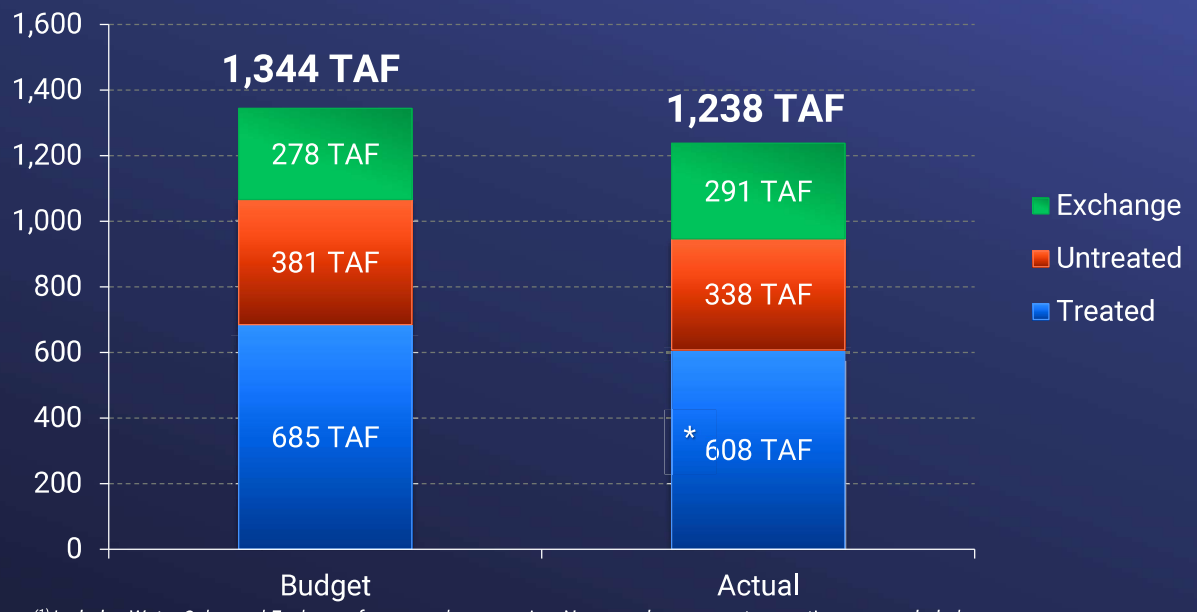
Cash Year 2025/26



[1] *Includes Water Sales, Exchanges, and Wheeling from member agencies. Non-member agency transactions are excluded.*

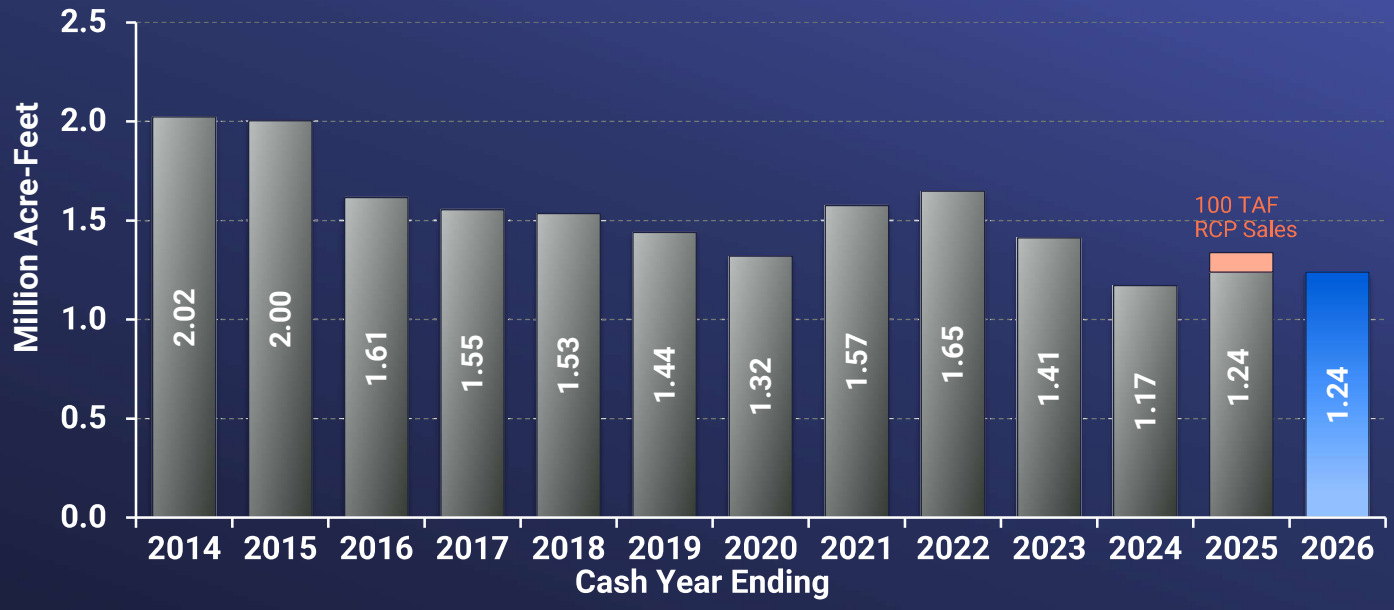
Water Transactions [1]

Cash Year 2025/26



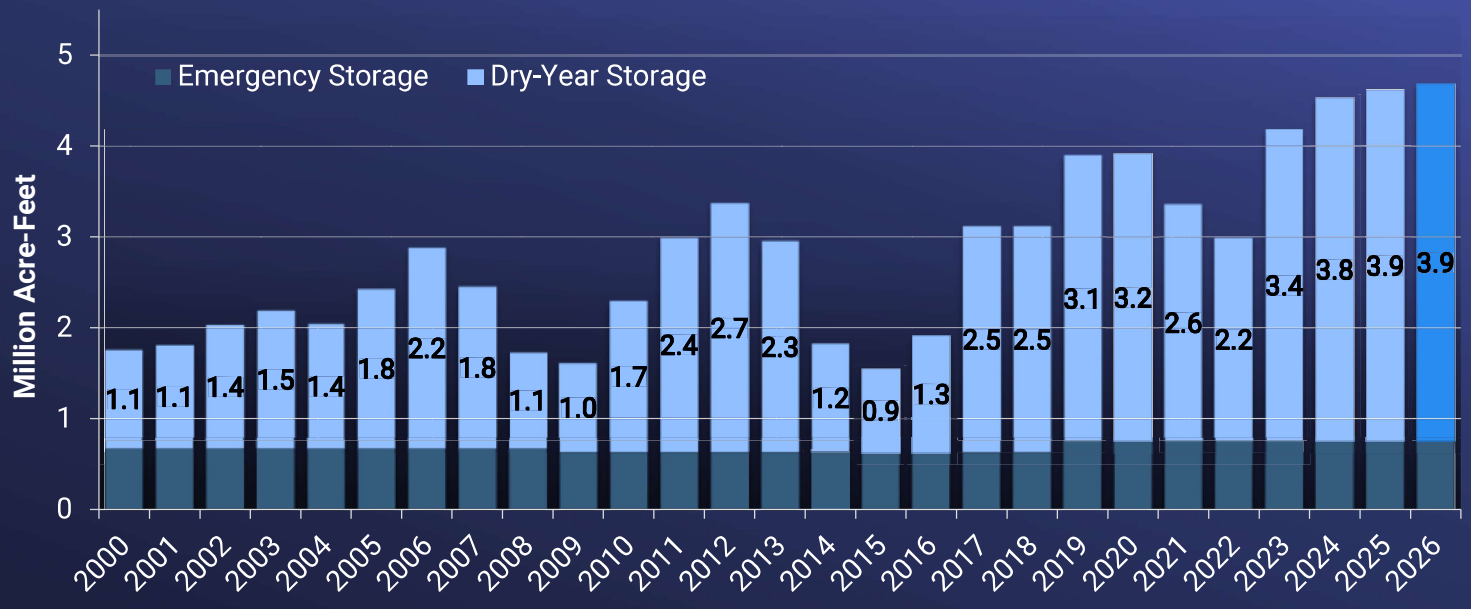
[1] *Includes Water Sales and Exchange from member agencies. Non-member agency transactions are excluded.*

Historical Water Transactions [1]



(1) Includes Water Sales, Exchanges, and Wheeling from member agencies. Non-member agency transactions are excluded. Water Transactions for Cash Year Ending 2026 were adjusted by 28 TAF for treated water deliveries made to Member Agencies under the Reverse Cyclic Program.

Record-High Storage for Metropolitan
End-of-Year Balances



Note: 2026 end-of-year balance is preliminary as it is subject to USBR final accounting.

FY 2025/26 Year-End Financial Results

in millions	Rev. Budget	Prelim. Actual	Change	
Water Transactions	1,530.2	1,416.4	(113.8)	
RTS Charge & Capacity Charge	229.4	228.7	(0.7)	
Taxes	333.8	421.3	87.5	
Interest Income	45.4	53.2	7.8	
IRA Bucket 1 Funding	47.3	46.0	(1.3)	
Other	99.9	74.5	(25.4)	
Total Revenues	**2,286.0**	**2,240.2**	**(45.9)**	A
State Water Contract[1]	703.9	562.2	(141.7)	
Delta Conveyance Project	25.7	25.7	0.0	
Departmental O&M & Operating Eq[2][3]	682.8	675.2	(7.6)	
CRA Power (Net)	83.5	46.4	(37.1)	
Supply Programs	135.0	74.3	(60.7)	
Demand Management	80.3	49.3	(31.0)	
Debt Service	353.5	351.9	(1.7)	
PAYGO[4]	205.0	205.0	0.0	
Total Expenditures	**2,269.6**	**1,989.9**	**(279.8)**	B
Increase in Required Reserves	31.8	36.4	4.6	
AVEK Debt Funded	(44.1)	(1.4)	42.7	
Conservation Debt Funded	(19.2)	(11.6)	7.6	
PWSC Partner Contribution Reimb.		15.2	15.2	
Total Fund Deposits/(Withdraws)	**(31.5)**	**38.6**	**70.1**	C
Change in Unrestricted Reserves*	**47.8**	**211.6**	**163.8**	= A-B-C

- $212M increase in unrestricted reserves
  - Total revenues were $46M below budget, despite higher property tax revenues and $71M in one-time outside water sales
  - Total expenditures were $280M below budget, led by lower SWC power costs, $75M SWP credit, and reduced expenditures in CRA Power, Supply Programs, and Demand Management compared to budget
  - Increase in unrestricted reserve driven by expenditure savings and one-time revenues

Footnotes:

1) $75M credit received in 2025
2) Revenue budget includes full $18M expenditure reduction and $1M approved expenses for additional position and equipment
3) Net of PWSC expenses funded from SWRCB $80M State Fund
4) Actuals include $28M deposit to R&R Fund

* Revenue Remainder and Water Rate Stabilization Funds

Revenues and expenditures are net of reimbursements.

Unrestricted Reserves*

End-of-Year Balances



June 30, 2026, Unrestricted Reserves are $788M

- **Revised Reserve Policy**
  - $293M below target reserve
  - $364M above min reserve

$177M Outstanding Obligation Against Unrestricted Reserves:

- $91M for remaining RCP obligations *(72 TAF of future deliveries)*
- $58M for PWSC costs in FY 2026/27 & 2027/28 Budget funded by unrestricted reserves *(subject to future Board authorization)*
- $28M planned use of unrestricted reserves in FY 2026/27 Budget

* Revenue Remainder and Water Rate Stabilization Funds

Quarterly Financial Statements

The latest Quarterly Financial Statements are located on our website at:

https://www.mwdh2o.com/budget-finance/financial-reports-documents/



- The unaudited Quarterly Financial Statements are available on the MWD website
- The most recent Annual Comprehensive Financial Report is also available on the MWD website


THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA

Item No. 2

PRESENTATION ITEM
November 4, 2026

TO: **Board of Directors**

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

Staff Contact: Jared Dawson, Water Resources Analyst

SUBJECT: **METROPOLITAN WATER SURPLUS AND DROUGHT MANAGEMENT PLAN OVERVIEW**

STAFF RECOMMENDATION

Staff recommends the Board of Directors receive the presentation.

REPORT

Purpose

The Municipal Water District of Orange County (MWDOC or District) invited Brandon Goshi, Group Manager, Water Resource Management at Metropolitan Water District of Southern California (Metropolitan), to provide an update on Metropolitan's Water Surplus and Drought Management (WSDM) Plan.

Discussion

Metropolitan's WSDM Plan was adopted in 1999 by Metropolitan's Board of Directors to provide policy guidance for managing regional water supplies to achieve reliability goals.

The WSDM Plan identifies the anticipated sequence of resource management actions Metropolitan will take during surplus and shortage conditions to minimize regional shortages and maximize storage when supply becomes available. It describes the projects and programs Metropolitan utilizes to store water during wet periods and draw on those supplies during dry periods to meet the region's imported water demands.

Every year, Metropolitan evaluates the level of supplies available and existing levels of water in storage to determine the appropriate management actions that may be needed to meet demands as the year progresses.

In drought conditions, Metropolitan can draw on a variety of stored water programs, both in and out of the Southern California region, to meet the needs of the region. In surplus conditions, Metropolitan leverages those same programs to store supply as it becomes available.

Next Steps

Metropolitan staff will provide the first WSDM update for Water Year 2026-27 to the Metropolitan One Water and Adaptation Committee on November 9, 2026.

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.*

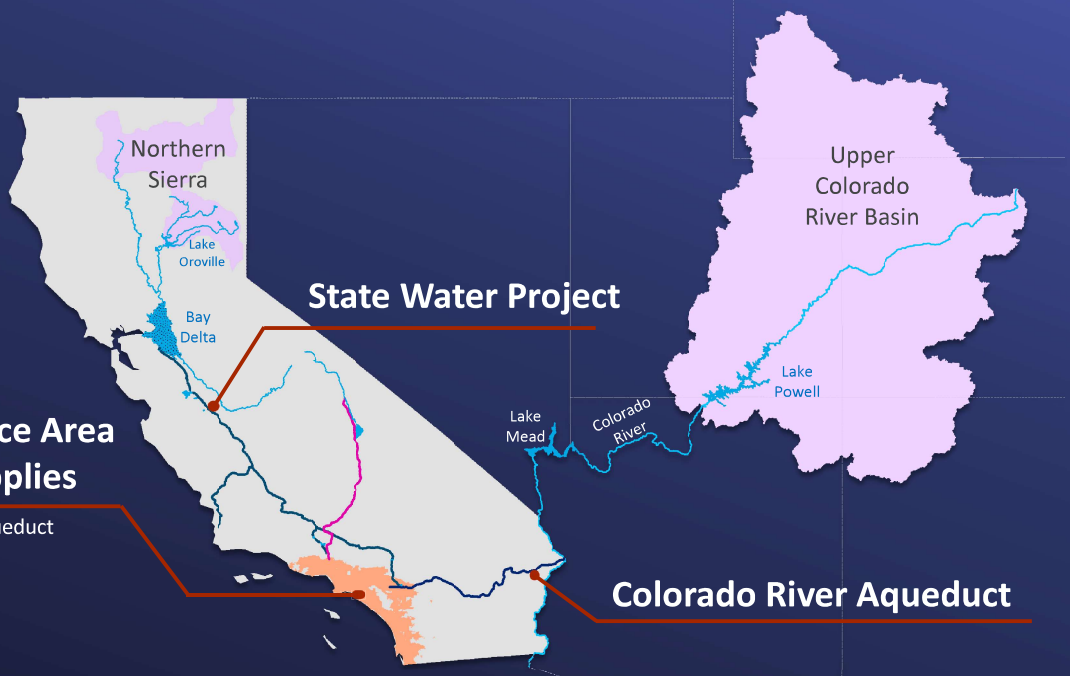
Attachments/Links:
Attachment 1: Metropolitan Presentation, Water Surplus and Drought Management Plan
Link 1: Metropolitan's WSDM Plan (1999) https://d1q0afiq12ywwq.cloudfront.net/media/20239/24_water_supply_drought_management_plan.pdf

Member Agency Managers Meeting

Water Surplus and Drought Management Plan

October 30, 2026

MWD Service Area's Sources of Supplies



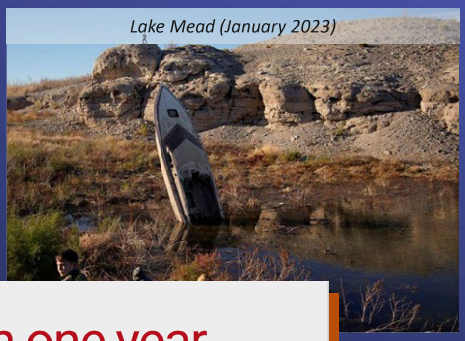
MWD Service Area Local Supplies

- Los Angeles Aqueduct
- Groundwater
- Recycling
- Desalination
- Conservation

Managing Drought to Abundance

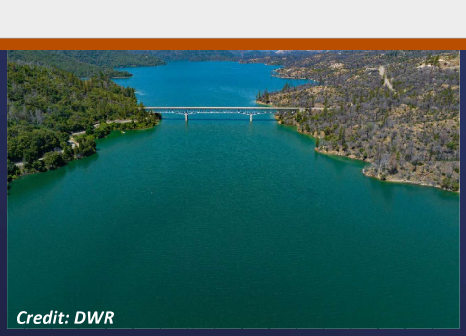


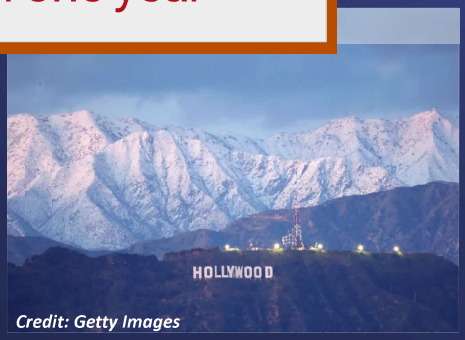




These pictures were all taken within one year







Water Surplus & Drought Management (WSDM) Plan

Adopted in 1999

Guiding Principle

Metropolitan will encourage storage of water during periods of surplus and work jointly with Member Agencies to minimize the impacts of water shortages on the regional retail consumers and economy during periods of shortage.

WSDM Plan Implementation Goals

- Avoid mandatory imported water allocations to the extent practicable
- Equitably allocate water on the basis of agencies' needs
- Encourage storage of surplus supplies to mitigate shortages and improve water quality

Today's Surplus, Tomorrow's Supply

- WSDM priorities help determine where to store surplus water and which supplies to draw on during shortages
- Metropolitan applies the WSDM priorities, while:
  - Weighing location, delivery capability, cost, and environmental considerations
  - Accounting for timing, alternatives, and commitments that may be difficult to reverse
  - Considering how today's actions and needs affect future choices

Metropolitan's Diversified & Expansive Storage Programs

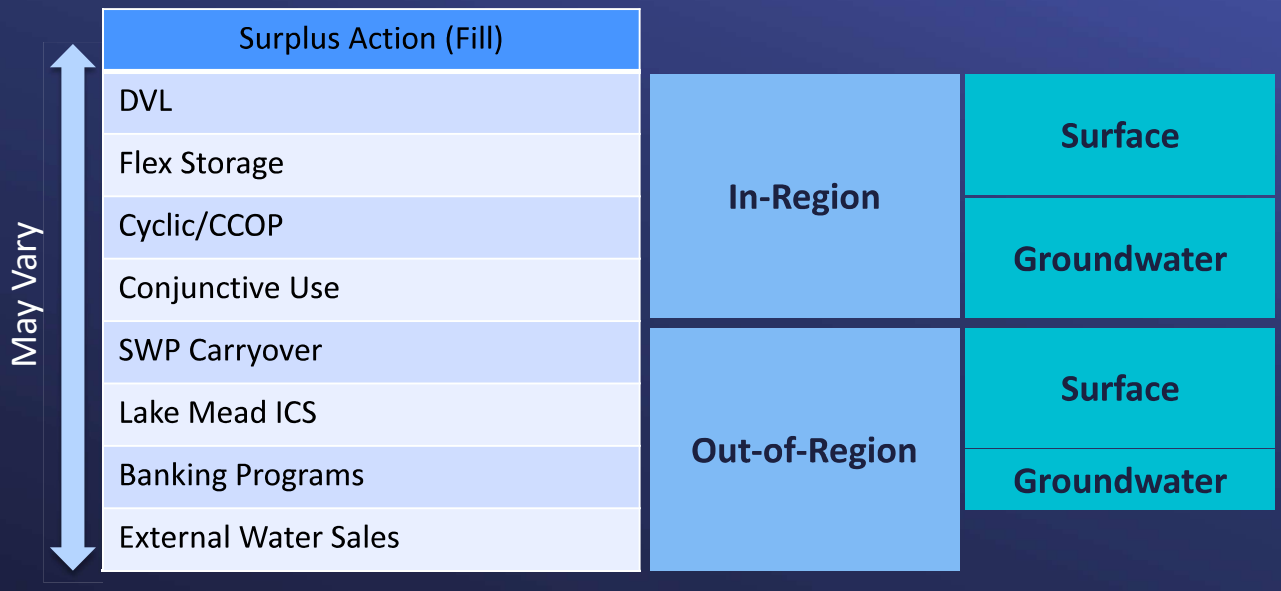






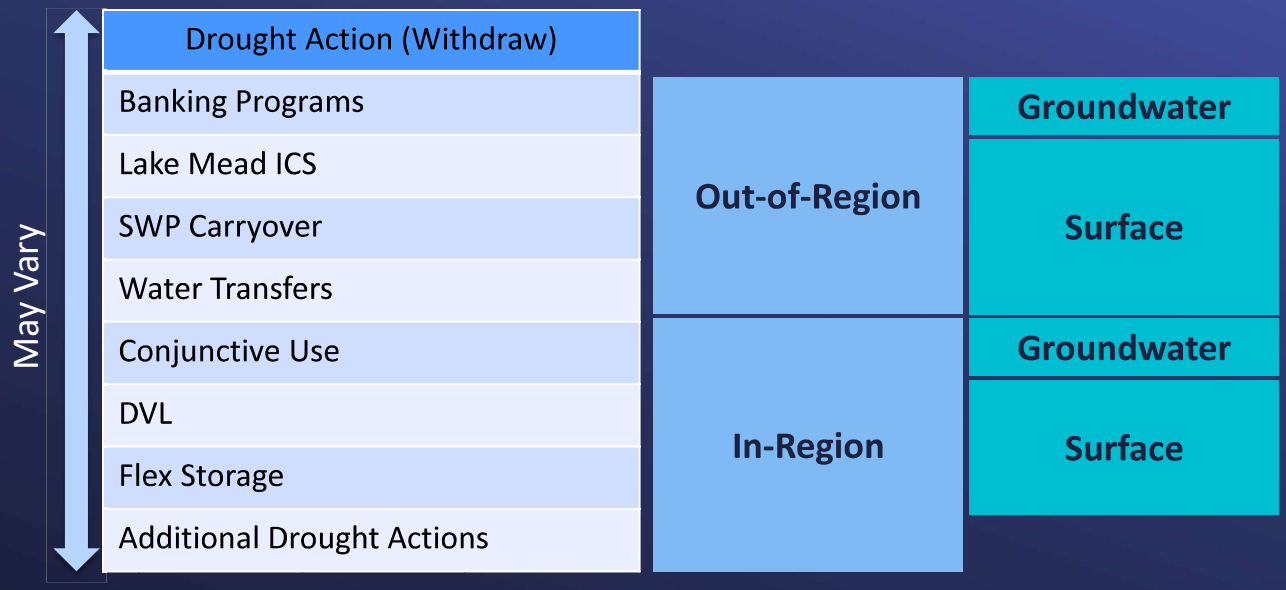


WSDM Plan – Surplus Actions



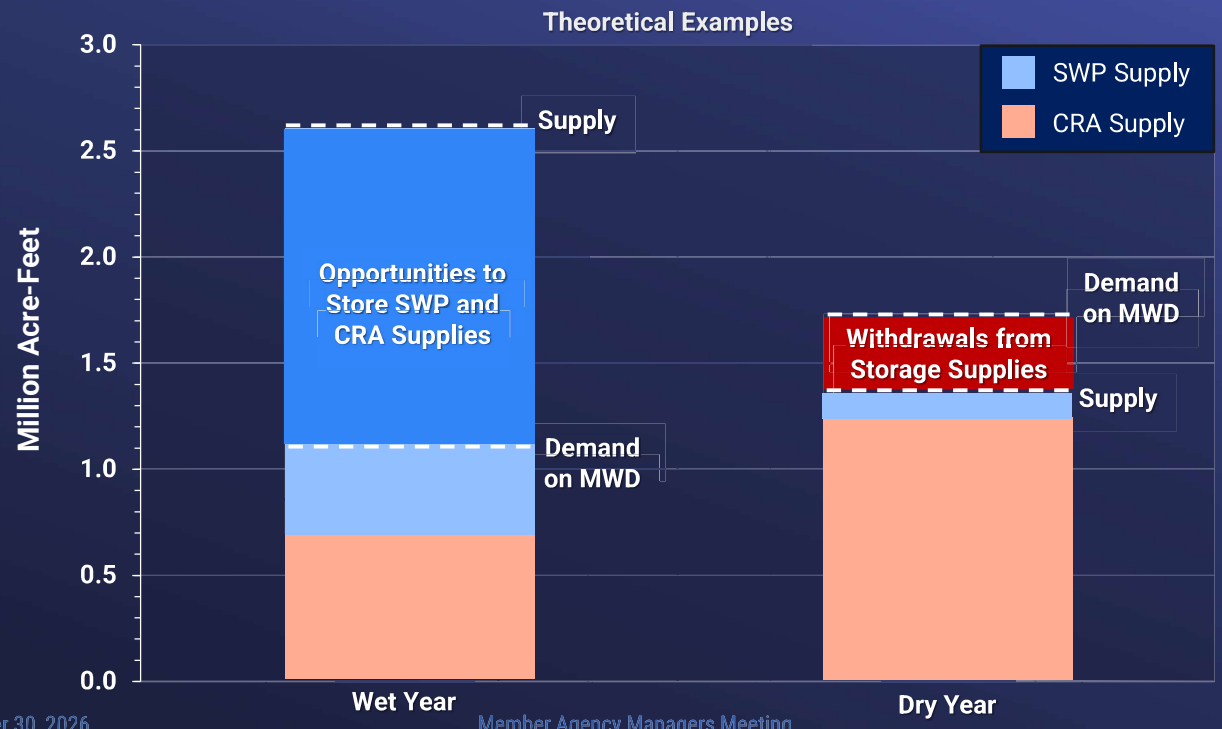
Note: Priority is not meant to be a strict order.

WSDM Plan – Drought Action Priorities



Note: Priority is not meant to be a strict order.

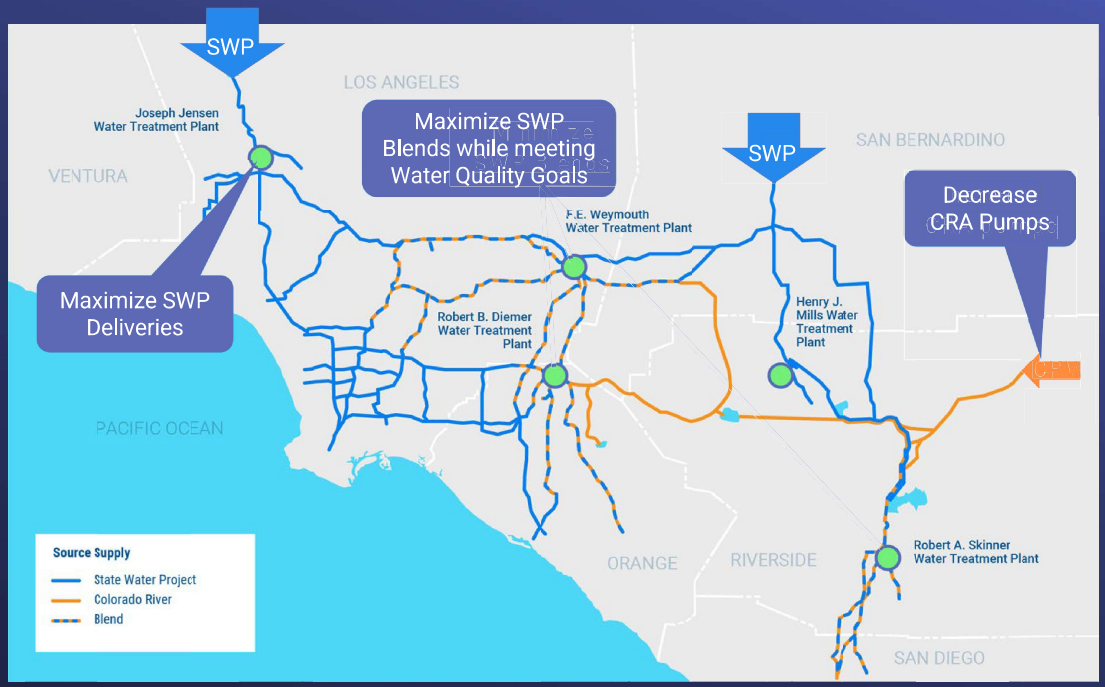
Metropolitan's Water Supply/Demand Balance Strategy



Metropolitan's Flexible System

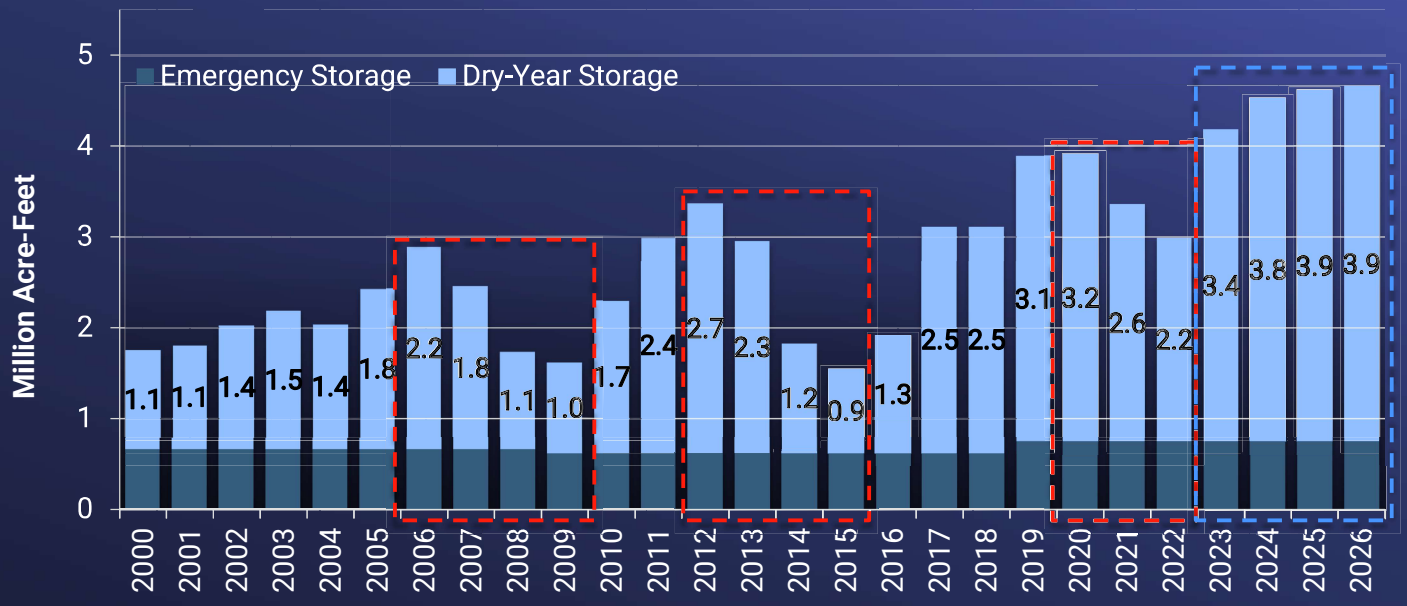
Surplus Year Operations
(Higher SWP Allocations)

- Maximizing West Branch & East Branch
- Maximizing SWP Blends
- Minimizing CRA Diversions
- Maximizing Groundwater Deliveries
- Replenishing Storage Accounts



Metropolitan's Dry -Year Storage (5.6 MAF Capacity)

End-of-Year Balances



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

Colorado River Update

On October 16, the Arizona Department of Water Resources moved to intervene in the lawsuit Nevada filed in August challenging the Department of the Interior's Post-2026 Record of Decision and 2027–2028 Operating Guidelines. Nevada's core argument is that Interior failed to adequately consider alternatives that would have placed a larger share of the reductions on the Upper Basin rather than on the Lower Basin, which must collectively reduce use by 1.25 million acre-feet annually through 2028. Interior and Reclamation have until the end of October to file a formal response to Nevada's complaint, and no court schedule has been set.

Shortly after, Secretary Burgum stated that he expects the suit to be dismissed for lack of a demonstrated injury, describing Arizona's initial reductions as manageable, and cautioning that Arizona, as the most junior Lower Basin priority, has little to gain from asking a court to allocate the river. He also pointed to the 10-year framework, with allocations reconsidered after the first two years, and suggested that Southern California desalination could become part of a longer-term solution.

On October 27, the Central Arizona Project (CAP) also filed a Motion to Intervene in the Nevada lawsuit. CAP filed separately from the State of Arizona because CAP holds a fourth-priority water right. Their junior status means their supply would be targeted for elimination before other state users.

Sites Reservoir – State Water Board Vote November 4

The State Water Resources Control Board (SWRCB) remains scheduled to consider the revised draft water right decision and permit for Sites Reservoir at its November 4 meeting. Should the SWRCB fail act on the Bay-Delta plan on October 28th and 29th, we expect that there will be a push to delay the November 4th vote on Sites, but we still don't know exactly how the SWRCB would handle that.

Permitting Reform

On September 30, Senators Shelley Moore Capito (R-WV), Mike Lee (R-UT), Sheldon Whitehouse (D-RI), and Martin Heinrich (D-NM) introduced S. 5653, a 417-page permitting reform package negotiated with the White House. The bill would set deadlines for environmental review: generally, one year for environmental assessments and two years for environmental impact statements. It would also set a 150-day statute of limitations for NEPA challenges and for

challenges to Endangered Species Act biological opinions and certain Clean Water Act Section 404 actions. Courts would generally remand deficient permits rather than vacate them, so existing permits would stay in force unless the activity poses an imminent and substantial danger to health or the environment. It would also allow state level environmental reviews, like CEQA, to satisfy NEPA requirements.

The bill's future remains uncertain, despite the Senate being scheduled to hold a procedural vote shortly after returning from recess. That uncertainty stems largely from Democratic concerns about opposition from certain environmental and tribal groups, compounded by the Administration's ongoing efforts to block wind and solar projects.

FY2027 Appropriations

The continuing resolution signed in early September funds the government through December 11, and full-year Energy and Water and Interior-Environment bills—including Reclamation's Water and Related Resources account, WaterSMART, Title XVI, and the WIIN Act storage account—remain unresolved. Final action is expected in a lame-duck omnibus or a further continuing resolution.

West Coast Advisors
Strategic Public Affairs

October 28, 2026

To: Municipal Water District of Orange County

From: Michael Boccadoro
Beth Olhasso

RE: October Report

California entered the new water year on Oct. 1 with statewide reservoir storage at approximately 21.3 million acre-feet, or 105 percent of the historical average. Major reservoirs showed mixed conditions: Lake Oroville is at 43 percent of capacity and 84 percent of historical average, Shasta Lake is at 51 percent of capacity and 94 percent of its historical average, and San Luis Reservoir was at 69 percent of capacity and 155 percent of its historical average. Although statewide storage remains above average, the lower-than-average levels at Oroville and near-average storage at Shasta highlight the importance of winter precipitation to replenishing supplies.

The State Water Resources Control Board (SWRCB) is preparing to consider its updated Bay-Delta Plan, but disagreements over the Healthy Rivers and Landscapes voluntary agreements threaten participation by key water users. The State Water Contractors, Bureau of Reclamation and Westlands Water District have raised concerns that the latest proposal departs from the 2022 agreement framework, while environmental groups argue it may not provide enough river flows to recover fish populations.

A state audit found that nearly one-third of 102 local agencies responsible for Central Valley levees received unacceptable maintenance ratings in 2025, citing issues such as vegetation management and animal burrows. The report also found that 14 of 48 critical levee repair sites identified by the Department of Water Resources (DWR) since 2012 remained unfinished as of August 2026, highlighting funding and oversight challenges.

The SWRCB is scheduled to consider a revised water-right permit for the proposed Sites Reservoir on Nov. 4. The permit would authorize diversions of up to 986,000 acre-feet annually, subject to protections for existing water rights, water quality and fisheries.

DWR has completed a $235 million rehabilitation of Oroville Dam's River Valve Outlet System, improving the reliability of infrastructure used to release cold water from Lake Oroville into the Feather River. These releases help maintain suitable temperatures for Chinook salmon and steelhead, particularly during hot weather and drought. The project, which began in 2022, strengthens the long-term operation of the facility.

The Delta Stewardship Council held an Oct. 15 hearing on appeals challenging DWR's revised certification that the Delta Conveyance Project is consistent with the Delta Plan. The review addresses objections from local governments, agencies and residents and is separate from the SWRCB's consideration of the project's water-right change petitions.

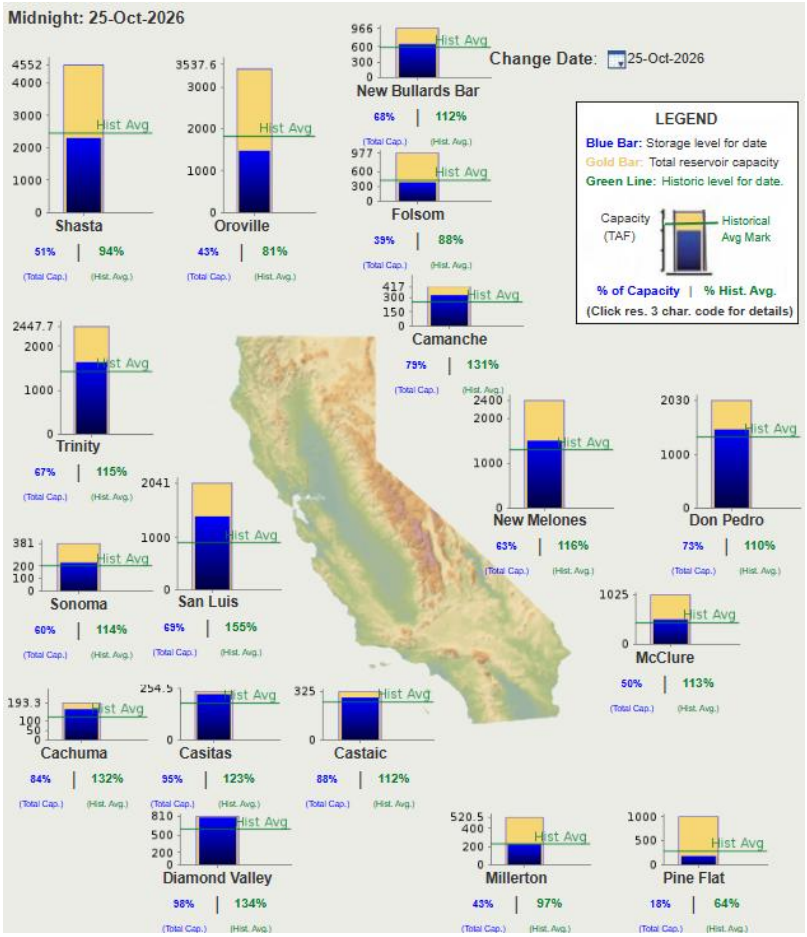
California's legislative activity ended Sept. 30, shifting attention to informational hearings, preparation for the 2027–28 session and campaigning throughout CA. The Assembly Utilities and

Energy Committee has been very active with hearings on utility wildfire safety, utility investment and subrogation. Statewide organizations are developing legislative proposals for next year. A fuller review of association-sponsored legislation is expected as those proposals take shape.

Municipal Water District of Orange County
Status Report – October 2026

Water Supply Conditions

California's water supply is holding steady through the fall with statewide reservoir storage estimated at approximately 21.3 million acre-feet, or 105 percent of historical average. Lake Oroville is about 43 percent of capacity and 81 percent of its historical average for this time of year, while Shasta Lake is at approximately 51 percent of capacity and 94 percent of its historical average. San Luis Reservoir was considerably fuller at approximately 69 percent of capacity and 155 percent of its historical average. Groundwater recharge and the ability to capture and store runoff will also be important for maintaining water supply reliability through the coming dry season. The State Water Project is scheduled to announce its initial water allocation forecast on Dec. 1, providing the first indication of anticipated deliveries for 2027.



Bay-Delta Plan Faces Adoption Vote as Healthy Rivers and Landscapes Agreements Teeter
The State Water Resources Control Board is scheduled to consider adopting its updated Bay-Delta Plan on Oct. 28–29, with Oct. 30 available if needed. As discussed previously, the update, the first major revision of the plan since 2006, would establish new requirements governing water flows through the Sacramento River watershed and Sacramento-San Joaquin Delta to protect fish, wildlife and other beneficial uses. At the center of the proposal is the Healthy Rivers and Landscapes (HRL) program, a voluntary agreement framework intended to combine additional river flows with habitat restoration as an alternative to more prescriptive minimum-flow requirements.

Under the 2022 memorandum of understanding, water agencies and state and federal officials agreed to pursue a collaborative approach in which participating water users would commit water and fund habitat improvements in exchange for flexibility in meeting environmental requirements. However, the State Water Board's latest proposal has prompted objections from several key participants, who argue that the state has changed the substance of the original agreement by placing HRL within a more extensive regulatory framework. The draft establishes a default requirement of 55 percent of unimpaired flow from Sacramento River tributaries to the Delta in most water years, subject to specified adjustments and other provisions. Water users that do not participate in HRL would remain subject to the plan's regulatory requirements.

The State Water Contractors say several important issues remain unresolved. General Manager Jennifer Pierre notes that the original concept envisioned two distinct pathways: a standard regulatory pathway and a voluntary agreement pathway through which water users could negotiate settlements to meet the plan's requirements. The contractors are concerned that the current draft makes HRL a regulatory program as well, with additional state oversight and approval requirements that could undermine the collaborative governance structure envisioned in 2022. In an Oct. 20 statement, the organization said the final framework must follow the 2022 memorandum of understanding to deliver environmental improvements while maintaining water supply reliability.

The dispute has escalated as the U.S. Bureau of Reclamation and Westlands Water District have threatened to abandon HRL if the plan is adopted as drafted. Reclamation has said it will not participate under the current proposal and indicated it would take additional steps to maximize deliveries to Central Valley Project contractors. Westlands argues that the final draft retains the HRL name but changes the substance of the original program. These positions raise questions about whether the state can implement the voluntary agreements without the participation of major federal and agricultural water users.

State officials reject the claim that the proposal abandons the original agreement. Natural Resources Secretary Wade Crowfoot has argued that HRL must operate within the Water Board's statutory responsibility to protect beneficial uses and that a regulatory backstop is necessary to ensure commitments are fulfilled.

Environmental organizations, tribal groups and Delta community representatives have raised a different set of concerns, arguing that the voluntary agreements place too much emphasis on

habitat restoration and too little on the additional river flows needed to recover declining fish populations. Many of these groups were not included in the negotiations that produced the 2022 memorandum.

The board's decision could determine whether HRL remains a viable collaborative alternative to more prescriptive regulation or whether disagreements lead to withdrawals and prolonged litigation. For agricultural and urban water agencies, the outcome could affect future water supply reliability, project operations and the cost and flexibility of meeting environmental requirements. For environmental interests, the central question is whether the plan will deliver sufficient flows and habitat improvements to restore the watershed's ecosystems. With key participants questioning whether they can accept the proposal as written, the upcoming vote could reshape the future of California's Bay-Delta water policy and the voluntary agreement process.

State Audit Warns of Central Valley Levee Maintenance and Funding Gaps

A California State Auditor report released Oct. 13 found that nearly one-third of 102 local agencies responsible for maintaining Central Valley flood-control levees received unacceptable maintenance ratings in 2025. The deficiencies largely involved vegetation management and burrowing animals, which can weaken levees or make it harder for engineers to identify structural problems. The audit also criticized the Department of Water Resources for not fully using its authority to take over maintenance in cases of persistent local agency failures.

The report highlighted funding constraints affecting both routine maintenance and major repairs. Since 2012, DWR had identified 48 critical levee sites requiring repair, but 14 remained unfinished as of August 2026. The department has said limited funding and local cost-sharing requirements have delayed projects, and the audit warned that the state's existing repair programs may not have sufficient funding to address newly identified critical sites. The auditor recommended stronger state intervention and oversight to reduce risks to communities, farmland and infrastructure.

DWR disputed aspects of the report, arguing that maintenance ratings alone do not provide a complete assessment of flood risk and that the department already uses a range of measures, including targeted repairs and emergency response programs. The findings nevertheless highlight longstanding questions about responsibility for maintaining aging levees and how the state and local agencies will pay for the work. With California entering the winter flood season, the report adds urgency to discussions about long-term flood protection funding and the state's role when local maintenance efforts fall short.

Sites Reservoir Advances Toward November Water-Rights Decision

The proposed Sites Reservoir is approaching a major regulatory milestone, with the State Water Resources Control Board scheduled to consider a revised draft water-right decision and permit on Nov. 4.

The revised draft permit would authorize diversions of up to 986,000 acre-feet annually, subject to conditions intended to protect senior water-right holders, water quality and fisheries. The revised proposal also addresses coordination with the state's Bay-Delta Plan and its Healthy

Rivers and Landscapes pathway. The permit itself would not complete the project's remaining financing, construction and other regulatory requirements, but it is an important step toward establishing the legal basis for diverting and storing water.

Oroville Dam Completes $235 Million River Valve Rehabilitation
The Department of Water Resources recently announced that it had completed a $235 million rehabilitation of Oroville Dam's River Valve Outlet System, a critical facility for releasing cold water from deep within Lake Oroville into the Feather River. Construction began in October 2022, and the upgraded system was commissioned in June. The work is intended to improve the long-term reliability of the infrastructure at the State Water Project's largest reservoir and water supply facility.

The outlet system plays an important environmental role for cold water to be released from the reservoir to help maintain suitable river temperatures for Chinook salmon and steelhead, particularly during hot weather and drought. Managing those releases is important when reservoir levels decline and warmer conditions threaten fish habitat downstream. The system also supports the dam's broader water management operations.

The project involved installing replacement valves and completing complex work deep within the dam while coordinating with other facility operations. DWR said the rehabilitation will support reliable operation for decades to come as California faces increasing challenges from extreme heat, drought and aging infrastructure.

Delta Conveyance Project Continues Through Regulatory Review
The Delta Conveyance Project faced another regulatory milestone Oct. 15, when the Delta Stewardship Council held a hearing on appeals concerning the Department of Water Resources' revised certification that the project is consistent with the Delta Plan. The appeals were filed by the Sacramento Area Sewer District, a group of local residents and the counties of San Joaquin, Solano and Yolo, along with regional water agencies. The hearing addressed issues raised after the council remanded portions of the project's earlier certification for further consideration.

The council's review is limited to whether the project's certification complies with the Delta Plan and the issues raised in the appeals; it does not approve or reject the project itself. The Oct. 15 hearing is part of an ongoing review process, with the council expected to issue findings based on the administrative record and evidence presented. Separately, DWR's water-right change petitions are being considered through a State Water Board proceeding. These reviews are among the regulatory steps that must be addressed as the project moves forward.

Legislative Update
Even through the Legislature is not in session committees do have the ability to hold informational hearings. The Assembly Utilities & Energy Committee, under the leadership of Assemblymember Cottie Petrie-Norris as Chair, is the busiest committee during this time holding a series of hearings on various wildfire-related issues.

October 20- CA's Utility Wildfire Safety Regime

October 28- The Tipping Point: Historic Growth, Generational Investment, and Utility Investability.
October 29- Joint Oversight hearing with Assembly Insurance Committee on Suborgation

Materials for the hearings can be found here.

Most other members are busy campaigning during the final week of the election and will turn attention to legislative matters after the election. Legislators will return to Sacramento briefly in December for an "organizational session," but will return in earnest in January to start the business of the 2027-28 legislative session.

Statewide organizations and individual agencies are busy preparing legislative packages for next year. Fall legislative planning meetings at MWD, ACWA, CEEB, CMUA and others are taking place over the course of the fall. A full breakdown of association-sponsored legislation will be presented in next month's report.

Legal and Regulatory

November 4, 2026

1. **PFAS Cleanup:** UC Riverside engineers are looking at chemical reactions to fix the PFAS problem. They are using degradation processes by ultraviolet light to breakdown the PFAS structure. The degradation process has up until now been based on chemical assumptions. UCR has provided experimental proof that it works. The reactions are very complex but basically use light and sulfite to produce electrons that breakdown the carbon-fluoride bonds which hold PFAS together. Through a combination of these degradation processes the remains of the nanoplastics can be removed from the system. As with all of these ideas, scaling up and making it affordable is the next challenge.

2. **More Atmospheric Rivers:** UC Riverside has been busy lately. They are also trying to predict the future of ARs in California. We have discussed AMOC (Atlantic Meridional Overturning Circulation) before. This ocean/weather pattern occurs in the Atlantic Ocean. However, it has a direct impact on the Pacific Ocean and the weather generated from it. AMOC is driven by the current in the Atlantic. Looking at decades of data on AMOC shows its strength has slowed down and climate models show further decline as the earth warms up. The net result if this continues is wetter ARs and more flood risks. Keep in mind that AMOC actions are thousands of miles away from these predictions and also that Mother Nature does now always follow the models>.

3. **Wetland Management:** Suisun Marsh, in northern California, is getting a lot of good press lately. The Department of Water Resources has modified its plan for handling wetlands and is experiencing positive results. The key has been the production and placement of zooplankton (small shrimp-like critters) in targeted areas during the normally dry times. Their presence is the building block of the food chain in these environments. Historically, wetlands have been flooded in winter and kept dry in summer. By returning to nature and allowing more water in summers, the food chain goes into overdrive. This project is being done in cooperation with private duck clubs and local landowners and is benefitting the environment and agriculture.

4. **The Mercury Challenge:** Methylmercury (which is formed from regular mercury) is a serious health hazard for humans and wildlife. It causes brain damage, nervous and immune system damage. It occurs in nature and a result of manmade activities. Under most conditions, the natural mercury when exposed to the environment, produces the dangerous toxin. The main manmade causes are: combustion, mining, industrial production and wastewater. The biggest cause in California was the Gold Rush in the 1850s. Mercury was used to extract gold from the ground and then washed down the various rivers where the mining took place. It is estimated that over 47,000 abandoned mines were inadequately closed and/or cleaned. Storms, floods and erosion still wash contaminated sediment downstream. The Central Valley Water Board (Delta) is redoing its plan for clean up as it current effort is not meeting deadlines and addressing the problem. Mercury bonds strongly to sediment and can travel long distances. It can then settle in all manner of locations making its identification and removal difficult.

The tributaries seem to be a vital point in attempting to fix the problem. Costs are also an issue. Many levels of participation are involved including the Federal Government.

5. **Kelvin Wave:** The Kelvin Wave has discovered by Lord Kelvin in 1879. His real name is William Thomson who was a British mathematician, physicist and engineer. He was truly a man ahead of this time. To discover this concept without all the modern equipment we have now is truly remarkable. His discovery applies to oceans around the world. The Kelvin wave is not actually a wave. It is an underwater pulse which travels at around 5-6 miles per hour. It occurs when warm water sets on the ocean's surface causing the water to thicken. The effect of the pulse can travel thousands of miles and from ocean to ocean. It is a regularly occurring event. It only gets noticed when is occurs with swells and/or high tides. That is what is occurring now in southern California. After the Kelvin wave occurs, it can takes a long time for the ocean to return to normal.

6. **Estuary Update:** Estuaries are proving to have much more significance that we originally imagined. Between Humboldt Bay in northern California and San Diego Bay, California has over 1.3 million acres of bay and estuaries. Some of them have statewide and national significance like Morro Bay, San Francisco-Sacramento-San Joaquin-Delta and Santa Monica Bay. Estuaries are the connection between freshwater runoff from rivers and the Pacific Ocean. They are nutrient rich areas for plants and animals, are natural filters for pollutants, help counter saltwater intrusion, protect from sea level rise and flooding during storms. Their water is generally brackish or slightly salty and can be used to divert water seasonally to maintain environmental balance. The West Coast has lost almost 85% of its original estuarine wetlands.

7. **Doomsday Glacier:** The Doomsday Glacier is located in Antarctica and is formally known as Thwaites Glacier. It is about the size of Florida. This research done by UCI and NASA has indicated that the melt rate is much greater than originally estimated. Prior conventional wisdom was that glaciers that rested on bedrock melted at a much slower rate than those that had water underneath them. Current research now shows that during most tidal cycles, warmer seawater is able to flush under the glaciers, even those on bedrock, meaning the melt rate will be higher. It is now estimated that Thwaites will contribute over 1" toward sea level rise by 2100. This is almost **double the original estimate.**

8. **Algae Blood Detection:** UC Riverside has developed a new way of forecasting destructive algae blooms. This method uses copepods and zooplankton which feed on toxic algae. Scientists use a method called absorption toxic tracking, which is essentially a small tea bag. This bad continually measures chemical content allowing us to recognize the threat in real time. This allows early detection, as much as seven weeks, in advance of crises mode. This allows time to prepare and defend against the bloom. While humans rarely die any more from algae blooms, they can still get sick. For sea life, the story is much different. Recent rashes of pelican falling from the sky and sea lions scratching themselves to near death, all show the negative impact on the environment.

9. **Steam Treatment:** A strawberry farmer in Watsonville has discovered, or rediscovered a method to protect crops and expand production. A machine is used to inject steam into the soil before planting the berries. UC Santa Cruz researchers have shown the helps cut down on disease and weeds in the field and also extend the growing season and expand production. Steam has been used in greenhouses for many years, but only recently has been applied to open fields. Strawberries are in the top 10 ag products in California. Nine out of ten strawberries in the USA

come from California. Test show that this method can also be used for lettuce, carrots and other high yield products. Returning to the good old days is becoming more popular and useful.

10. **PFAS and Water:** Nano -plastics history is they are inert and very difficult if not impossible to degrade. (We have learned from prior reports that degradation theories are breaking down!) Columbia University has found another way. When microplastics come into contact with water, a chemical reaction does take place. These newly formed molecules are called ROS or reactive species. These molecules are very unstable and may cause damage human cells and cause inflammation. Tests done with mice have show to be very detrimental. This does not necessarily establish a direct correlation. Stanford University is also involved but the jury is still out. This study is also looking at the issue of water being distributed in plastic containers.

11. **Glacier Blankets:** Swiss scientists are studying the use of blankets to reduce the melting of glaciers. They are mainly looking at areas near ski resorts and tourist spots in Switzerland. Synthetic blankets have been used in the past and are 50-70% effective. They do leave behind fibers and other particles that can get into the water system. Recently, they have started using sheeps wool blankets and they have proven to be just as effective and more environmentally safe. The Swiss have been using this concept for over 20 years and the current glacier coverage is over 44 acres. This is .02% of the countries glacier area.

WHITTINGHAM
PUBLIC AFFAIRS ADVISORS

TO: MWDOC Board of Directors

FROM: Whittingham Public Affairs Advisors

DATE: November 4, 2026

SUBJECT: November 2026 Local Legislative Report

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

- GKN Aerospace held a Town Hall meeting on October 27 to announce the rollout of a compensation program related to the May hazardous materials incident that prompted the evacuation of more than 50,000 residents near its Garden Grove facility. The Orange County District Attorney's Office reached a $125 million settlement with GKN which was recently approved by an Orange County Superior Court judge. The agreement includes a claims program of up to $100 million for the more than 50,000 Orange County residents and businesses who were forced to evacuate the area surrounding GKN. The claims program will be administered by an independent third party not affiliated with GKN and will allow residents and businesses who were forced to evacuate to be reimbursed for expenses including hotel stays, loss of use, and per diem compensation for meals, transportation, and loss of wages. In addition, the agreement requires GKN to reimburse various agencies $8.47 million for emergency response and cleanup costs. It also establishes a seven-year safety and monitoring program, overseen by an independent expert to ensure compliance with applicable laws and regulations. GKN will cover the program's $1.4 million cost. GKN will also pay $15 million in penalties to the Orange County District Attorney's Office to support consumer protection enforcement, as required by Proposition 64.

- Following the GKN incident and a recent chemical release scare in La Habra, several Orange County cities are reviewing their zoning and emergency response procedures. Irvine has approved new requirements for businesses handling toxic chemicals, including notifying residents within a quarter mile and restricting where future businesses can operate. Of the more than 1,100 businesses handling chemicals in Irvine, only seven require risk management plans due to the types and quantities of hazardous chemicals they use.

- More than 400 county employees who maintain the county's roads, parks, and animal shelter, and of critical importance the three County landfills, went out on strike the week of October 13. While the work stoppage was paused to allow negotiations to

continue, Teamsters Local 952 rejected the County's latest offer and will very likely go back on strike, impacting waste disposal countywide. Teamsters were one of three unions, along with the county sheriff deputies union, to decline the County Board of Supervisor's earlier offer of a one-year, 3% salary increase.

- Beach communities countywide braced for record high tides the last week of October. City crews up and down the coast had monitored flooding areas to plug holes in their defenses against seawater while residents stacked sandbags for protection, but flooding still occurred at several points. Pacific Coast Highway was closed between Warner Avenue and Seal Beach Boulevard, and the City of Newport Beach closed the waterway beneath the Newport Boulevard Bridge as a precautionary measure to protect nearby properties from potential flooding caused by boat wakes during the morning high tide. to the Newport Beach Police Department. On October 27, a yellow tidal gauge set in the Newport Harbor hit the 8-foot mark at 9 a.m. Under normal circumstances, the peak high tide should be 6.6 feet, and tidal levels ended up hitting a record 8.4 feet for Newport Beach, a level last seen in the 1920s.

- The California Coastal Commission recently approved several changes related to the proposed Doheny Desalination project, including moving the slant wells away from the State campground area to the north day use area of the state beach. Details regarding the financials and proposed timeline were also shared with the Commission. The new guaranteed maximum price for the project is estimated at $296 million, which covers finalizing the design and building the project. South Coast Water District has pushed the proposed decision date back to spring of next year in anticipation of receiving an additional $63 million federal grant from the Bureau of Reclamation early next year, which would help cover a significant portion of the overall project cost. Should the project move forward in Q2 of 2027, it is estimated to come online in 2030.

- Orange County Water District (OCWD) has come under fire from community activists, including Creek Team OC, for the use of heavy equipment to remove sediment and vegetation from the Santa Ana River in advance of the winter rains and anticipated El Niño. Creek Team, which has advocated for eliminating herbicide use by the County, OCWD, and other agencies, claims OCWD lacks authorization from the California Department of Fish and Wildlife to remove sediment and vegetation. The group also argues that these activities destroy bird habitat. Without herbicides, agencies must rely on manual labor and heavy equipment to manage vegetation.

- Santa Margarita Water District worked closely with Orange County Fire Authority leadership, the Sheriff's Department, and other mutual aid agencies to ensure full water availability during the Norte Fire in San Clemente and San Juan Capistrano. Many SMWD team members worked around the clock for four days to manage resources and coordinate messaging to the public. Congressman Mike Levin was included among those who were forced to evacuate their homes during the fire.

- Lisa Kim, who has served as Garden Grove City Manager since March, 2023, officially retired earlier this week, with Assistant City Manager Matt West taking the helm. In addition to Garden Grove, the cities of Anaheim, Irvine, and Placentia are in the midst of considering potential candidates for their respective leadership positions. Since

February, Assistant City Manager Greg Garcia has served as Interim City Manager in Anaheim, former longtime Irvine City Manager Sean Joyce came back to the City as interim in mid-August, and Rosanna Ramirez is currently serving as Acting City Administrator in Placentia. The San Juan City Council voted to elevate Assistant City Manager Matisse Reischl to the City Manager position on January 1, following the retirement of Ben Seigel, who had served in that capacity since 2016. Midway City Sanitary District General Manager Robert Housley has announced his intention to retire at the end of the year or shortly thereafter.

- The Costa Mesa City Council voted 5-2 to revise the city's housing element, which outlines the development of nearly 12,000 residential units by 2029 and is awaiting certification from state HDC, to upzone commercial and industrial corridors for high-density, mixed-use housing, establishing a mixed-use overlay district. Measure K, a ballot measure passed in 2022, allows the city to make such changes without requiring a public vote. The amended plan creates development capacity for more than 22,000 new homes over the next 30 years. The zoning revisions are part of the city's "Neighborhoods Where We All Belong" initiative, which implements more than two dozen Housing Element programs to increase and diversify housing options for residents. The initiative does not require developers to build mixed-use projects but rather provides the opportunity to do so. The most recent council action follows the unanimous approval of a plan for the former Fairview Developmental Center with 2,300 new homes, 920 of which would be affordable.

- Numerous residents near the Prima Deschecha Landfill say they're battling dust and debris caking the exteriors of their homes and clogging up air filters in the wake of construction work to prepare the landfill to take twice the current amount of daily trash going to the site. OC Waste and Recycling currently utilizes three water trucks to spray 200,000 gallons of water per day to control dirt and dust. Formal authorization of the increased level was put on pause by the Board of Supervisors after residents and several agencies, including the City of San Juan Capistrano, South Coast AQMD, and Caltrans, asked questions regarding the expansion.

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

Sincerely,



Peter Whittingham

Item No. 5

INFORMATION ITEM
November 4, 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
Link 1: https://go.mwdoc.com/monthlywaterusageandwatersupply

Issue Brief A

SUBJECT: Metropolitan Finances

RECENT ACTIVITY

Water transactions for October 2026 (for water delivered in August 2026) totaled 120.5 thousand acre-feet (TAF), which was 1.6 TAF lower than the budget of 122.2 TAF. This translates to $145.6 million in receipts for October 2026, which were $4.2 million lower than the budget of $149.9 million.

Year-to-date water transactions through October 2026 (for water delivered in May 2026 through August 2026) were 400.7 TAF, which was 40.1 TAF lower than the budget of 440.9 TAF.

Year-to-date water receipts through October 2026 were $571.6 million, which was $16.9 million lower than the budget of $588.6 million.

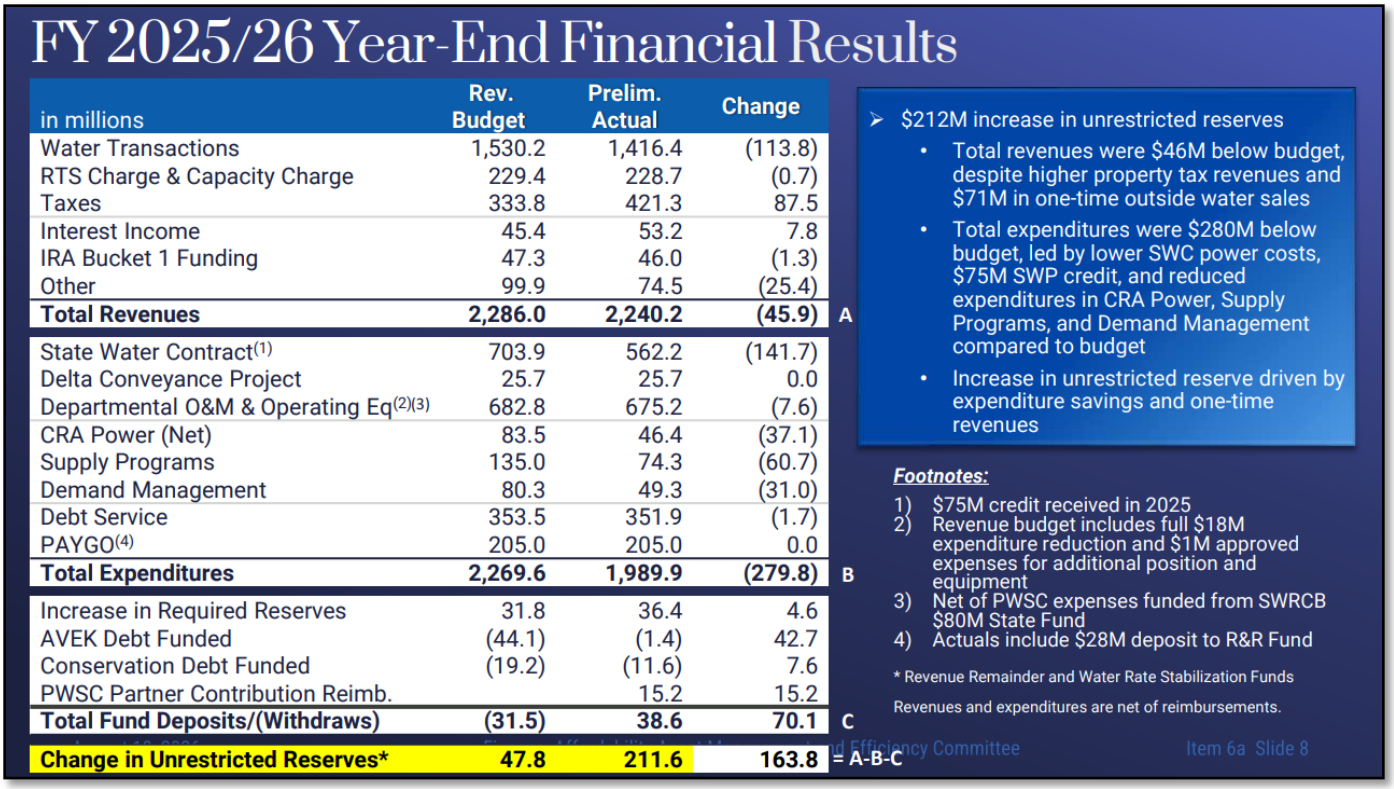
FY26-27 Cash Water Transactions and Revenues Budget vs Actual (Preliminary, subject to change)

Month		Acre-Feet (AF)[1]		Variance		Revenue ($)[2]		Variance	
Delivered/Billed In	To be Collected in	Budget	Actual	AF	%	Budget	Actual	$	%
May	July	88,007	84,117	(3,890)	-4%	157,965,807	185,273,043	27,307,236	17%
June	August	100,273	91,725	(8,548)	-9%	122,982,093	113,433,943	(9,548,150)	-8%
July	September[3]	130,405	104,360	(26,045)	-20%	157,742,188	127,282,698	(30,459,490)	-19%
August	October[3]	122,166	120,532	(1,634)	-1%	149,863,472	145,638,183	(4,225,289)	-3%
YTD Total		**440,851**	**400,734**	**(40,117)**	**-9%**	**588,553,561**	**571,627,867**	**(16,925,693)**	**-3%**
September	November	113,796	-	-	0%	137,073,826	-	-	0%
October	December	109,682	-	-	0%	130,180,190	-	-	0%
November	January	125,222	-	-	0%	144,965,566	-	-	0%
December	February	95,061	-	-	0%	110,082,797	-	-	0%
January	March	76,566	-	-	0%	87,818,744	-	-	0%
February	April	71,831	-	-	0%	81,557,218	-	-	0%
March	May	77,425	-	-	0%	88,368,140	-	-	0%
April	June	99,692	-	-	0%	114,539,881	-	-	0%
FY Total		**1,210,126**	**400,734**	**N/A**	**N/A**	**1,483,139,921**	**571,627,867**	**N/A**	**N/A**

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

End of Fiscal Year 2025-26 Summary

At Metropolitan's Finance, Affordability, Asset Management, and Efficiency Committee meeting in August, Metropolitan staff presented unaudited, cash-basis financial results for Fiscal Year 2025-26, covering July 2025 through June 2026. The report compares year-end results with the adopted budget and summarizes the main factors driving significant revenue and expenditure variances.



FY 2025/26 Year-End Financial Results

in millions	Rev. Budget	Prelim. Actual	Change	
Water Transactions	1,530.2	1,416.4	(113.8)	
RTS Charge & Capacity Charge	229.4	228.7	(0.7)	
Taxes	333.8	421.3	87.5	
Interest Income	45.4	53.2	7.8	
IRA Bucket 1 Funding	47.3	46.0	(1.3)	
Other	99.9	74.5	(25.4)	
Total Revenues	**2,286.0**	**2,240.2**	**(45.9)**	A
State Water Contract[1]	703.9	562.2	(141.7)	
Delta Conveyance Project	25.7	25.7	0.0	
Departmental O&M & Operating Eq[2][3]	682.8	675.2	(7.6)	
CRA Power (Net)	83.5	46.4	(37.1)	
Supply Programs	135.0	74.3	(60.7)	
Demand Management	80.3	49.3	(31.0)	
Debt Service	353.5	351.9	(1.7)	
PAYGO[4]	205.0	205.0	0.0	
Total Expenditures	**2,269.6**	**1,989.9**	**(279.8)**	B
Increase in Required Reserves	31.8	36.4	4.6	
AVEK Debt Funded	(44.1)	(1.4)	42.7	
Conservation Debt Funded	(19.2)	(11.6)	7.6	
PWSC Partner Contribution Reimb.		15.2	15.2	
Total Fund Deposits/(Withdraws)	**(31.5)**	**38.6**	**70.1**	C
Change in Unrestricted Reserves*	**47.8**	**211.6**	**163.8**	= A-B-C

- $212M increase in unrestricted reserves
  - Total revenues were $46M below budget, despite higher property tax revenues and $71M in one-time outside water sales
  - Total expenditures were $280M below budget, led by lower SWC power costs, $75M SWP credit, and reduced expenditures in CRA Power, Supply Programs, and Demand Management compared to budget
  - Increase in unrestricted reserve driven by expenditure savings and one-time revenues

Footnotes:

1) $75M credit received in 2025
2) Revenue budget includes full $18M expenditure reduction and $1M approved expenses for additional position and equipment
3) Net of PWSC expenses funded from SWRCB $80M State Fund
4) Actuals include $28M deposit to R&R Fund

* Revenue Remainder and Water Rate Stabilization Funds

Revenues and expenditures are net of reimbursements.

Efficiency Committee Item 6a Slide 8

ISSUE BRIEF B

SUBJECT: Metropolitan's Supply Condition Update

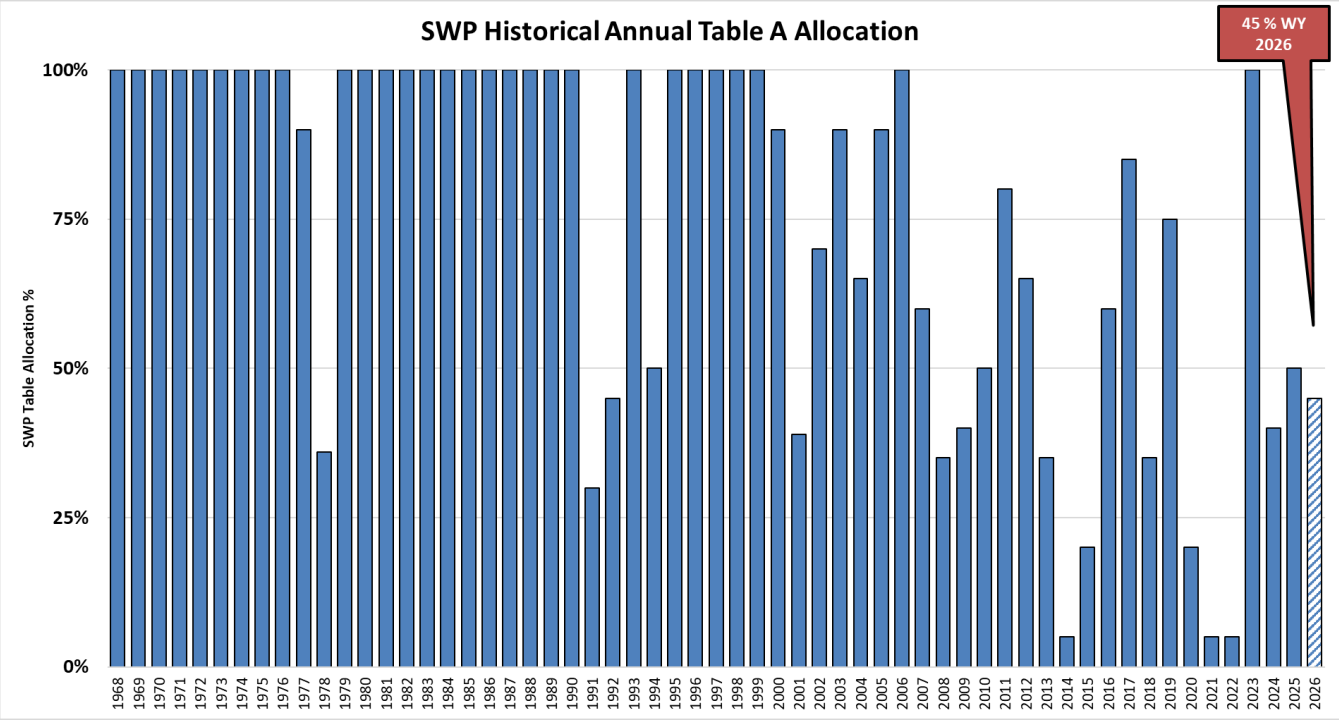
RECENT ACTIVITY

The 2026-27 Water Year (WY) officially started on October 1, 2026. Thus far, Northern California accumulated precipitation (8-Station Index) reported ***0.01 inches or 1% of normal as of October 20.*** The Northern Sierra Snow Water Equivalent was at ***0.0 inches on October 20***, which is ***0% of normal*** for that day. The Department of Water Resources (DWR) has yet to set the initial State Water Project (SWP) ***"Table A" allocation for WY 2026-27.***

The Upper Colorado River Basin has accumulated precipitation of ***2.64 inches, or 193% of normal, as of October 21***. 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 was at ***0.2 inches as of October 21***, which is ***1% 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 the writing of this report, the 5-year Probabilistic Projections for Lake Mead have not been published for August 2026. As of July 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 October 20, Lake Oroville storage is at ***44% of total capacity and 82% of normal.*** Additionally, as of October 20, San Luis Reservoir is at ***70% of its total capacity and is 159% of normal.***

With CY 2026 estimated total demands and losses of 1.493 million acre-feet (MAF) and a 45% SWP Table A Allocation, Metropolitan projects that supply will exceed demand 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***.*** Regional water demand is at a 40-year low. **However, *with the majority of Metropolitan's water supplies stored in Lake Mead, which still projects a five-year shortage, considerable uncertainty remains about future supply balances. As of August, the Department of the Interior released a 10-year management framework that includes 880,000 acre-feet (AF) of cutbacks to California over the next 2 years. On August 24, the State of Nevada became the first state to sue the Department of the Interior over the new Colorado River operating rules.***


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

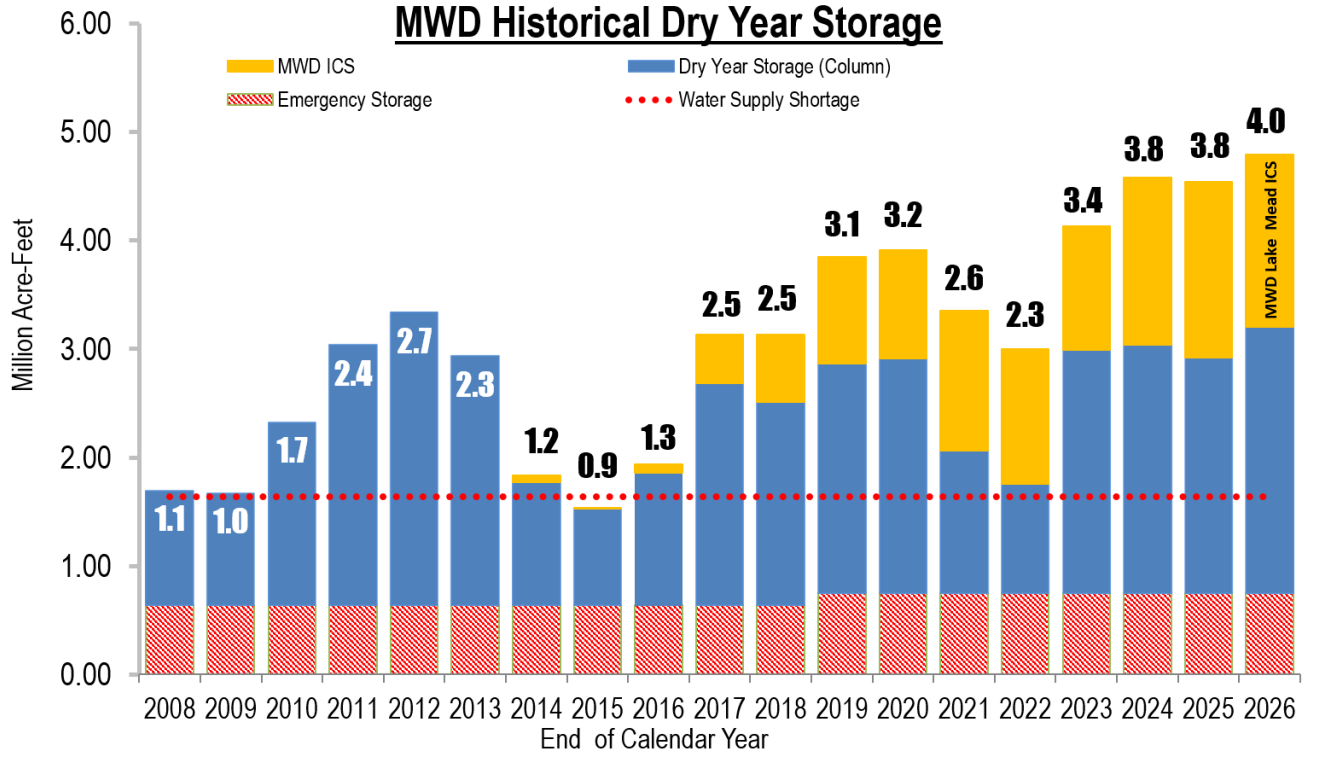

MWD Historical Dry Year Storage
MWD ICS
Dry Year Storage (Column)
Emergency Storage
Water Supply Shortage
Million Acre-Feet
6.00
5.00
4.00
3.00
2.00
1.00
0.00
1.1
1.0
1.7
2.4
2.7
2.3
1.2
0.9
1.3
2.5
2.5
3.1
3.2
2.6
2.3
3.4
3.8
3.8
4.0
MWD Lake Mead ICS
2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026
End of Calendar Year

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.

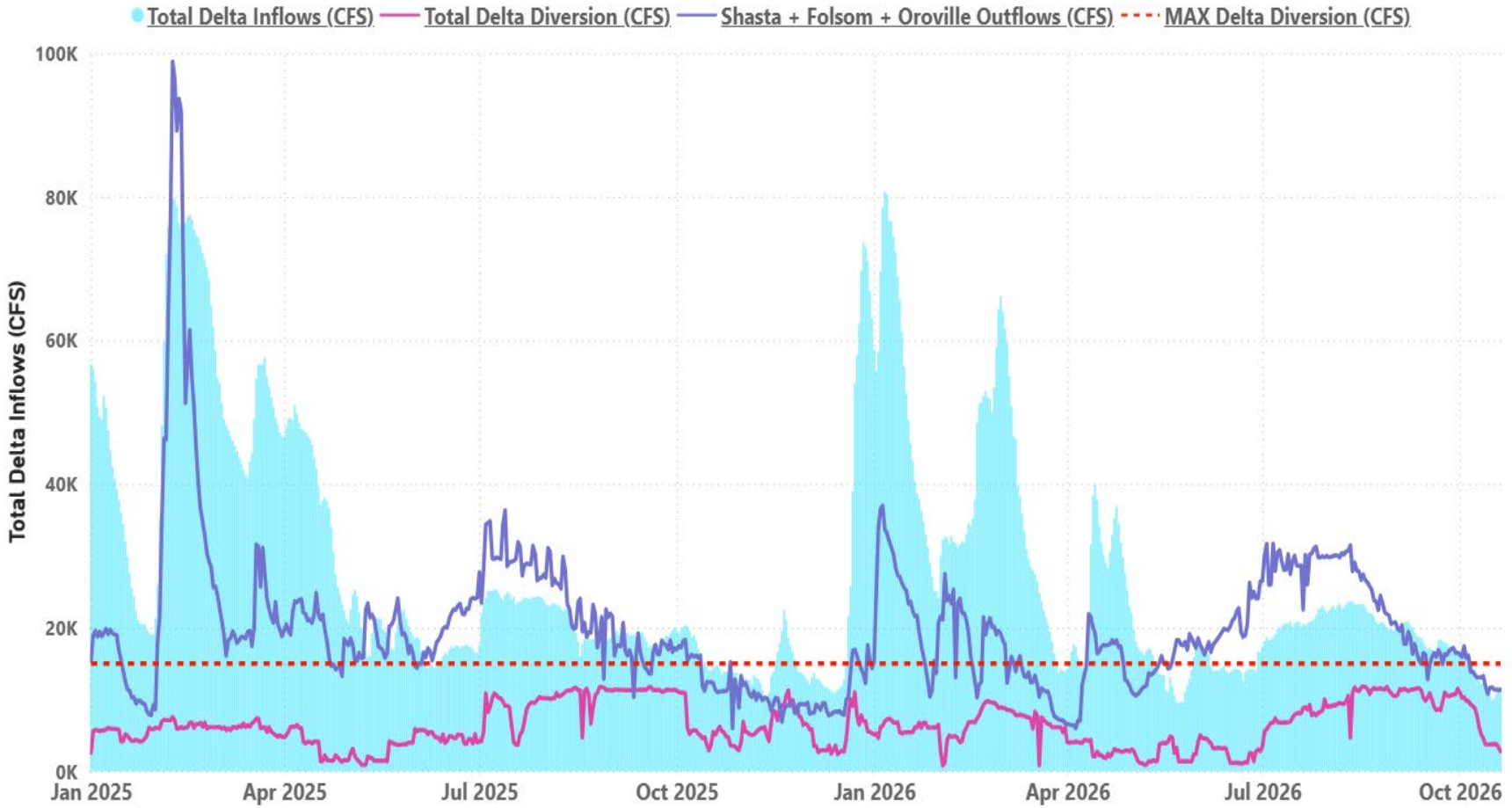
[5] The carryover beginning balance is subject to change based on actual December 2025 conditions.

[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.

Bay Delta Daily Historical Water Operations



ISSUE BRIEF C

SUBJECT: Metropolitan's Water Quality Update

RECENT ACTIVITY

Water System Operations

Metropolitan member agency water deliveries are projected to be 119,600 acre-feet (AF) for September with an average of 3,990 AF per day. Treated water deliveries are projected to be 65,320 AF, or 55 percent of total deliveries for the month. In August 2026, member agency water deliveries were 126,800 AF and treated deliveries were 74,350 AF. In September, Colorado River Aqueduct (CRA) diversions are projected to be 82,900 AF (2,760 AF/day), and SWP imports are projected to be 74,400 AF (2,480 AF/day). The target SWP blend is 5 percent at the Weymouth and Diemer plants to support DWR's copper treatment pilot test in the Rialto Pipeline. The pilot test will last for six weeks. To help manage SWP supplies, the target SWP blend is 50 percent at the Skinner plant.

The SWP target blend entering the Weymouth and Diemer plants increased from approximately zero percent to 10 percent in September 2026, targeting 75 percent by October 2026. The SWP target blend entering Lake Skinner remained at 50 percent in September 2026. Flow-weighted running annual averages for total dissolved solids from August 2025 through July 2026 for Metropolitan's treatment plants capable of receiving a blend of SWP and CRA supplies were 474 mg/L, 476 mg/L, and 483 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.

The Metropolitan Water District of Southern California

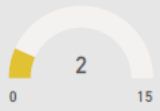
Weekly Operations Plan

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

10/15/2026 - 10/22/2026

Colorado River Aqueduct:
6-pump flow

Hydroelectric Generation:
8.1 MW
2 plant(s) in operation



Total Member Agency Demands
3,700 AF/Day

Change in Member Agency Demands*
▼ -1,090 AF/Day

Forecast
October
Deliveries to Member Agencies
128 TAF

East Branch SPW Imports

Rialto Pipeline	870 AF/day	▲
Santa Ana Valley Pipeline	110 AF/day	▼
Inland Feeder	170 AF/day	▼

West Branch SPW Imports

Castaic Lake	1270 AF/day	▲
SCVWA (formerly CLWA)	100 AF/day	▲

Water Quality

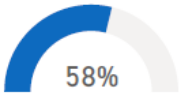
Plant Name	Targeted Blend (% SPW) As of 10/14/2026	TDS (mg/L) As of 10/14/2026	TTHMs (µg/L) As of]
Weymouth	40*	436	23
Diemer	40*	458	23
Skinner	75	387	14
Jensen	100	308	13
Mills	100	160	17

Weymouth and Diemer will increase to 75% SWP Blend by Oct 21st

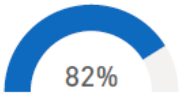
Terminal Reservoirs

as of 10/15/2026

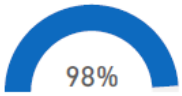
Lake Mathews
104,900 AF
▲ 4,880 AF*



Lake Skinner
36,200 AF
▲ 1,610 AF*



Diamond Valley Lake
791,900 AF
▲ 2,390 AF*



** = data from 10/8/2026*

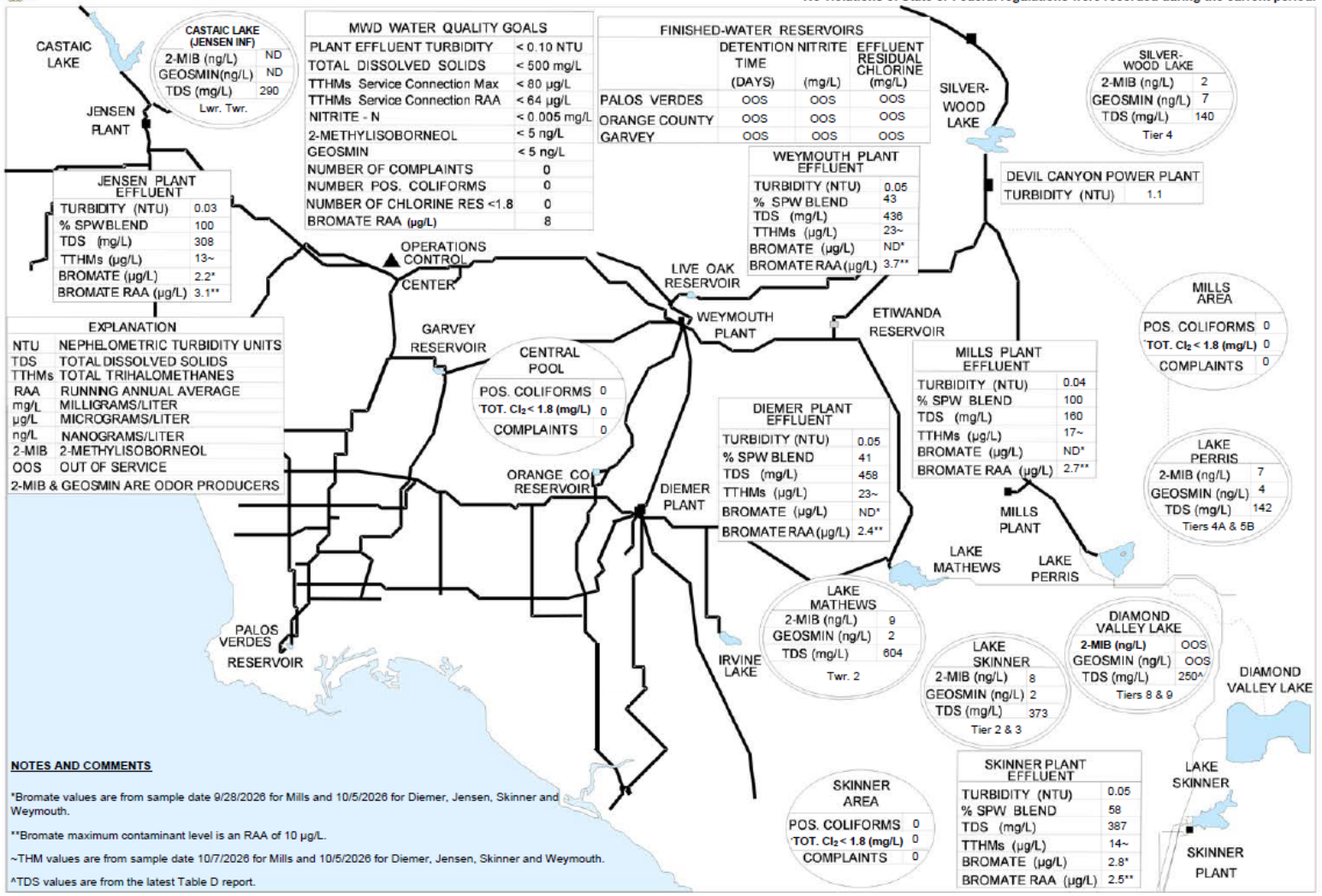
Weekly Water Quality System Status

Wednesday, October 14, 2026

Generated On:10/14/2026 3:58:09 PM

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 9/28/2026 for Mills and 10/5/2026 for Diemer, Jensen, Skinner and Weymouth.

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

~THM values are from sample date 10/7/2026 for Mills and 10/5/2026 for Diemer, Jensen, Skinner and Weymouth.

^TDS values are from the latest Table D report.

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

Treaty Minute 334

On September 2, 2026, the United States and Mexico signed Minute 334 to the 1944 Water Treaty, establishing binational Colorado River cooperative measures through December 31, 2028. The Minute replaces relevant provisions of Minutes 323 and 330 and will expire at the same time as the 2027–2028 Operating Guidelines. In 2027 and 2028, Mexico's annual Colorado River delivery will be reduced by 250,000 acre-feet (AF), or approximately 16.7 percent of its 1.5 million acre-foot (MAF) Treaty allotment, corresponding to the 1.25 MAF annual reduction applicable to the U.S. Lower Basin.

Minute 334 also establishes procedures for both shortage and higher reservoir conditions. If the Bureau of Reclamation's (Reclamation) August 24-Month Study projects Lake Mead at or below elevation 1,000 feet during the subsequent 12 months, the United States and Mexico will consult regarding potential additional reductions in 2028 and the mechanisms for implementing them. Conversely, if Lake Mead is projected to reach elevation 1,125 feet or higher, the Commission will discuss procedures for increasing deliveries to Mexico in proportion to additional water available to the United States. The Minute also continues Mexico's Water Reserve program, allowing Mexico to create up to 250,000 AF of new Water Reserve in each of 2027 and 2028, subject to the storage, assessment, delivery, and operational provisions of the Minute.

The Minute continues other elements of binational cooperation, including environmental habitat maintenance and monitoring, binational workgroups addressing hydrology, flow variability and operations, salinity, and future conservation and augmentation projects. It also establishes a Salinity Pilot Program for 2027 and 2028 to manage the salinity of water delivered to Mexico under reduced delivery conditions and to inform longer-term salinity management.

2027 Lower Basin Shortage Determination

On August 26, 2026, Reclamation formally notified Colorado River water users that a Shortage Condition will exist in the Lower Basin in CY 2027. Under the 2027–2028 Operating Guidelines, 6.25 MAF will be available for consumptive use by Arizona, California, and Nevada, a reduction of 1.25 MAF from the Lower Basin's 7.5 million acre-foot basic apportionment. Reclamation identified two options for making those reductions: (1) if there is a Lower Basin agreement, reductions would be 760,000 AF for Arizona, 440,000 AF for California, and 50,000 AF for Nevada; or (2) without an agreement, Reclamation would apply cuts using its existing authority.

Reclamation stated that the distribution of these reductions among the three states remains subject to a forthcoming Lower Basin agreement. If the states do not reach agreement, the Secretary of the Interior will determine the quantities and apportionment of reductions under Section 5.3.A.3 of the 2027-2028 Operating Guidelines, following consultation with the Lower Division States. For California, the shortage letter identifies 3.96 MAF as available for consumptive use in 2027, reflecting the proposed 440,000 acre-foot reduction from California's 4.4 MAF basic apportionment.

The letter also acknowledges Nevada's pending litigation challenging the 2026 Record of Decision and the 2027-2028 Operating Guidelines, while stating that Reclamation will continue implementing those documents. Reclamation will continue discussions with the Lower Division States regarding an agreement governing the allocation of the 2027 reductions.

ISSUE BRIEF E

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Delta Conveyance Project

In April 2026, the Delta Stewardship Council (Council) adopted the draft Delta Conveyance Project written determination after hearing ten appeals of the California Department of Water Resources' (DWR) certification of consistency with the Delta Plan. Of the ten appeals filed, eight were denied, and two issues were remanded to DWR. DWR submitted a revised certification of consistency on July 13, 2026, addressing golden mussel mitigation and potential land use conflicts with a proposed water recycling project. Three appeals were filed with the Council, which will hold a hearing on October 15, 2026, with a written determination expected within 60 days.

Delta Conveyance-related Joint Powers Authority

At its August 20, 2026, meeting, the Delta Conveyance Design and Construction Authority (DCA) board unanimously appointed Metropolitan's Vice Chair, Juan Garza, as board president for fiscal years 2026/27 and 2027/28. The DCA board will nominate and appoint a vice president at its next meeting on October 15. Director Adnan Anabtawi (Mojave Water Agency) was appointed as secretary for the next two-year term, and Metropolitan's Katano Kasaine was reappointed as treasurer.

The DCA board approved a five-year, not-to-exceed $205.7 million agreement with AECOM for programmatic geotechnical and fieldwork services, to be administered through task orders and annual appropriations.

Metropolitan's community outreach staff provided an update on the Community Benefits Program, noting seven signed community benefits agreements and two additional agreements in development. These agreements support efforts ranging from agricultural education and environmental literacy to sandhill crane conservation and local water and emergency response infrastructure improvements, contingent on the Delta Conveyance Project moving forward.

Sites Reservoir

The California State Water Resources Control Board (SWRCB) issued a revised draft water right decision and draft permit for the Sites Reservoir Project (project) on September 3. Metropolitan submitted comments on the March 2026 original draft, which contained terms that could have reduced project diversions and terms that could have imposed conditions on the State Water Project. The revised draft permit, scheduled for consideration in early November, reflects several improvements, including the removal of a 55 percent unimpaired flow requirement and relaxed diversion criteria. Metropolitan staff is currently reviewing the updated permit to evaluate the extent of these changes.

The forthcoming 2026 Bay-Delta Water Quality Control Plan may further influence the project's anticipated yield.

On September 10, 2026, the SWRCB issued a final water quality certification for the project, satisfying one of the major requirements for construction under Section 401 of the Clean Water Act. This certification ensures compliance with state water quality standards and is separate from the water right permit, which focuses on diversion and use of water.

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

Metropolitan staff published their work with UC Davis on the Pilot Pond Culture studies. The studies verified the viability of ponds as aquaculture tools for culturing Delta smelt. There was greater than 95 percent average survival and good growth. Metropolitan staff published work with Southern Illinois University, UC Davis, and the US Fish and Wildlife Service evaluating the hazard risks of contaminants in the Sacramento River Deepwater Ship Channel. The channel was considered Delta smelt habitat until recently and was one of the few places they were detected in routine fish monitoring. Recent studies on the water, sediment, and fish tissue suggest significant hazards for fish in the channel. Legacy pesticides were the most prevalent, with the sediment exhibiting the highest exposure risk.

The Webb Tract Wetland Restoration Project planning phase was selected as one of the winners of the 2026 Outstanding Environmental Project Awards by the Friends of the San Francisco Estuary board. The award will be presented at the 2026 Bay-Delta Science Conference, September 28-30, at the Sacramento Convention Center.

Metropolitan staff held an internal kickoff meeting for the Webb Tract Wetland Restoration Project on August 24. On August 26, Metropolitan's construction contractor, Wood Brothers, took possession of the tule seed stock previously collected on Webb Tract for future propagation. Wood Brothers submitted their baseline schedule for this project on September 8.

Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
October 13, 2026

CONSENT CALENDAR OTHER ITEMS - ACTION

Approved Committee Assignments and appointed:

Special Committee on Weymouth Lithium Fire. The committee will sunset after the assignment is completed. The first meeting will take place on November 17, 2026, at 9:30 a.m.

Membership: Director Pressman, Chair; Directors Erdman, Fellow, Katz, Ramos, and Shepherd Romey. **(Agenda Item 6B)**

Elected Director Miller as Board Chair for a two-year term effective January 1, 2027. **(Agenda Item 6C)**

CONSENT CALENDAR ITEMS – ACTION

Awarded a $374,450 contract to The Quality Plus Group to replace the fuel dispensing system at the Hinds pumping plant. **(Agenda Item 7-1)**

Authorized an increase of $1.4 million to an agreement with IDS Group Inc. for a new not-to-exceed total amount of $1.8 million for final design to rehabilitate the heating, ventilation, and air conditioning system at the Metropolitan Headquarters Building. **(Agenda Item 7-2)**

Authorized an amendment to Agreement No. 231033 with Occu-Med LTD to provide medical screenings and exams to increase the maximum annual amount from $249,000 to $450,000 per calendar year, not to exceed the five-year limit in the original contract. **(Agenda Item 7-3)**

Authorized an increase of $100,000, to an amount not to exceed $700,000, for a contract for legal services with Hanson Bridgett LLP to provide legal advice on deferred compensation plans, other employee benefits, taxes, and CalPERS matters. **(Agenda Item 7-4)**

OTHER BOARD ITEMS - ACTION

Authorized agreements with HDR Inc., Tetra Tech, Geosyntec Consultants Inc., and Arcadis U.S. Inc., in amounts not to exceed $3 million each, in support of board-authorized Capital Investment Plan projects. **(Agenda Item 8-1)**

Awarded a $14,475,037 contract to Kiewit Infrastructure West Co. to replace the canal concrete liner at 25 locations along the Colorado River Aqueduct. **(Agenda Item 8-2)**

Adopted Ordinance No. 153, determining that the interests of Metropolitan require the use of revenue bonds in the aggregate principal amount of $500 million to finance a portion of

Metropolitan's capital expenditures and waived the full reading of Ordinance No. 153 (two-thirds vote of the Board). (Attachment 1 of the board letter posted online) **(Agenda Item 8-3)**

a. Adopted the Twenty-Seventh Supplemental Resolution to the Master Bond Resolution authorizing the issuance of up to $600 million of Water Revenue and Refunding Bonds, 2026 Series A, and providing the terms and conditions for the sale and issuance of the Bonds; and b. Approved approximately $1.3 million for the payment of the costs of issuance of the Water Revenue Bonds to be paid from bond proceeds or Metropolitan funds. **(Agenda Item 8-4)**

a. Adopted the Fifth Supplemental Subordinate Resolution to the Master Subordinate Resolution authorizing the issuance of up to $300 million of Variable Rate Subordinate Water Revenue Bonds, 2026 Series B, and providing the terms and conditions for the sale and issuance of the Bonds and related transaction documents; and b. Approved approximately $0.8 million for the payment of the costs of issuance of the 2026B Bonds to be paid from bond proceeds or Metropolitan funds. **(Agenda Item 8-5)**

a. Approved the draft of Appendix A (Attachment 1) attached to this board letter posted online; b. Authorized the General Manager, or other designee of the Ad Hoc Committee, to finalize, with changes approved by the General Manager and General Counsel, Appendix A; and c. Authorized distribution of Appendix A, finalized by the General Manager or other designee of the Ad Hoc Committee, in connection with the sale and/or remarketing of bonds. **(Agenda Item 8-6)**

Authorized a two-year agreement with Electric & Gas Industries Association to administer Metropolitan's regional consumer conservation incentive programs, for a not-to-exceed amount of $4,200,000. Fees paid to the contractor under this agreement are budgeted under the approved budgets for Metropolitan's conservation program budget for the current Budget Biennium. **(Agenda Item 8-7)**

Authorized an increase of maximum amount payable under contract with Energy Security Agency, Inc. for consulting services by $200,000 for an amount not-to-exceed $450,000. **(Agenda Item 8-8)**

Approved Resolution to hire retired annuitant and waive 180-day waiting period. **(Agenda Item 8-10)**

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.

Special Joint Meeting of the Executive Committee and Board of Directors - Final

November 10, 2026

11:00 AM

Tuesday, November 10, 2026 Meeting Schedule
08:00 a.m. CWC 09:00 a.m. ETHICS 10:30 a.m. BREAK 11:00 a.m. SP JT BOD/EXEC

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

---

* The Metropolitan Water District's meeting of this Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to this Committee will not vote on matters before this Committee.

Boardroom

11102026 Special Joint Executive Committee and Board of Directors Translated Agendas **21647**

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

1. CALL TO ORDER

a. Invocation: Director Marsha Ramos, City of Burbank

b. Pledge of Allegiance

2. DETERMINATION OF A QUORUM

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

COMMITTEE ITEMS

4. COMMITTEE CONSENT ITEMS

A. Approve the Minutes of the Executive Committee held on October 27, 2026 **21-6319**

B. Approve the draft committee and board meeting agendas and schedule for December 2026 **21-6320**

BOARD ITEMS

5. OTHER MATTERS AND REPORTS

A. Report on Directors' Metropolitan Expenses **21-6321**

B. Chair's Monthly Activity Report **21-6322**

C. General Manager's summary of activities **21-6323**

D. General Counsel's summary of activities **21-6324**

E. General Auditor's summary of activities **21-6325**

F. Ethics Officer's summary of activities **21-6326**

G. Presentation of 5-Year Service Pin to Director Nancy Sutley, City of Los Angeles **21-6328**

H. Presentation of 5-Year Service Pin to Director Lois Fong-Sakai, San Diego County Water Authority **21-6329**

I. Presentation of 5-Year Pin to Director Marty Miller, San Diego County Water Authority **21-6330**

J. Report from Executive Committee on nominations for Board Secretary **21-6367**

**** BOARD CONSENT CALENDAR ****

6. BOARD CONSENT ITEMS

A. Approve the Minutes of the Board of Directors held on September 15, 2026 and October 13, 2026 **21-6331**

B. Approve Committee Assignments **21-6332**

C. Nomination and Election for Board Secretary for two-year term effective January 1, 2027 **21-6365**

7. BOARD CONSENT LETTERS

7-1 Authorize an increase of $1.94 million to an existing agreement with Arcadis Inc. for a new not-to-exceed amount of $3.47 million for Consulting and Implementation Services for the Enterprise Data Analytics Phase II project; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) **21-6334**

Attachments: 11102026 EOT 7-1 B-L

7-2 Award a $3,307,907 construction contract to Taylor Jane Construction for site work for a chemical injection system to control invasive mussels at the Foothill Feeder Pressure Control Structure, and authorize the General Manager to execute change orders for the contract up to an aggregate amount not to exceed $900,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) **21-6336**

7-3 Authorize an increase of $501,000 to an on-call agreement with Vedainfo Inc., for a new not-to-exceed total amount of $750,000 per year, for a maximum of five years, for Information Technology Services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) **21-6337**

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

8. BOARD ACTION LETTERS

8-1 Authorize the General Manager to extend to calendar years 2027 and 2028 (1) the Metropolitan/Bard Seasonal Fallowing Program to provide incentives for land fallowing for up to $3.6 million in 2027 and up to
$3.7 million in 2028, and to provide for a maximum annual amount of system conservation of 11,400 acre-feet, and (2) the Metropolitan/Quechan Tribe Seasonal Fallowing Pilot Program to provide incentives for fallowing for up to $1.0 million in 2027 and $1.1 million in 2028; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (OWA) **21-6358**

8-2 Authorize the General Manager to enter into an Agreement with the California Department of Water Resources and the California Natural Resources Agency for the State of California's Instream Flow Water Purchase Program; [CEQA] (OWA) **21-6359**

8-3 PLACEHOLDER (LC) **21-6401**

8-4 PLACEHOLDER (LC) **21-6402**

8-5 PLACEHOLDER (LC) **21-6403**

9. BOARD INFORMATIONAL LETTERS

9-1 Legislative Priorities and Principles for 2027 (LEG) **21-6350**

9-2 Information on Implementation Agreements for the 2027-2028 Colorado River Operating Guidelines (IW) **21-6386**

10. OTHER MATTERS

10-1 Adopt a policy for setting compensation for the unrepresented, at-will Department Heads **21-6327**

10-2 AB 1234 Ethics Biennial Training **21-6366**

11. FOLLOW-UP ITEMS

NONE

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Committee agendas may be obtained on Metropolitan's Web site https://mwdh2o.legistar.com/Calendar.aspx. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

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.