



**A REGULAR MEETING OF THE BOARD OF DIRECTORS
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
248 E. FOOTHILL BLVD. ROOM #103, MONROVIA, CA 91016
4:00 P.M. – June 12, 2024**

AGENDA

1. PLEDGE OF ALLEGIANCE
2. ROLL CALL OF BOARD OF DIRECTORS
3. ADOPTION OF AGENDA [1]
4. PRESENTATIONS
 - (a) “Being Water Wise is...” Art Contest Winners
5. PUBLIC COMMENT

Anyone wishing to discuss items should do so now. The Board of Directors may allow additional input during the meeting. A three-minute time limit on remarks is requested.
6. COMMITTEE REPORTS [2]
 - (a) Government Affairs and Community Outreach Committee (*Fellow, Chair – Chavez, Vice Chair*) Minutes of meeting held on June 03, 2024 enclosed.
 - (b) Administration and Finance Committee (*Santana, Chair – Treviño, Vice-Chair*) Minutes of meeting held on June 04, 2024 enclosed.
 - (c) Water Resources and Facility Management Committee (*Treviño, Chair – Garcia, Vice-Chair*) Minutes of meeting held on June 05, 2024 enclosed.
7. CONSENT CALENDAR [1]
 - (a) Minutes of a public hearing and regular meeting of the Board of Directors held on May 22, 2024 at 4:00 p.m.
 - (b) List of Demands
 - (c) Financial Reports – April 2024
 1. Financial Statements
 2. Director’s Public Outreach
 - (d) Federal bill positions for: S. 3127, S. 4172, S. 4220, S. 4242, H.R. 4385, H.R. 6053, H.R. 7922, and H.R. 7944.
 - (e) Amendment of professional service agreement with G3LA, LLC (DBA G3, Green Gardens Group) for the administration of Upper District’s landscape workshop programs to extend the term to June 30, 2026 and increase the contract amount by \$40,000 with a not to exceed total contract amount of \$140,000.
 - (f) Amendment of professional service agreement with 789 Inc. for public relations services to extend the term to June 30, 2025 and increase the contract amount by \$66,900 with a not to exceed total contract amount of \$133,800.

8. ACTION/DISCUSSION ITEMS [1]

- (a) Resolution No. 06-24-662, Endorsing WaterSMART: Small-Scale Water Efficiency Projects for Fiscal Year 2024 (*Staff memorandum enclosed.*)

Recommendation

Staff recommends that the Board of Directors adopt Resolution No. 06-24-662 endorsing the WaterSMART: Small-Scale Water Efficiency Projects for Fiscal Year 2024 grant application related to Upper District's Water Use Efficiency Plant Voucher Project.

- (b) Adopt Biennial Budget for FY 2024/25 and FY 2025/26 and Cost of Living Adjustment for FY 2024/25 (*Staff memorandum enclosed.*)

Recommendation

The Administration and Finance Committee recommends that the Board of Directors approve the biennial budget for fiscal years 2024/25 and 2025/26, including a cost-of-living adjustment for district wages equivalent to 3.9% effective July 1, 2024.

- (c) Approve Additional Discretionary Payment for Upper District's Unfunded Accrued Liability with CalPERS and Contribution to the California Employers' Pension Prefunding Trust Fund. (*Staff memorandum enclosed.*)

Recommendation

The Administration and Finance Committee recommends that the Board of Directors:

1. Authorize an additional discretionary payment of \$1 million to CalPERS to reduce Upper District's unfunded accrued liability related to pension.
2. Authorize additional contribution to the California Employers' Pension Prefunding Trust Program (CEPPT) of \$1 million.

9. INFORMATION ITEMS [2]

- (a) Press Releases and News Articles

10. ATTORNEY'S REPORT [2]

11. ENGINEER'S REPORT [2]

12. GENERAL MANAGER'S REPORT [2]

13. METROPOLITAN REPORT [2] – None.

14. WATER QUALITY AUTHORITY REPORT [2]

15. WATERMASTER REPORT [2] – None.

16. AB 1234 COMPLIANCE REPORT [2]

17. DIRECTOR'S COMMENTS [2]

18. FUTURE AGENDA ITEMS [1]

19. ADJOURN TO CLOSED SESSION – None.

20. ADJOURNMENT - To a regular meeting of the Board of Directors to be held on June 26, 2024 at 4:00 p.m. at 248 E. Foothill Blvd. Room #103, Monrovia, CA 91016.

LEGEND: [1] INDICATES ACTION ANTICIPATED BY BOARD OF DIRECTORS ON THIS ITEM
[2] INDICATES INFORMATION ITEM - NO BOARD ACTION NECESSARY

PRESIDENT JENNIFER SANTANA, PRESIDING



American Disabilities Act Compliance (*Government Code Section 54954.2(a)*)



To request special assistance to participate in this meeting, please contact the Upper District office at (626) 443-2297 or venessa@usgvmwd.org at least 24 hours prior to meeting.



MEMORANDUM



6. (a) COMMITTEE REPORTS

June 3, 2024

TO: BOARD OF DIRECTORS

FROM: GOVERNMENT AFFAIRS AND COMMUNITY OUTREACH COMMITTEE

SUBJECT: MINUTES OF THE GOVERNMENT AFFAIRS AND COMMUNITY OUTREACH COMMITTEE AND SPECIAL MEETING OF THE BOARD OF DIRECTORS – June 3, 2024

ATTENDANCE:	Anthony Fellow (Chair)	Jennifer Aguilar
	Ed Chavez (Vice-Chair)	Russ Bryden
	Tom Love	Ana Schwab
	Patty Cortez	Madeline Voitier
	Venessa Navarrette	Steve Baker
	Katherine Vazquez	Steve O’Neill

1. **Call to Order.**
2. **Public Comment.** None.
3. **Legislative Update.**

a. Washington D.C.

Ana Schwab, from Best, Best and Krieger (BB&K), provided the Washington D.C. report. She introduced Madeline Voitier, the new Assistant Director of Government Affairs. Ana mentioned that the GOP and Democratic National Conventions are approaching this summer, and Congress will be attending these conventions. Outside of campaigning, she noted that there are many close races for the House, where Republicans currently hold a slim majority. She also highlighted that there are several open Senate seats, which could potentially shift the composition of the Senate.

She reviewed the appropriations deadline, which is approaching on September 30th. It is likely that they will pass a continuing resolution to prevent any significant wins before the election. The House is expected to be out of session for most of October so that members can focus on campaigning. She mentioned that there are only a limited number of legislative days left and highlighted how many regulatory final rules are handed down by the administration in the upcoming period. She explained that anything issued during this period, also known as the “lookback period,” can be withdrawn by the next president. Additionally, items can be subject

to the *Congressional Review Act*, where a resolution must be passed by both chambers and signed into law by the president to rescind a regulation enacted by the administration.

She discussed their close collaboration with many coalition members and committee staff to achieve the working liability exemption concerning PFAS. She noted that more people are starting to understand this issue and mentioned a productive hearing with Chairman Tom Carper and Ranking Member Shelly Moore Capito in March 2024, which explained why this exemption is important for water providers and municipalities, also known as passive receivers.

She explained the number of bills that Upper District is in support of and which are viable for the region. She mentioned that in federal appropriations, Speaker Mike Johnson has faced issues with Republicans in his caucus in maintaining the funding levels at agreed upon levels. BB&K is keeping a close eye to ensure that programs such as the Water Energy Efficiency Grant Program via the U.S. Bureau of Reclamation remain well-funded. She also discussed the *Water Conservation Rebate Tax Parity Act*, which would ensure that water rebates are no longer considered taxable income.

b. Sacramento

Steve Baker, of Aaron Read and Associates, presented the Sacramento report. He mentioned that there will be 35 legislative seats open in November, including several in Upper District's service area. He also stated that there are 8 potential Democratic candidates vying for the Governor's seat.

He reviewed the schedule, noting that the legislature had until last week to pass bills in their house of origin. There were 1,500 bills in the Senate and Assembly that advanced to the next stage. The legislature has until the end of June to pass bills out of the policy committee, and they will be on summer recess for the month of July.

He stated that the legislature has put forward a Senate and Assembly budget plan that recognizes the \$27 billion deficit this year, with \$30 billion deficits projected over the next 3-4 years. The legislature has developed a plan to address the budget issue and will be working with the Governor to balance the budget by June 15th. The Governor will have until June 30th to sign the budget. The legislature's budget includes a total of \$46 billion in budget solutions, with \$16 billion in cuts. Some of the Governor's proposed cuts related to water projects have been rejected, restoring funding for recycled water projects at \$200 million and \$100 million for dam safety projects.

He stated that the legislature is moving forward with a climate/water bond in the \$10 billion range. A working group in the Senate and Assembly are determining the details for the bond. He mentioned that a water coalition, including Upper District, is requesting a \$6.5 billion in the bond. The legislature has until June 27th to pass a bond to be placed on the November ballot. He also noted that this is the deadline for negotiations on the *Taxpayer Protection Act*, a tax measure on the November ballot, which public agencies are opposing. Lastly, he reviewed the bills that Upper District is supporting.

4. Federal Legislative Summary and Positions

Patty Cortez, Assistant General Manager, External Affairs, presented a list of federal bills for committee consideration. Staff recommended the following bill positions.

S. 3127 (Merkley-OR): Break Free From Plastic Pollution Act of 2023 – **Support**

S. 4172 (Kelly-AZ): Drought Resilient Infrastructure Act of 2024 – **Support**

S. 4220 (Wyden-OR): Water, Sanitation, and Hygiene Access Data Collection Act of 2024 (WASH Access Data Collection Act) – **Support**

S. 4242 (Hickenlooper-CO): Drought Preparedness Act – **Support**

H.R. 4385 (Neguse-CO): Drought Preparedness Act – **Support**
H.R. 6053 (Huffman-CA): Break Free From Plastic Pollution Act of 2023 – **Support**
H.R. 7922 (Crawford-AR): Water Risk and Resilience Organization (WRRO) Establishment Act – **Support**
H.R. 7944 (Curtis-UT): Water Systems PFAS Liability Protection Act – **Support**

Director Chavez asked if the bills could be merged into a larger package to increase the likelihood of them being signed into law.

The committee voted 2-0 to approve staff recommendations and move to the Board for final approval.

5. Professional Services Agreement with G3LA, LLC

Patty Cortez reviewed the history of working with G3LA since 2020. Since then, they have administered 41 virtual landscape workshops to over 1,500 participants. She mentioned that G3LA also scheduled several free landscape consultations during WaterFest 2024. The increased funding would continue to support enhanced virtual workshops and in-person workshops over a two-year contract term. Additionally, this would coincide with the adoption of the biennial budget for FY24-25 and FY25-26.

Director Chavez asked if either the virtual or in-person landscape workshops are more effective.

The committee voted 2-0 to approve the professional services agreement with G3LA, LLC and move to the Board for final approval.

6. Professional Service Agreement with 789, Inc.

Patty Cortez stated that 789, Inc. was hired in 2022 to assist Upper District in developing various advertisements and the regional “Thank U” drought messaging campaign. Currently, Upper District is working with 789, Inc. to develop a branding refresh campaign, and the consultant will present the final concepts to the Board of Directors at the June 26, 2024 board meeting. Additionally, 789, Inc. will also assist with updating marketing materials and fact sheets and future messaging campaigns. The contract would be extended for an additional year.

The committee voted 2-0 to approve the professional services agreement with G3LA, LLC and move to the Board for final approval.

7. Oral Reports

None.

8. Other Matters

None.

NEXT MEETING: Monday, July 1, 2024, at 4:00 p.m.
cc: General Manager



MEMORANDUM



6. (b) COMMITTEE REPORTS

June 6, 2024

TO: BOARD OF DIRECTORS

FROM: ADMINISTRATION AND FINANCE COMMITTEE

SUBJECT: MINUTES OF THE ADMINISTRATION AND FINANCE COMMITTEE MEETING AND SPECIAL MEETING OF THE BOARD OF DIRECTORS – June 4, 2024

ATTENDANCE:	Jennifer Santana, Chair	Evelyn Rodriguez	Priscilla Lu
	Charles Treviño, Vice-Chair	Patty Cortez	Russ Bryden
	Ed Chavez	Steven O’Neill	Lenet Pacheco
	Thomas Love	Venessa Navarrette	

1. **Call to Order**
2. **Public Comment.** None
3. **Adoption of the Biennial Budget for FY 20424/25 and FY 2025/26 and Cost of Living Adjustment for FY 2024/25.**
 Evelyn Rodriguez, Chief Financial Officer/Chief Administration Officer, presented the final draft of the proposed biennial budget for FY 2024/25 and FY 2025/26, stating that staff is not recommending adoption of water rates and charges for CY 2025 and CY 2026 at this time. She then briefly went over the budget drivers noting that increases in MWD’s water rates and readiness-to-serve (RTS) charge, inflation and election costs continue to have a significant impact on the District’s budget. She presented the cost reduction measures taken by Upper District over the years including leveraging MWD funding to implement conservation programs, elimination of two FTEs, acquisition of the new building to avoid lease expense, reduction in legislative consultants and implementation of benefit tiers. She then presented the budget summary stating that the budget objective is to meet the minimum debt service coverage ratio of 120 percent required by existing loan covenants with the State Board. She added that the budget recommendation includes a recommendation for a cost of living adjustment on district wages of 3.9% effective July 1, 2024.

The General Manager continued the presentation and gave an overview of the history and current status of MWD’s RTS charge. He stated that beginning FY 2018/19, MWD’s RTS charge surpassed the standby charge collected by MWD on behalf of Upper District to cover the RTS charge.

Director Treviño and the General Manager discussed the substantial increase in RTS charge over the past three years, mainly due to the increase in MWD’s RTS revenue requirements and Upper District’s share of the RTS.

The General Manager then outlined a number of potential rate options to mitigate MWD's rising RTS charge. He stated that staff is working with Watermaster and the producers on getting a resolution before the end of the calendar year. He also shared that the third option, preferred by some producers, includes minimum purchase of 30,000 AF combined with 100 percent passthrough of net RTS at a lower surcharge of \$72 per AF.

Director Santana and the General Manager discussed the calculation of the \$72 surcharge.

Director Chavez and the General Manager discussed whether the producers will ultimately pay the same amount under the different options.

Director Treviño expressed his support for the third option which is cleaner and more straightforward.

Following discussion, the Administration and Finance Committee recommended that the Board of Directors adopt the biennial budget for fiscal years 2024/25 and 2025/26, including a cost of living adjustment for district wages equivalent to 3.9% effective July 1, 2024.

4. Additional Discretionary Payment for Upper District's Unfunded Accrued Liability with CalPERS and Contribution to the California Employer's Pension Prefunding Trust Fund.

Ms. Rodriguez explained that the proposed additional discretionary payment of \$1 million to CalPERS to reduce Upper District's unfunded accrued liability (UAL) related to pension will save the District about \$0.76 million in interest payments over 20 years using the current CalPERS discount rate of 6.80%. She also discussed the market value of Upper District's trust fund with the California Employers' Pension Prefunding Trust (CEPPT) for the quarter ended March 31, 2024 as well as the advantages of depositing an additional funds to the CEPPT trust account. She stated that due to higher than anticipated investment earnings and tax revenues, current projections for the yearend indicate that there will be positive net operating revenue sufficient to cover the proposed additional discretionary UAL payment of \$1 million. She added that Upper District also has sufficient reserves to cover an additional deposit to the CEPPT fund of \$1 million.

Director Treviño expressed support for the recommendation and emphasized the importance of protecting the future of employees.

Director Santana and the General Manager discussed the long-term nature of the investment and the potential for greater returns due to the extended time frame.

Following discussion, the Administration and Finance Committee recommended that the Board of Directors:

1. Authorize an additional discretionary payment of \$1 million to CalPERS to reduce Upper District's unfunded accrued liability related to pension.
2. Approve additional contribution to the California Employers' Pension Prefunding Trust Program (CEPPT) Program of \$1 million.

5. Oral Reports.

The General Manager reported that he will be retaining a management consultant, Bill Kelly, who was previously involved in assessing staff needs, under a contract of \$30,000 to continue working with staff and executive team on workforce development.

6. Other Matters.

None.

NEXT MEETING: Tuesday, July 02, 2024 at 4:00 p.m.

cc: General Manager



MEMORANDUM



6. (c) COMMITTEE REPORTS

June 5, 2024

TO: BOARD OF DIRECTORS

FROM: WATER RESOURCES AND FACILITY MANAGEMENT COMMITTEE

SUBJECT: MINUTES OF THE WATER RESOURCES AND FACILITY MANAGEMENT COMMITTEE AND SPECIAL MEETING OF THE BOARD OF DIRECTORS - JUNE 5, 2024

ATTENDANCE: Charles Treviño (Chair) Evelyn Rodriguez Steve O'Neill
Jennifer Santana Venessa Navarrette Steve Johnson
Tom Love Jennifer Aguilar
Patty Cortez Kat Vazquez

1. **Call to Order.**

2. **Public Comment.**
None.

3. **Upper District Integrated Resource Plan Update.**

The General Manager provided a status report on the current 2024 Integrated Resource Plan (IRP) update. He shared the history of the IRP updates for Upper District, the condition changes that have occurred in the past decade, and the vision for the 2024 IRP. The General Manager explained how the basin management history is relevant to the IRP and how existing supplies, water demands, and gap analysis are required to create appropriate actions or projects. He shared four crucial questions that should be evaluated to appropriately meet the needs of the region; per capita water demand changes, MWD reliability, climate change, and local project opportunities. The General Manager reported a 50% reduction in per capita water demand since 2014 and that rainfall retention has been hovering at or around 100% since 2004. He shared that the facilities are available to retain water in the groundwater basin and how significant the imported water and cyclic storage can be in the long-term for future drought conditions. The General Manager shared that the target completion date for the IRP is in Fall 2024 with board and producer workshops leading to that point.

Director Santana asked about the cap on the water basin and how that was changed within the judgement. The General Manager shared the details on the why the cap was placed on the groundwater basin historically and how the amendment corrected this limitation. Director Santana expressed how important it is to work together with other MWD agencies and how these projects can be significant for reliability. Director Treviño expressed his appreciation for the discussion about reliable water supplies in all conditions as well as Upper District's coordination with MWD and other agencies to make our water source reliable.

4. New MWD Treated Water Connection Update.

The General Manager reported that Upper District has funded a study for a new MWD treated water connection to assist two member agencies; San Gabriel County Water District and Sunnyslope Water Company. He shared that the first draft of the report has been completed and there is a meeting with the agencies' general managers next week to discuss the options. The General Manager explained that the study revealed that the potential connection will be very expensive due to the distance between the agency service lines and the MWD connection location. He shared that Upper District could attempt to assist with identifying grant funding options to aid in this reliability connection, but the cost may be too prohibitive for actual construction to occur. The General Manager shared details on all of the MWD treated water connections within the service area.

The General Manager shared that the City of Monrovia has expressed a desire to use their MWD treated water connection due to potential PFAS within their groundwater system wells. He shared that Upper District is supporting a feasibility study to identify if reconnecting this MWD connection is going to assist with their water quality and limit treatment.

Director Santana asked if there are only nine connections within the service area. The General Manager shared that there are nine currently with a potential tenth if the new connection is established.

5. Water Supply Update.

The General Manager shared that the SWP allocation is at 40% and is not expected to go higher. He shared that this means that cyclic storage deliveries are allowed using imported water at this allocation level. The General Manager shared that local water is currently being released at about 500 CFS half of which is going into the local groundwater basin. The other half is going to Central Basin at the request of the San Gabriel Valley Protective Association. The General Manager shared that San Gabriel Dam and Cogswell Dam are both empty for sediment clean out. He explained that at the end of June flow from Morris Dam will be reduced to about 50 CFS and USG 3 will be turned on for three months at 250 CFS. The General Manager expects that at the end of September, the USG 3 flow rate will be increased to 300 CFS and will run at that rate until the end of 2024. He shared that he estimates about 80 to 90 TAF of imported water would go into the basin this calendar year.

Director Treviño asked how much water can be stored in the basin at this time. The General Manager explained that it depends on how the basin is managed. He shared that the range within the basin since the Judgement is about 840 TAF, but it should not be used to that full extent. The General Manager explained that the rule of thumb for imported water should be 200 to 300 TAF. He reported that currently, there is 40 to 45 feet of space still available.

Director Treviño asked if MWD is the main source of water that will be stored in the basin or if there are other agencies that could coordinate in this effort to place more into the basin. The General Manager shared that the cleanest way to ensure that water flows into and out of the basin appropriately is to work through MWD. He shared that there could be coordination between other agencies, but the main concern would be on how water would be given back to those agencies that want to store their water within our basin. Director Treviño expressed his concern about MWD's revenue and how they can benefit from putting water into the ground while it is available. The General Manager shared that being a good partner and being delicate to the different needs of each group is vital to the success of the basin and Upper District.

6. MWD Updates.

The General Manager shared that CAMP4W is moving into the business plan discussion phase of the project. He shared that MWD is currently struggling to define the business plan in general. The General Manager also reported that MWD is working to create a memorandum of agreement for the Pure Water project which is less contractual and more of a commitment in good faith to purchase the water once it is available. He shared that the next part of the process is to meet with the Main San Gabriel Basin Water Master and Three Valleys Municipal Water District to coordinate the agreement and prepare for the future of this project.

7. Other Matters.

None.

NEXT MEETING: Wednesday, July 3, 2024, at 4:30 p.m.

cc: General Manager

**PUBLIC HEARING AND A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
248 E. FOOTHILL BLVD, ROOM #103, MONROVIA, CALIFORNIA 91016
4:00 P.M. – May 22, 2024**

A public hearing and a regular meeting of the Board of Directors was held in the office of the District, 248 E. Foothill Blvd, Rm. 103, City of Monrovia, County of Los Angeles, State of California, within said Water District, on May 22, 2024 at the hour of 4:00 p.m.

ROLL CALL

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

DIRECTORS ABSENT: None.

STAFF PRESENT: Tom Love, General Manager; Steve O’Neill, District Counsel; Steve Johnson, Consulting Engineer; Patricia Cortez, Assistant General Manager, External Affairs; Evelyn Rodriguez, Chief Financial Officer/Chief Administrative Officer; Venessa Navarrette, Executive Assistant; Jennifer Aguilar, Water Use Efficiency Analyst; Katherine Vazquez, Government and Community Affairs Assistant; and Priscilla Lu, Accounting/Financial Analyst.

OTHERS PRESENT

David Muse, Che Venegas, Michelle Laase and Jose Martinez

ADOPTION OF AGENDA

On motion by Vice President Fellow, seconded by Secretary Garcia, the agenda was adopted as presented by the following vote:

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

**PUBLIC HEARING REGARDING
PROPOSED REAUTHORIZATION OF A
WATER AVAILABILITY STANDBY
CHARGE FOR FISCAL YEAR 2024/25**

President Santana opened the public hearing regarding the proposed reauthorization of a water availability standby charge for fiscal year 2024/25.

The General Manager stated that the standby charge has been implemented since 1993 and that, at \$10 per parcel per acre, collected to fund the recycled water projects and conservation programs. He added that the standby charge must be adopted by the Board on an annual basis.

There were no public comments.

President Santana closed the public hearing and adjourned to a regular meeting of the Board of Directors.

PUBLIC COMMENT

None.

COMMITTEE REPORTS

Next scheduled committee meeting dates are as follows:

- (a) Government Affairs and Community Outreach – June 3, 2024 at 4:00 p.m.
- (b) Administration and Finance – June 4, 2024 at 4:00 p.m.
- (c) Water Resources and Facility Management – June 5, 2024 at 4:30 p.m.

CONSENT CALENDAR

On motion by Director Treviño, seconded by Treasurer Garcia, the consent calendar was approved by the following vote:

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

- (a) Minutes of a regular meeting of the Board of Directors held on April 24, 2024 at 4:00 p.m.
- (b) List of Demands.
- (c) Financial Reports – March 2024
 - 1. Financial Statements
 - 2. Quarterly Report on District Investments
 - 3. Director’s Public Outreach
- (d) Adopt Resolution No. 05-24-661, Requesting the Board of Supervisors of the County of Los Angeles to Permit the Registrar-Recorder/County Clerk to Render Election Services for the General Election to be held on November 05, 2024.

**ADOPT ORDINANCE NO. 24-1,
 IMPOSING STANDBY CHARGES FOR
 FISCAL YEAR COMMENCING JULY 1,
 2024**

On motion by Director Treviño, seconded by President Santana, Ordinance No. 24-1 was adopted by the following roll call vote:

FELLOW: AYE
TREVIÑO: AYE
GARCIA: AYE
SANTANA: AYE
CHAVEZ: AYE

**LEGISLATIVE SUMMARIES AND
 POSITIONS**

Patty Cortez, Assistant General Manager, External Affairs, gave a brief overview of two state legislative bills, AB 2735, on joint powers agreements for public utilities, and SB 1218, on the designation of emergency water supplies.

Director Treviño moved to approve state legislative bill positions AB 2735 and SB 1218, which are consistent with Upper District’s 2023-24 Legislative Policy Principles adopted by the Board in January 2023.

Treasurer Garcia seconded the motion, which was approved by the following roll vote:

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

INFORMATION ITEMS

- (a) Press Releases and News Articles

ATTORNEY’S REPORT

District Counsel reported working with staff on administrative matters, including the standby charge resolution and adoption process, the ADA rules concerning internet accessibility, and some correspondence regarding a new job description and an offer letter.

ENGINEER’S REPORT

The District Engineer reported on hydrologic conditions, basin deliveries, reservoir storage, canyon inflows and releases, and rainfall average. He stated that the Baldwin Park Key Well groundwater elevation was 241.4 feet as of May 17, 2024. He also reported that no notices of wells shutdown due to contamination were received during the month of March 2024.

President Santana and the District Engineer discussed the sampling level for shutting off the wells. They also discussed whether the San Gabriel Valley Protective Association Distribution Committee meetings are open to the public or Watermaster.

GENERAL MANAGER'S REPORT

The General Manager reported that Tony Zampello of Watermaster will provide a presentation on the operation of the San Gabriel Valley Protective Association Distribution Committee at an upcoming board meeting in July or August. He then reported that staff is coordinating with MWD and Watermaster to be able to turn on the USG-3 connection earlier in order to potentially store 100,000 acre feet of water into the basin.

Ms. Cortez reported on the process of implementing the Water Smart Home Kit Program.

The General Manager also reported on MWD's ongoing Climate Adaptation Master Plan process and noted that Upper District will be hosting a special briefing with MWD on July 11, 2024 for key stakeholders in our service area on CAMP4Water.

METROPOLITAN REPORT

Vice President Fellow reported that MWD's general manager was one of five witnesses at a recent U.S. Senate hearing on drought and climate change. He also reported on a recent water tour of Sacramento, Bay Delta and Sites Reservoir. He then reported on a planned road trip by Metropolitan's naming committee throughout Southern California to honor the late Senator Dianne Feinstein.

A written report was also provided in the Board's agenda packet.

WATER QUALITY AUTHORITY REPORT

Secretary Chavez reported on the approval of the EcoVoices proposal for schools and advocates to carry out a water education program. He also reported on WQA's adoption of a new organizational chart.

WATERMASTER REPORT

A summary report was included in the packet.

AB 1234 COMPLIANCE REPORT

A summary report was included in the packet.

DIRECTORS COMMENTS

Director Treviño shared his experience at a recent California Contract Cities Association Conference. He stated that good government works better when it is close to the people, which means its essence is communication.

Treasurer Garcia praised staff for their great job in putting on an amazing WaterFest.

Vice President Fellow thanked staff for their outstanding job on WaterFest. He also expressed his desire to involve the younger generation in water programs.

President Santana commended staff for their excellent work at WaterFest, stating it was the best one in her opinion. She also congratulated Treasurer Garcia on receiving her doctorate.

FUTURE AGENDA ITEMS

None.

ADJOURN TO CLOSED SESSION

None.

ADJOURNMENT

President Santana asked if there were any other business to come before the Board. There being none, the meeting was adjourned to a regular meeting of the Board of Directors to be held on June 12, 2024, at 4:00 p.m., at 248 E. Foothill Blvd., Room #103, Monrovia, CA 91016.

ATTEST

PRESIDENT

SECRETARY

SEAL

DRAFT

Demands numbered 22400 through 22444 on the General Fund Account of the Upper District at Citizens Business Bank, in the amount of \$916,534.06 and demands numbered 1227 through 1232 on the Water Fund Account at the same bank in the amount of \$298,305.32.

22400	Bravo Productions	Inv. 05/11/24A, Waterfest 2024 Event Planner - Deposit <i>(Previously paid 04/17/24)</i>		\$ 8,125.00
22401	Bassett High School	Inv. GRNT 23-24REI, Water Education Grant FY 2023-24 Inv. GRNT 23-24AREI, Water Education Grant FY 2023-24 Inv. GRNT 23-24BREI, Water Education Grant FY 2023-24 <i>(Board approved 12/06/23) (Previously paid 04/18/24)</i>	1,000.00 1,000.00 1,000.00	3,000.00
22402	Mad Science of Central LA	Inv. MSCLA-1630709, Waterfest 2024 Booth <i>(Previously paid 04/24/24)</i>		1,286.00
22403	California Designs	Inv. 9040, Waterfest 2024 Volunteer T-Shirts <i>(Previously paid 05/01/24)</i>		811.00
22404	789, Inc.	Inv. USGV-422240, Branding and Creative Services, May 2024 <i>(Board approved 7/12/23)</i>		5,575.00
22405	Aaron Read & Associates, LLC	Inv. 213337, State Legislative Advocacy Services, March 2024 Inv. 213349, Travel Reimbursements, February, 2024 Inv. 213395, State Legislative Advocacy Services, April 2024 <i>(Board approved 10/12/22)</i>	10,000.00 411.09 10,000.00	20,411.09
22406	ACWA/JPIA	Inv. 0702384, Health Insurance Premium - May 2024		28,446.11
22407	Aleshire & Wynder, LLP	Professional Services, March 2024 Inv. 85716, Retainer Inv. 85715, Transactional Fees Inv. 85714, Transactional Fees <i>(Board approved 04/13/22)</i>	4,404.00 121.80 3,002.90	7,528.70
22408	Best Best & Krieger, LLP	Inv. 991409, Federal Legislative Advocacy Services through 02/29/24 Inv. 993811, Federal Legislative Advocacy Services through 03/31/24 <i>(Board approved 10/12/22)</i>	7,500.00 7,500.00	15,000.00
22409	Bravo Productions	Inv. 05/11/24B, Waterfest 2024 Event Planner - Final Payment		8,125.00
22410	Bulletin Displays, LLC	Inv. 35571, Digital Display "Waterfest 2024" Ad		4,339.29
22411	City of Monrovia	Inv. 05/13/24UD, Monrovia Days Sponsorship		1,000.00
22412	Civiltec Engineering, Inc	Inv. 50503, MWD Connection Study through March 31, 2024		1,388.75
22413	Clear Channel Outdoor	Inv. 13175533, Digital Bulletin Waterfest Ad, April 2024		4,000.00
22414	Department of Water & Power	Inv. GA435116, Recycled Water Program Permit Fees, May 2024		83.33
22415	Discovery Science Center	Inv. 1915, Sustainable Watershed Education Program, March 2024 <i>(Board approved 07/08/20)</i>		7,060.00
22416	EcoTech Services, Inc.	Inv. 2965, Landscaping Maintenance - April 2024 Inv. 2992, Landscaping Maintenance - May 2024 Inv. 2993, Home Leak Repair Kits, April 2024 <i>(Board approved 06/08/22)</i>	900.00 900.00 405.00	2,205.00
22417	G3, Green Gardens Group, LLC	Inv. 1244, Virtual Workshop 04/25/24 Inv. 1239, Virtual Workshop, 04/09/24 <i>(Board approved 03/08/23)</i>	1,500.00 1,500.00	3,000.00
22418	Garden View, Inc.	Inv. INV-033124, MAA Funding - Plant Voucher Program 2024		13,034.55
22419	G-E-M Plumbing, Inc.	Inv. 166734, Insta-Hot Installation		213.62
22420	GovInvest Inc.	Inv. 2024-5239, 2024 - 2025 Annual Subscription Fee		3,341.84

22421	Image Property Services, LLC	Inv. MCS-12529, Janitorial Services, April 2024		1,907.59
22422	Joey C. Soto	Inv. 2024-UD-GA-MAR-114, Grant Writing Services, March 2024 (Board approved 06/08/22)		752.50
22423	John Robinson Consulting, Inc.	Inv. UD202301-09, As-needed Engineering Support Services, Jan. - Mar. 2024		2,640.00
22424	Luis Aguilar	Inv. 309080, UD Logo Items	85.50	
		Inv. 309081, UD Logo Items	25.74	111.24
22425	Quality Logo Products	Inv. QSI-1107836, UD Logo Items		4,545.07
22426	Rogers, Anderson, Malody & Scott,	Inv. 74294, Final Payment for FY 22/23 Audit Services (Board approved 2/09/22)		575.00
22427	Saysha Gomez	Inv. 05/11/24UD, WaterFest 2024, Face Painter		320.00
22428	SGV Public Affairs Network	Inv. 20240419-USGVMWD, Leadership Series Sponsorship		1,500.00
22429	Spectrum Reach/Charter	Inv. 680043095, Water Campaign, Feb-Mar 2024	1,800.00	
		Inv. 680043096, Water Campaign, Feb-Mar 2024	2,004.50	3,804.50
22430	Stetson Engineers, Inc.	Inv. 2533-215, General Engineering Support Services, February 2024	14,202.06	
		Inv. 2533-216, General Engineering Support Services, March 2024	12,053.65	
		Inv. 2728-025, Integrated Resource Plan Update, February 2024	2,960.00	29,215.71
22431	State Water Resource Control Board	Inv. 09803-24-12, Package 1 Annual State Revolving Fund Loan Repayment		527,409.19
22432	Upper District Payroll Fund	Inv. MAR 24, Reimbursement of Payroll and Payroll Taxes for Employees	140,645.14	
		Inv. MAR 24D, Reimbursement of Payroll Taxes for Directors	12,440.05	153,085.19
22433	Upper District Revolving Fund	Inv. APR 24, Revolving Fund Account Replenishment - April 2024		
		Office Supplies	229.16	
		Computer Systems/Equipment/Maintenance/Insurance/Outside Service	1,167.11	
		Directors's Outreach	2,000.00	
		Telephone/Utilities/Building Maintenance	3,979.18	
		Workers Compensation	1,792.93	
		Water Conservation Program Expenses	1,037.45	
		WRP Operation & Maintenance/Permits/Water Purchases/PM/Public Info	2,253.34	
		Medical/ODA Reimbursement/Processing Fee/Others	7,852.23	20,311.40
22434	U.S. Bank Corporate Payment System	CalCard Changes through 04/22/24		
		Membership/Other	45.00	
		Meetings, Travel, Conferences	5,795.17	
		Computer Systems/Office Equipment/Supplies/Maintenance & Service/Utilities	275.40	
		Conservation Program Expenses, Education and Outreach	3,669.99	9,785.56
22435	VC3, Inc.	Inv. 161352, IT Management Support, March 2024 (Board approved 10/11/23)		2,888.19
22436	Versatel	Inv. 469687, Installation of Polycom Phones		2,174.19
22437	Via Promotionals	Inv. 21856, UD Logo Items	1,237.35	
		Inv. 21861, UD Logo Items	1,215.45	
		Inv. 21862, UD Logo Items	313.17	2,765.97
22438	Western Supreme Rooter	Inv. 175418, Detector Meter and Backflow Replacement		2,328.60
22439	Anthony Fellow	Director's Compensation, April 2024		
		10 Days District Business	2,550.00	
		9 MWD Business	2,295.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	(1,484.86)	3,377.01
22440	Ed Chavez	Director's Compensation, April 2024		
		10 Days District Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(2,040.00)	
		Less Taxes Withheld	(1,025.56)	1.31
22441	Charles Treviño	Director's Compensation, April 2024		
		10 Days District Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	(1,015.91)	1,550.96

22442	Jennifer Santana	Director's Compensation, April 2024		
		10 Days District Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(406.94)</u>	2,159.93
22443	Anthony Fellow	Director's Compensation, February 2024		
		10 Days District Business	2,550.00	
		10 MWD Business	<u>2,550.00</u>	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(1,546.18)</u>	3,570.69
22444	Anthony Fellow	Director's Compensation, March 2024		
		6 Days District Business	1,530.00	
		5 MWD Business	1,275.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(1,041.89)</u>	1,779.98
		TOTAL		<u>\$ 916,534.06</u>

1227	Central Basin MWD	Invoice No. USGV-MAR24, Purchase of 0.57 AF of Recycled Water in February 2024	\$	416.10
1228	City of Industry City Hall	Invoice No. R03312024-D, Purchase of 11.3 AF of Recycled Water in March 2024		4,407.00
1229	City of Industry City Hall	Invoice No. R03312024-E, CIP Charge for March 2024 @ \$98 per AF		1,107.40
1230	Metropolitan Water District	Invoice No. 11457, Purchase of 215.4 AF of Treated Water in March 2024		272,815.07
1231	San Gabriel Valley MWD	Invoice No. 563, 80.56 AF of Water Delivered through the Alhambra/MWD Exchange Agreement in March 2024 @ \$220 per AF		17,723.20
1232	Suburban Water System	Invoice No. 6756, Phase II Normal Operating Charge, April 2024		<u>1,836.55</u>
		TOTAL	\$	<u>298,305.32</u>

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7. (b)
List of Demands

June 12, 2024
General Fund

Board of Directors
Upper San Gabriel Valley Municipal Water District

Submitted herewith for action by the Board of Directors of the Upper San Gabriel Valley Municipal Water District are the following demands on the District's General Fund Account at Citizens Business Bank:

22445	Honey Love	Inv. 1997, Waterfest 2024 Bee Exhibit Booth <i>(Previously paid 05/08/24)</i>		\$ 200.00
22446	Power Trip Rentals	Inv. 41159, Waterfest 2024 Generator Rentals <i>(Previously paid 05/08/24)</i>		5,070.25
22447	Sir Speedy	Inv. 48643, Waterfest 2024 Loteria Playing Cards Inv. 48644, Waterfest 2024 Loteria Card Signs <i>(Previously paid 05/08/24)</i>	330.75 <u>363.83</u>	694.58
22448	VOID Check	Check lost in mail		-
22449	Orbit Event Rentals	Inv. 52996, Waterfest 2024 Event Rentals, Final Payment <i>(Previously paid 05/09/24)</i>		15,442.84
22450	VOID Check	Check lost in mail		-
22451	Smokey D'z Catering	Inv. 00124REI2, Waterfest 2024 VIP Lunch Catering Service <i>(Previously paid 05/24/24)</i>		2,743.30
22452	247 Private Security	Inv. 120440, Waterfest 2024 Security		1,120.00
22453	789, Inc.	Inv. USGV-422050, Branding and Creative Services, June 2024 <i>(Board approved 7/12/23)</i>		5,575.00
22454	Aaron Read & Associates, LLC	Inv. 213456, State Legislative Advocacy Services, May 2024 <i>(Board approved 10/12/22)</i>		10,000.00
22455	ACWA/JPIA	Inv. 0702654, Health Insurance Premium - June 2024		28,971.10
22456	Aleshire & Wynder, LLP	Professional Services, April 2024 Inv. 86572, Retainer Inv. 86573, Transactional Fees Inv. 86574, Transactional Fees <i>(Board approved 04/13/22)</i>	4,404.00 1,072.50 <u>162.40</u>	5,638.90
22457	American Water Works Association	Inv. 7002224806, Staff Membership Dues, 08/01/24-07/31/25		321.00
22458	Azusa Police Foundation	Inv. 06/28/24UD, Annual Golf Tournament Sponsorship		200.00
22459	Best Best & Krieger, LLP	Inv. 996283, Federal Legislative Advocacy Services through 04/30/24 <i>(Board approved 10/12/22)</i>		7,500.00
22460	Calman Lai	Inv. 2023-24, Art Contest Winner - 2nd Place Grades 9-12		200.00
22461	Civic Publications	Inv. 1838, Waterfest Ad, April 2024		4,987.00
22462	Civiltec Engineering, Inc	Inv. 50705, MWD Connection Study through May 03, 2024		14,900.00
22463	Department of Water & Power	Inv. GA435438, Recycled Water Program Permit Fees, June 2024		83.33
22464	Discovery Science Center	Inv. 1943, Sustainable Watershed Education Program, April 2024 <i>(Board approved 07/08/20)</i>		6,215.00
22465	Dora Tuna	Inv. 2023-24, Art Contest Winner - 4th Place Grades K-2		50.00
22466	EcoTech Services, Inc.	Inv. 3025, Home Leak Repair Kits, May 2024 Inv. 3036, Landscaping Maintenance - June 2024 <i>(Board approved 06/08/22)</i>	40,500.00 <u>900.00</u>	41,400.00
22467	Education & Outreach Company	Inv. 24-561, Customized Educator and Outreach Items		2,606.79
22468	Elizabeth Yu	Inv. 2023-24, Art Contest Winner - 1st Place Grades 6-8		150.00
22469	Elvia Espinoza Barajas	Inv. 2023-24, Art Contest Winner - 3rd Place Grades 3-5		75.00
22470	Ericka L. Castellanos	Inv. 2023-24, Art Contest Winner - 3rd Place Grades 9-12		150.00
22471	Foothill Municipal Water District	Inv. 552, Strategic Consulting Services, April 2024 Cost-Share Inv. 563, Strategic Consulting Services, May 2024 Cost-Share	2,500.00 <u>2,500.00</u>	5,000.00
22472	G3, Green Gardens Group, LLC	Inv. 1257, Waterfest 2024 - Mini Landscape Consultations <i>(Board approved 03/08/23)</i>		6,000.00

22473	Garden View, Inc.	Inv. INV-043024, Plant Voucher Program Redemptions		21,403.17
22474	HCI Systems, Inc.	Inv. 234185, Fire Alarm Elevator Recall System Installation		10,751.00
22475	Image Property Services, LLC	Inv. MCS-12575, Consumables April 2024 Inv. MCS-12880, Janitorial Services, May 2024	185.94 <u>1,907.59</u>	2,093.53
22476	Jianlian Zhu	Inv. 2023-24, Art Contest Winner - 4th Place Grades 9-12		100.00
22477	Jianlian Zhu	Inv. 2023-24, Art Contest Winner - 2nd Place Grades 6-8		100.00
22478	Joey C. Soto	Inv. 2024-UD-GA-APR-115, Grant Writing Services, April 2024 <i>(Board approved 06/08/22)</i>		492.50
22479	Kevin Yip	Inv. 2023-24, Art Contest Winner - 5th Place Grades 3-5		25.00
22480	La Opinion	Inv. 129490424, Earth Day and Waterfest Ads		2,733.33
22481	Lisa Sierra	Inv. 2023-24, Art Contest Winner - 3rd Place Grades K-2		75.00
22482	Liu Bo Xu	Inv. 2023-24, Art Contest Winner - 1st Place Grades K-2		150.00
22483	Luisa Imelda Garcia	Inv. 2023-24, Art Contest Winner - 1st Place Grades 9-12		250.00
22484	Marcela Sanchez	Inv. 2023-24, Art Contest Winner - 2nd Place Grades 3-5		100.00
22485	Modern SUV Limousine Inc.	Inv. 4273, Transportation Service for Young Legislators Program Tour		1,425.00
22486	Monique Castro	Inv. 2023-24, Art Contest Winner - 5th Place Grades 9-12		50.00
22487	Montserrat Espejel	Inv. 2023-24, Art Contest Winner - 4th Place Grades 6-8		50.00
22488	New Resources Group, Inc.	Inv. 00045101, WaterSmart Home Kits		3,248.75
22489	QualityImprint	Inv. QI34324, UD Logo Items		1,146.20
22490	Raymond H Wong	Inv. 2023-24, Art Contest Winner - 1st Place Grades 3-5		150.00
22491	Rubicela Tsuha	Inv. 2023-24, Art Contest Winner - 5th Place Grades K-2		25.00
22492	Ruining Fan	Inv. 2023-24, Art Contest Winner - 3rd Place Grades 6-8		75.00
22493	San Gabriel Valley Newspaper	Inv. 0000589786, Earth Day and WaterFest 2024 Ad		7,324.85
22494	San Gabriel Valley Water Association	Inv. 05/16/24TL, Quarterly Breakfast Meeting		30.00
22495	Spectrum Reach/Charter	Inv. 400027523, Water Campaign, Jan-Feb 2024 Inv. 400027524, Water Campaign, Jan-Feb 2024 Inv. 780034884, Water Campaign, April 2024 Inv. 780034885, Water Campaign, April 2024	1,800.00 1,996.90 1,800.00 <u>1,999.90</u>	7,596.80
22496	Staples	Inv. 7000425401, Office Supplies		262.51
22497	U.S. Bank Corporate Payment System	CalCard Changes through 05/22/24 Membership/Other Meetings, Travel, Conferences Computer Systems/Office Equipment/Supplies/Maintenance & Service/Utilities Conservation Program Expenses, Education and Outreach	- 10,263.93 625.61 <u>13,454.99</u>	24,344.53
22498	Upper District Payroll Fund	Inv. APR 24, Reimbursement of Payroll and Payroll Taxes for Employees Inv. APR 24D, Reimbursement of Payroll Taxes for Directors	142,767.49 <u>16,088.71</u>	158,856.20
22499	Upper District Revolving Fund	Inv. MAY 24, Revolving Fund Account Replenishment - May 2024 Office Supplies Computer Systems/Equipment/Maintenance/Insurance/Outside Service Directors's Outreach Telephone/Utilities/Building Maintenance Meeting/Travel/Conferences/Dues/Assessments/Membership District Vehicle Expense Workers Compensation Water Conservation Program Expenses WRP Operation & Maintenance/Permits/Water Purchases/PM/Public Info Medical/ODA Reimbursement/Processing Fee/Others	791.17 113.21 3,050.00 4,673.40 47.04 - 2,071.46 54,844.55 <u>6,175.99</u>	71,766.82

22500	Valley County Water District	Inv. 5121-03, MAA Funding - CaDC Analytics Platform		16,500.00
22501	Vanessa Rojas	Inv. 2023-24, Art Contest Winner - 4th Place Grades 3-5		50.00
22502	VC3, Inc.	Inv. 148315, IT Management Support, April 2024 Inv. 150173, IT Management Support, May 2024 (Board approved 10/11/23)	2888.19 <u>2904.51</u>	5,792.70
22503	Via Promotionals	Inv. 21955, UD Logo Items		835.49
22504	World Journal LA, LLC	Inv. 3814290, Waterfest 2024 Ad		1,360.00
22505	Xiaomin Huang	Inv. 2023-24, Art Contest Winner - 2nd Place Grades K-2		100.00
22506	Xiuzhen He	Inv. 2023-24, Art Contest Winner - 5th Place Grades 6-8		25.00
22507	Ed Chavez	Director's Compensation, May 2024 10 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 1,650.78 (2,040.00) <u>(1,025.56)</u>	1,135.22
22508	Charles Treviño	Director's Compensation, May 2024 10 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 536.53 (500.00) <u>(1,015.91)</u>	1,570.62
22509	Jennifer Santana	Director's Compensation, May 2024 10 Days District Business 0 Days Watermaster Meeting Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 - 516.87 (500.00) <u>(406.94)</u>	2,159.93
22510	Katarina Garcia	Director's Compensation, April 2024 10 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 516.87 (500.00) <u>(432.20)</u>	2,134.67
			TOTAL	<u>\$ 511,582.91</u>

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Board of Directors
Upper San Gabriel Valley Municipal Water District

Submitted herewith for action by the Board of Directors of the Upper San Gabriel Valley Municipal Water District are the following demands on the District's Water Fund Account at Citizens Business Bank: (Note: Previously Paid 05/08/24)

1233	Central Basin MWD	Invoice No. USGV-APR24, Purchase of 0.79 AF of Recycled Water in March 2024	\$	574.21
1234	City of Industry City Hall	Invoice No. R04302024-D, Purchase of 23.3 AF of Recycled Water in April 2024		9,087.00
1235	City of Industry City Hall	Invoice No. R04302024-E, CIP Charge for April 2024 @ \$98 per AF		2,283.40
1236	Metropolitan Water District	Invoice No. 11486, Purchase of 229.1 AF of Treated Water in April 2024		883,621.44
1237	San Gabriel Valley MWD	Invoice No. 564, 77.98 AF of Water Delivered through the Alhambra/MWD Exchange		17,155.60
1238	Suburban Water System	Invoice No. 6759, Phase IIB Normal Operating Charge, May 2024		1,836.55
			TOTAL \$	<u>914,558.20</u>

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UPPER SAN GABRIEL VALLEY MWD
FINANCIAL SUMMARY FOR APRIL 30, 2024

Expenses	FY ACTUAL	FY ACTUAL	FY 2023-24	AMOUNT OF		PERCENT OF
	MONTH	YEAR-TO-DATE	BUDGET	BUDGET	REMAINING	BUDGET
	\$	\$	\$	\$	\$	REMAINING
Administrative Expenses	123,594	1,755,582	2,848,200	1,092,618		38.4%
Water Conservation Program	140,661	1,257,111	2,078,200	821,089		39.5%
Stormwater Program	3,558	35,580	42,700	7,120		16.7%
Water Recycling Program	128,579	1,294,978	2,178,200	883,222		40.5%
Water Quality and Supply Program	55,998	520,211	589,700	69,489		11.8%
Water Purchases	180,021	58,075,743	39,433,600	(18,642,143)		-47.3%
Operating Expenses	632,411	62,939,205	47,170,600	(15,768,605)		-33.4%
Operating Revenues	1,344,558	65,862,024	47,346,100	(18,515,924)		-39.1%
Net Reserve Activity from Operations (-/+)	712,147	2,922,819	175,500	n/a		n/a
Capital Expenditures	-	102,056	217,000	114,944		53.0%
Capital Program Revenues	-	-	-	-		0.0%
Net Change in Cash Due to Capital Outlays	-	(102,056)	(217,000)	n/a		n/a
Total Change in Fund Balances	\$ 712,147	\$ 2,820,763	\$ (41,500)	n/a		n/a

Comments

YTD expenses are consistent with budgeted numbers. Accrual for election cost amounting to \$0.50 million will be reported in June 2024.

Most MAA program expenses are anticipated to be incurred towards the end of the fiscal year.

YTD actuals are consistent with budgeted numbers.

As of April 30th, total recycled water purchases is 1,307 AF, about 300 AF less than the same period last year. Remaining \$527K of SRF loan repayment for FY 23/24 will be made in May 2024.

YTD actuals are consistent with budgeted numbers except for engineering support cost related to MWD replenishment deliveries which is higher than anticipated.

As of April 30th, Upper District has delivered 2,336 AF of treated water and 61,601 AF of untreated water. YTD untreated water purchase is 66% higher than budget.

As of April 30th, total untreated water sales is 61,601 AF, 66% higher than budget.

Capital expenditures for the fiscal year pertain mostly to the elevator upgrade.

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MONTHLY FINANCIAL STATEMENT AND BUDGET COMPARISON
PERIOD ENDED APRIL 30, 2024

	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2023-24 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING
ADMINISTRATIVE AND OPERATING REVENUES					
17% @4-30-24					
Water Rate Revenues					
Tier 1 Treated	346,130	2,718,349	3,692,100	973,751	26%
Tier 1 Untreated	-	51,918,443	31,635,000	(20,283,443)	-64%
Upper Surcharge Tier 1 Treated	(8,225)	250,032	309,000	58,968	19%
Upper Surcharge Tier 1 Untreated	-	3,832,109	3,811,000	(21,109)	-1%
MWD Capacity Charge Revenue	30,520	306,910	353,200	46,290	13%
Gross MWD Standby Charge-Revenue Reconciliation	-	1,761,768	1,950,000	188,232	10%
MSGB Watermaster-Ready-to-Serve	6,300	63,000	75,600	12,600	17%
Sub Total	374,725	60,850,611	41,825,900	(19,024,711)	-45%
Revolving Revenue					
MSGB Watermaster-SG River Watermaster	-	98,500	105,000	6,500	6%
Sub Total	-	98,500	105,000	6,500	6%
Other Administrative Revenues					
Interest/Investment Earnings	145,978	615,230	83,900	(531,330)	-633%
Taxes	185,751	667,401	500,000	(167,401)	-33%
Other Income (Loss)	2,271	25,804	26,400	596	2%
Sub Total	334,000	1,308,435	610,300	(698,135)	-114%
TOTAL ADMINISTRATIVE REVENUES	708,725	62,257,546	42,541,200	(19,716,346)	-46%
CAPITAL PROJECT FUND REVENUES					
Recycled Water Revenues					
Recycled Water Sales	7,092	297,667	624,000	326,333	52%
Upper Recycled Water Surcharge Revenue	24,121	1,010,542	1,323,000	312,458	24%
Metropolitan Water District LRP Funds	2,481	93,284	128,000	34,716	27%
Parcel/Standby Charge	555,370	1,832,163	2,050,000	217,837	11%
Interest/Investment Earnings	10,659	41,917	14,300	(27,617)	-193%
Sub Total	599,723	3,275,573	4,139,300	863,727	21%
Water Conservation Revenues					
Conservation Program Contributions	20,661	254,339	585,000	330,661	57%
Sub Total	20,661	254,339	585,000	330,661	57%
TOTAL CAPITAL PROJECT FUND REVENUES	620,384	3,529,912	4,724,300	1,194,388	25%
OTHER FUND REVENUES					
Water Quality and Supply Program Revenues					
Interest/Investment Earnings	9,539	50,147	75,200	25,053	33%
Sub Total	9,539	50,147	75,200	25,053	33%
Rate Stabilization Fund Revenues					
Interest/Investment Earnings	5,910	24,419	5,400	(19,019)	-352%
Sub Total	5,910	24,419	5,400	(19,019)	-352%
TOTAL OTHER FUND REVENUES	15,449	74,566	80,600	6,034	7%
TOTAL REVENUES	1,344,558	65,862,024	47,346,100	(18,515,924)	-39%

UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MONTHLY FINANCIAL STATEMENT AND BUDGET COMPARISON
PERIOD ENDED APRIL 30, 2024

	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2023-24 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING
ADMINISTRATIVE AND OPERATING EXPENSES					
Personnel Expenses					
Employee Salaries	117,743	1,211,449	1,455,000	243,551	17%
Employee Benefits	21,138	214,742	288,000	73,258	25%
Retired Employee Benefits	9,147	95,942	103,000	7,058	7%
Employee Travel/Conference	3,169	21,015	50,000	28,985	58%
Sub Total	151,197	1,543,148	1,896,000	352,852	19%
Director Expenses					
Director Compensation	14,831	142,929	216,000	73,071	34%
Director Benefits	13,245	127,208	155,000	27,792	18%
Retired Director Benefits	1,237	17,907	33,000	15,093	46%
Director Public Outreach	2,000	12,140	25,000	12,860	51%
Director Travel/Conference	2,806	26,132	50,000	23,868	48%
Sub Total	34,119	326,316	479,000	152,684	32%
Pension Expense					
CalPERS-Employees, Directors, Retirees	16,747	302,137	500,000	197,863	40%
Sub Total	16,747	302,137	500,000	197,863	40%
Office Expenses					
Office Supplies/Equipment	1,906	20,974	40,000	19,026	48%
Equipment Operations & Maintenance	1,147	8,688	26,000	17,312	67%
Computer Systems	3,555	38,806	60,000	21,194	35%
Dues and Assessments	-	78,463	75,000	(3,463)	-5%
Meeting Expense	1,151	15,186	35,000	19,814	57%
Sub Total	7,759	162,117	236,000	73,883	31%
Facility Expenses					
Building Maintenance	918	40,824	45,000	4,176	9%
Liability/Property Insurance	-	67,855	65,000	(2,855)	-4%
Telephone/Utilities	5,731	39,107	45,000	5,893	13%
Sub Total	6,649	147,786	155,000	7,214	5%
Professional Services					
Legal/Financial	5,532	63,223	112,000	48,777	44%
Engineering	4,626	60,796	145,000	84,204	58%
Auditor	685	29,410	31,000	1,590	5%
Outside Services	1,638	61,463	55,000	(6,463)	-12%
Public Information/Outreach	-	970	3,500	2,530	72%
Sub Total	12,481	215,862	346,500	130,638	38%
Other Expenses					
Election Costs	-	111,796	500,000	388,204	78%
Sub Total	-	111,796	500,000	388,204	78%
Allocation to Projects and Programs					
Salaries/Overhead Allocated to Projects	(105,358)	(1,053,580)	(1,264,300)	(210,720)	17%
Sub Total	(105,358)	(1,053,580)	(1,264,300)	(210,720)	17%
TOTAL	123,594	1,755,582	2,848,200	1,092,618	38%
Water Purchases					
Tier 1 Treated	180,021	2,851,605	3,692,100	840,495	23%
Tier 1 Untreated	-	51,918,443	31,635,000	(20,283,443)	-64%
MWD Capacity Charge	-	262,440	353,200	90,760	26%
MWD Ready-to-Serve Charge	-	2,944,755	3,648,300	703,545	19%
Sub Total	180,021	57,977,243	39,328,600	(18,648,643)	-47%
Revolving Expenses					
San Gabriel River Watermaster	-	98,500	105,000	6,500	6%
Sub Total	-	98,500	105,000	6,500	6%
TOTAL	180,021	58,075,743	39,433,600	(18,642,143)	-47%
TOTAL ADMINISTRATIVE EXPENSES	303,615	59,831,325	42,281,800	(17,549,525)	-42%

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
MONTHLY FINANCIAL STATEMENT AND BUDGET COMPARISON
PERIOD ENDED APRIL 30, 2024**

	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2023-24 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING
RECYCLED WATER PROGRAM EXPENSES					
Water Purchases-Recycled Water	1,169	381,727	624,000	242,273	39%
SWRCB Loan Repayment	75,542	263,823	791,000	527,177	67%
Salaries and Overhead Allocation	5,433	54,330	65,200	10,870	17%
Standby Charge Development/Implementation	-	18,200	18,500	300	2%
Engineering - General	-	11,880	52,500	40,620	77%
Lobbyist	-	67,500	95,000	27,500	29%
Legal and Financial	-	240	3,000	2,760	92%
Public Information	-	1,597	5,000	3,403	68%
Operation and Maintenance Phase I/IIA	83	330,783	361,000	30,217	8%
Operation and Maintenance Phase IIB	46,352	164,898	163,000	(1,898)	-1%
Sub Total	128,579	1,294,978	2,178,200	883,222	41%
TOTAL RECYCLED WATER EXPENSES	128,579	1,294,978	2,178,200	883,222	41%
CAPITAL PROGRAM EXPENSES					
San Gabriel Valley Water Recycling Project					
Direct Reuse Program	-	-	100,000	100,000	100%
USG Connections	-	-	15,000	15,000	100%
Legal and Financial	-	-	2,000	2,000	100%
Sub Total	-	-	117,000	117,000	100%
Other Capital Program Expenses					
District Headquarters	-	102,056	100,000	(2,056)	-2%
Sub Total	-	102,056	100,000	(2,056)	-2%
TOTAL CAPITAL PROGRAM EXPENSES	-	102,056	217,000	114,944	53%
STORMWATER PROGRAM EXPENSES					
Stormwater Program					
Salaries and Overhead Allocation	3,558	35,580	42,700	7,120	17%
Sub Total	3,558	35,580	42,700	7,120	17%
TOTAL STORMWATER EXPENSES	3,558	35,580	42,700	7,120	17%

	FY ACTUAL MONTH	FY ACTUAL YEAR-TO-DATE	FY 2023-24 BUDGET	AMOUNT OF BUDGET REMAINING	PERCENT OF BUDGET REMAINING
WATER CONSERVATION PROGRAM EXPENSES					
WATER USE EFFICIENCY					
<u>Residential Programs</u>					
Member Agency Administered Programs	1,350	24,456	335,000	310,544	93%
Regional Rebate Program	3,681	107,361	40,000	(67,361)	-168%
Sub Total	5,031	131,817	375,000	243,183	65%
<u>Commercial/Industrial/Institution Programs</u>					
Member Agency Administered Programs	-	86,699	210,000	123,301	59%
Regional Rebate Program	-	-	-	-	0%
Sub Total	-	86,699	210,000	123,301	59%

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
SUMMARY OF CASH AND INVESTMENTS
April 30, 2024**

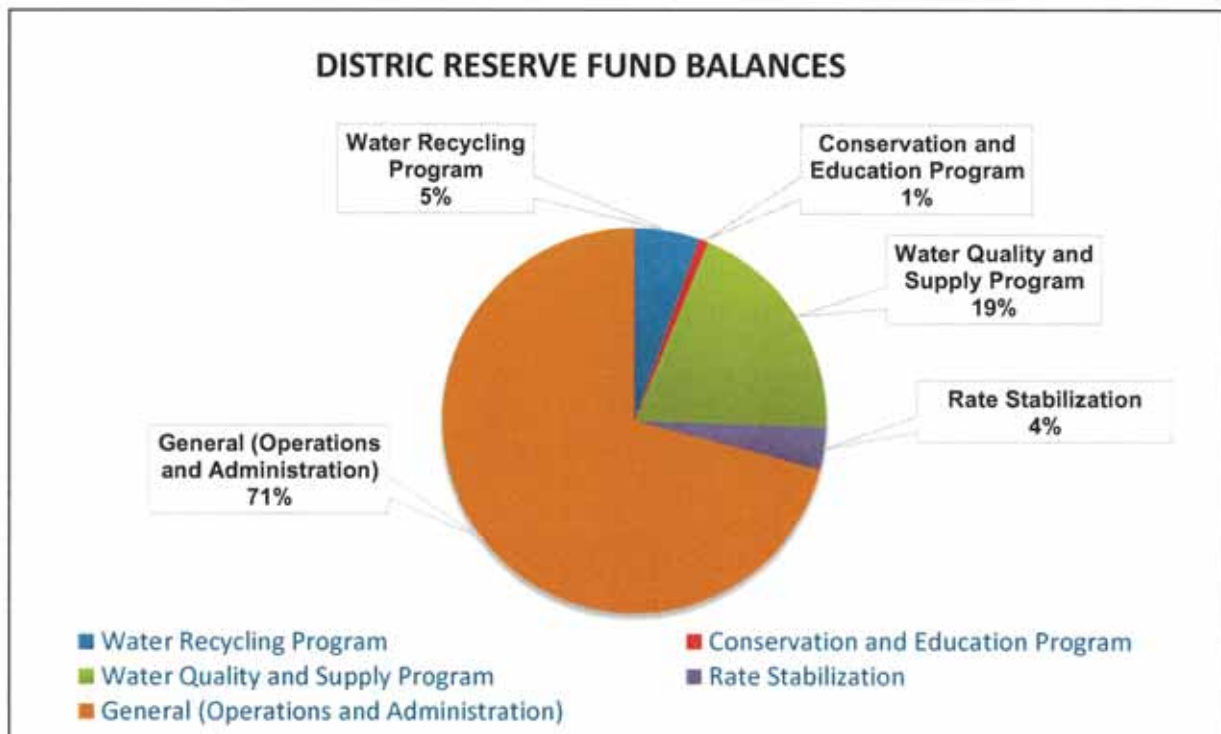
CASH AND INVESTMENT BALANCES

		<u>Amount (\$)</u>
Cash Account Balances		
General Fund-Checking	\$	804,791.80
Water Fund-Checking		217,992.12
Revolving Fund		87,540.83
Revolving Payroll Fund		168,116.83
Total Cash Account Balances	\$	<u>1,278,441.58</u>
Investment Account Balances		
	<u>Market Value</u>	<u>Cost/Book Value</u>
Local Agency Investment Fund	\$ 11,861,708.19	\$ 11,861,708.19
Other Investments	5,787,522.98	5,842,729.25
Total Investment Account Balances	<u>\$ 17,649,231.17</u>	<u>\$ 17,704,437.44</u>
Total Cash and Investment Balances	\$	<u>18,927,672.75</u>

DISTRICT FUND BALANCES

Capital Program Fund:		
Water Recycling Program	\$	1,028,774.00
Conservation and Education Program		145,804.00
Water Quality and Supply Program		3,666,623.00
Sub Total		<u>4,841,201.00</u>
Rate Stabilization Fund		667,367.00
General Fund (Operations and Administration)		13,419,104.75
Total Fund Balances	\$	<u>18,927,672.75</u>

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





Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

May 02, 2024

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

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

[Tran Type Definitions](#)

Account Number: 90-19-021

April 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/15/2024	4/12/2024	QRD	1751432	N/A	SYSTEM	176,550.15

Account Summary

Total Deposit:	176,550.15	Beginning Balance:	11,685,158.04
Total Withdrawal:	0.00	Ending Balance:	11,861,708.19



MONTHLY ACCOUNT STATEMENT

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

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

Custodian:

US Bank

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of the statement.

PORTFOLIO SUMMARY



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Portfolio Characteristics

Average Modified Duration	1.34
Average Coupon	3.17%
Average Purchase YTM	3.35%
Average Market YTM	5.18%
Average Quality	AAA
Average Final Maturity	1.45
Average Life	1.45

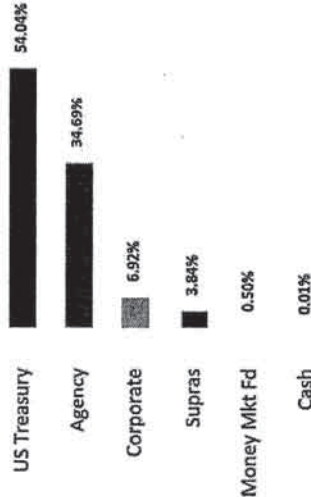
Account Summary

	Beg. Values as of 04/01/2024	End Values as of 04/30/2024
Market Value	5,282,567.17	5,275,263.74
Accrued Interest	37,205.96	40,301.75
Total Market Value	5,319,773.13	5,315,565.48
Income Earned	13,395.75	15,491.78
Cont/W/D	0.00	0.00
Par	5,347,647.89	5,360,948.69
Book Value	5,335,198.06	5,346,097.06
Cost Value	5,328,189.28	5,340,094.25

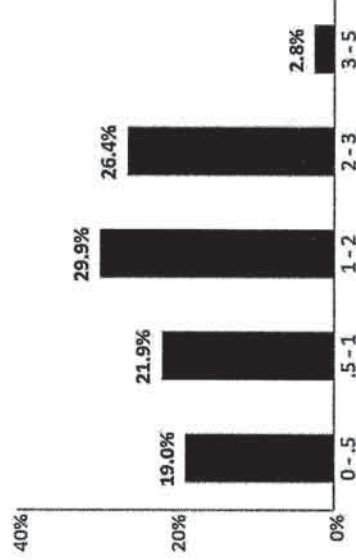
Top Issuers

United States	54.04%
Farm Credit System	22.41%
Federal Home Loan Banks	12.28%
Inter-American Development Bank	2.82%
BNY Mellon Corp	1.23%
Walmart Inc.	1.21%
Microsoft Corporation	1.20%
PACCAR Inc	1.13%

Sector Allocation



Maturity Distribution



Credit Quality



AAA 95.2% AA 3.7% A 1.1%

*See Footnote

Performance Review

Total Rate of Return	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (06/01/14)
Upper San Gabriel VMWD	(0.07%)	0.19%	0.59%	3.65%	2.53%	0.90%	1.50%	--	1.28%
Benchmark Return*	(0.09%)	0.10%	0.49%	3.31%	2.36%	0.75%	1.37%	--	1.18%

*Periods over 1 year are annualized.

Benchmark: ICE BofA 0-3 Year US Treasury Index Secondary Benchmark:

The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch

Execution Time: 05/02/2024 11:51:08 AM

Chandler Asset Management | info@chandlerasset.com | www.chandlerasset.com | 800.317.4747

CONFIDENTIAL | 2

STATEMENT OF COMPLIANCE



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
COLLATERALIZED BANK DEPOSITS				
Max Maturity (Years)	1.0	0.0	Compliant	
Min Rating (F1 by Fitch if > FDIC Limit)	0.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max Maturity (Years)	1.0	0.0	Compliant	
Min Rating (F1 by Fitch if > FDIC Limit)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	6.9	Compliant	
Max % Issuer (MV)	5.0	1.2	Compliant	
Max Maturity (Years)	5	1	Compliant	
Min Rating (A- by 1 if < 2 Years; AA- if > 2 Years)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max Maturity (Years)	1	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	60.0	34.7	Compliant	
Max Maturity (Years)	5	4	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	100.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.5	Compliant	
Max % Issuer (MV)	20.0	0.5	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max Maturity (Years)	1	0.0	Compliant	
Min Rating (F1 by Fitch if > FDIC Limit)	0.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	3.9	Compliant	
Max % Issuer (MV)	10.0	2.8	Compliant	
Max Maturity (Years)	5	2	Compliant	

STATEMENT OF COMPLIANCE



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Rules Name	Limit	Actual	Compliance Status	Notes
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	53.9	Compliant	
Max Maturity (Years)	5	2	Compliant	

RECONCILIATION SUMMARY



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Maturities / Calls	
Month to Date	(225,000.00)
Fiscal Year to Date	(1,955,000.00)
Principal Paydowns	
Month to Date	0.00
Fiscal Year to Date	0.00
Purchases	
Month to Date	484,069.28
Fiscal Year to Date	4,090,204.51

Accrual Activity Summary	
Month to Date	
Beginning Book Value	5,335,198.06
Maturities/Calls	(225,000.00)
Principal Paydowns	0.00
Purchases	484,069.28
Sales	(248,158.63)
Change in Cash, Payables, Receivables	(861.80)
Amortization/Accretion	850.15
Realized Gain (Loss)	0.00
Ending Book Value	5,346,097.06
Fiscal Year to Date (07/01/2023)	
	(1,955,000.00)
	5,250,247.81
	4,090,204.51
	(2,147,757.18)
	100,380.90
	8,021.02
	0.00
	5,346,097.06

Sales	
Month to Date	(248,158.63)
Fiscal Year to Date	(2,147,757.18)
Interest Received	
Month to Date	12,321.23
Fiscal Year to Date	97,821.53
Purchased / Sold Interest	
Month to Date	(775.38)
Fiscal Year to Date	(4,192.74)

Fair Market Activity Summary	
Month to Date	
Beginning Market Value	5,282,567.17
Maturities/Calls	(225,000.00)
Principal Paydowns	0.00
Purchases	484,069.28
Sales	(248,158.63)
Change in Cash, Payables, Receivables	(861.80)
Amortization/Accretion	850.15
Change in Net Unrealized Gain (Loss)	(18,202.43)
Realized Gain (Loss)	0.00
Ending Market Value	5,275,263.74
Fiscal Year to Date (07/01/2023)	
	(1,955,000.00)
	5,103,581.66
	4,090,204.51
	(2,147,757.18)
	100,380.90
	8,021.02
	75,832.83
	0.00
	5,275,263.74

HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
3130ASD55	FEDERAL HOME LOAN BANKS 2.75 06/28/2024	60,000.00	06/09/2022 2.86%	59,860.80 59,989.22	99.55 5.51%	59,730.70 563.75	1.13% (258.52)	Aaa/AA+ AA+	0.16 0.16
3130ATT31	FEDERAL HOME LOAN BANKS 4.5 10/03/2024	75,000.00	10/27/2022 4.56%	74,918.25 74,982.05	99.63 5.37%	74,722.01 262.50	1.42% (260.05)	Aaa/AA+ AA+	0.43 0.42
3133ENS43	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.375 10/17/2024	100,000.00	10/11/2022 4.44%	99,875.00 99,971.10	99.56 5.34%	99,557.11 170.14	1.89% (413.99)	Aaa/AA+ AA+	0.47 0.45
3130AQF40	FEDERAL HOME LOAN BANKS 1.0 12/20/2024	75,000.00	12/21/2021 1.03%	74,934.00 74,985.94	97.33 5.31%	72,995.93 272.92	1.38% (1,990.01)	Aaa/AA+ AA+	0.64 0.62
3133ENK58	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.125 01/06/2025	40,000.00	01/06/2022 1.20%	39,910.00 39,979.38	97.25 5.26%	38,901.98 143.75	0.74% (1,077.40)	Aaa/AA+ AA+	0.69 0.66
3133ENPG9	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.75 02/14/2025	70,000.00	02/10/2022 1.84%	69,813.10 69,950.67	97.27 5.32%	68,092.33 262.01	1.29% (1,858.34)	Aaa/AA+ AA+	0.79 0.76
3133ENPY0	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.75 02/25/2025	100,000.00	03/09/2022 1.90%	99,578.00 99,883.00	97.17 5.33%	97,166.61 320.83	1.84% (2,716.38)	Aaa/AA+ AA+	0.82 0.79
3130AUZC1	FEDERAL HOME LOAN BANKS 4.625 03/14/2025	100,000.00	03/23/2023 4.18%	100,823.00 100,361.85	99.46 5.26%	99,456.70 603.82	1.89% (905.15)	Aaa/AA+ AA+	0.87 0.84
3133EPC37	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.875 11/13/2025	100,000.00	11/27/2023 4.93%	99,891.00 99,914.60	99.56 5.17%	99,560.38 2,275.00	1.89% (354.22)	Aaa/AA+ AA+	1.54 1.43
3133EPL37	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 12/08/2025	100,000.00	12/18/2023 4.50%	100,230.00 100,187.19	99.17 5.17%	99,168.94 1,837.15	1.88% (1,018.25)	Aaa/AA+ AA+	1.61 1.50
3133EPW68	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.125 01/22/2026	100,000.00	01/24/2024 4.40%	99,490.00 99,557.95	98.35 5.13%	98,348.74 1,134.38	1.86% (1,209.21)	Aaa/AA+ AA+	1.73 1.63
3133EN7J3	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 02/02/2026	69,000.00	02/15/2023 4.51%	67,798.71 68,287.22	97.84 5.17%	67,511.72 661.01	1.28% (775.49)	Aaa/AA+ AA+	1.76 1.66
3133EPCF0	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 03/02/2026	100,000.00	03/23/2023 3.97%	101,445.00 100,901.45	98.91 5.13%	98,908.07 737.50	1.87% (1,993.37)	Aaa/AA+ AA+	1.84 1.73
3133EPTF7	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.75 04/13/2026	100,000.00	04/10/2023 3.99%	99,332.00 99,566.04	97.48 5.12%	97,477.21 187.50	1.85% (2,088.84)	Aaa/AA+ AA+	1.95 1.85
3130AWLZ1	FEDERAL HOME LOAN BANKS 4.75 06/12/2026	90,000.00	07/19/2023 4.45%	90,720.00 90,525.37	99.38 5.06%	89,439.41 1,650.63	1.70% (1,085.96)	Aaa/AA+ AA+	2.12 1.95
3133EPZV4	FEDERAL FARM CREDIT BANKS FUNDING CORP 5.0 07/30/2026	100,000.00	10/30/2023 5.01%	99,970.00 99,975.47	99.83 5.08%	99,826.48 1,263.89	1.89% (148.99)	Aaa/AA+ AA+	2.25 2.08
3133EPUW3	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 09/01/2026	95,000.00	10/23/2023 4.99%	94,392.00 94,502.76	99.29 5.07%	94,322.32 752.08	1.79% (180.44)	Aaa/AA+ AA+	2.34 2.17

HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
3130AXU63	FEDERAL HOME LOAN BANKS 4.625 11/17/2026	105,000.00	11/16/2023 4.69%	104,814.15 104,842.30	99.10 5.00%	104,055.58 2,212.29	1.97% (786.72)	Aaa/AA+ AA+	2.55 2.32
3133EP6K6	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 03/26/2027	125,000.00	03/25/2024 4.45%	125,181.25 125,175.29	98.80 4.95%	123,505.67 546.88	2.34% (1,669.62)	Aaa/AA+ AA+	2.90 2.68
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	150,000.00	09/15/2023 4.51%	149,059.50 149,176.48	98.32 4.81%	147,473.57 966.15	2.80% (1,702.91)	Aaa/AA+ AA+	4.36 3.89
Total Agency		1,854,000.00	4.00%	1,852,035.76 1,852,715.33	98.73 5.15%	1,830,221.47 16,824.17	34.69% (22,493.86)	Aaa/AA+ AA+	1.78 1.65
CASH									
CCYUSD	Receivable	596.93	-- 0.00%	596.93 596.93	1.00 0.00%	596.93 0.00	0.01% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		596.93	0.00%	596.93 596.93	1.00 0.00%	596.93 0.00	0.01% 0.00	Aaa/AAA AAA	0.00 0.00
CORPORATE									
023135BW5	AMAZON.COM INC 0.45 05/12/2024	40,000.00	05/10/2021 0.50%	39,941.60 39,999.41	99.84 5.17%	39,937.05 84.50	0.76% (62.37)	A1/AA AA-	0.03 0.03
69371RR81	PACCAR FINANCIAL CORP 3.15 06/13/2024	60,000.00	06/06/2022 3.16%	59,986.20 59,999.19	99.77 5.00%	59,864.16 724.50	1.13% (135.02)	A1/A+ NA	0.12 0.12
037833BG4	APPLE INC 3.2 05/13/2025	50,000.00	05/11/2022 3.02%	50,260.50 50,089.61	97.85 5.36%	48,922.55 746.67	0.93% (1,167.06)	Aaa/AA+ NA	1.04 0.99
06406RBF3	BANK OF NEW YORK MELLON CORP 3.43 06/13/2025	65,000.00	06/08/2022 3.43%	65,000.00 65,000.00	99.67 6.14%	64,784.84 854.64	1.23% (215.16)	A1/A AA-	1.12 0.12
194162AM5	COLGATE-PALMOLIVE CO 3.1 08/15/2025	25,000.00	08/01/2022 3.13%	24,977.00 24,992.26	97.39 5.22%	24,346.37 163.61	0.46% (645.90)	Aa3/A+ NA	1.29 1.24
931142EW9	WALMART INC 3.9 09/09/2025	65,000.00	-- 3.84%	65,103.50 65,047.72	98.30 5.21%	63,896.17 366.17	1.21% (1,151.55)	Aa2/AA AA	1.36 1.30
594918B12	MICROSOFT CORP 3.125 11/03/2025	65,000.00	01/24/2023 4.28%	63,051.30 63,939.00	97.01 5.21%	63,057.31 1,004.34	1.20% (881.68)	Aaa/AAA WR	1.51 1.42
Total Corporate		370,000.00	3.21%	368,320.10 369,067.19	98.61 5.36%	364,808.46 3,944.43	6.92% (4,258.73)	Aa3/AA- AA-	0.95 0.73
MONEY MARKET FUND									

HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
31846V203	FIRST AMER:GVT OBLG Y	26,351.76	4.91%	26,351.76	1.00	26,351.76	0.50%	Aaa/ AAAm	0.00
				26,351.76	4.91%	0.00	0.00	AAA	0.00
Total Money Market Fund		26,351.76	4.91%	26,351.76	4.91%	0.00	0.50%	AAAm	0.00
								AAA	
SUPRANATIONAL									
4581X0EE4	INTER-AMERICAN DEVELOPMENT BANK 3.25 07/01/2024	50,000.00	06/22/2022 3.25%	49,995.00 49,999.74	99.62 5.44%	49,811.25 541.67	0.94% (188.49)	Aaa/AAA NA	0.17 0.17
4581X0EKO	INTER-AMERICAN DEVELOPMENT BANK 4.5 05/15/2026	100,000.00	06/27/2023 4.53%	99,923.00 99,945.13	98.80 5.12%	98,801.00 2,075.00	1.87% (1,144.12)	Aaa/AAA NA	2.04 1.88
45950KDF4	INTERNATIONAL FINANCE CORP 4.375 01/15/2027	55,000.00	11/29/2023 4.49%	54,820.70 54,843.90	98.41 5.01%	54,123.48 708.51	1.03% (720.42)	Aaa/AAA NA	2.71 2.49
Total Supranational		205,000.00	4.21%	204,738.70 204,788.77	98.90 5.17%	202,735.73 3,325.17	3.84% (2,053.04)	Aaa/AAA NA	1.76 1.62
US TREASURY									
91282CCC3	UNITED STATES TREASURY 0.25 05/15/2024	100,000.00	05/12/2021 0.35%	99,707.03 99,996.25	99.80 5.05%	99,802.37 115.38	1.89% (193.88)	Aaa/AA+ AA+	0.04 0.04
91282CCG4	UNITED STATES TREASURY 0.25 06/15/2024	100,000.00	06/09/2021 0.31%	99,820.31 99,992.62	99.36 5.38%	99,358.40 94.26	1.88% (634.22)	Aaa/AA+ AA+	0.13 0.12
91282CCL3	UNITED STATES TREASURY 0.375 07/15/2024	100,000.00	07/13/2021 0.42%	99,863.28 99,990.64	98.99 5.26%	98,990.23 110.23	1.88% (1,000.41)	Aaa/AA+ AA+	0.21 0.21
912828YE4	UNITED STATES TREASURY 1.25 08/31/2024	100,000.00	08/05/2021 0.39%	102,605.47 100,283.56	98.64 5.38%	98,640.63 210.60	1.87% (1,642.93)	Aaa/AA+ AA+	0.34 0.33
91282CCX7	UNITED STATES TREASURY 0.375 09/15/2024	100,000.00	09/10/2021 0.44%	99,804.69 99,975.59	98.17 5.34%	98,173.83 47.89	1.86% (1,801.76)	Aaa/AA+ AA+	0.38 0.37
91282CDB4	UNITED STATES TREASURY 0.625 10/15/2024	100,000.00	10/14/2021 0.63%	99,992.19 99,999.39	97.88 5.37%	97,875.00 27.32	1.86% (2,124.39)	Aaa/AA+ AA+	0.46 0.45
912828YM6	UNITED STATES TREASURY 1.5 10/31/2024	100,000.00	09/23/2021 0.52%	103,003.91 100,485.19	98.11 5.39%	98,108.40 4.08	1.86% (2,376.79)	Aaa/AA+ AA+	0.50 0.49
91282CDH1	UNITED STATES TREASURY 0.75 11/15/2024	100,000.00	11/29/2021 0.81%	99,816.41 99,966.37	97.57 5.36%	97,570.31 346.15	1.85% (2,396.06)	Aaa/AA+ AA+	0.54 0.53
912828YV6	UNITED STATES TREASURY 1.5 11/30/2024	75,000.00	09/29/2021 0.57%	77,188.48 75,402.89	97.80 5.37%	73,349.12 470.29	1.39% (2,053.77)	Aaa/AA+ AA+	0.59 0.57

HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
91282CDN8	UNITED STATES TREASURY 1.0 12/15/2024	100,000.00	12/09/2021 1.00%	100,003.91 100,000.46	97.37 5.33%	97,368.16 377.05	1.85% (2,632.30)	Aaa/AA+ AA+	0.63 0.61
91282CD57	UNITED STATES TREASURY 1.125 01/15/2025	100,000.00	03/16/2022 2.05%	97,437.50 99,358.76	97.11 5.33%	97,114.26 330.70	1.84% (2,244.50)	Aaa/AA+ AA+	0.71 0.69
9128283Z1	UNITED STATES TREASURY 2.75 02/28/2025	125,000.00	03/25/2024 5.07%	122,402.34 122,678.20	97.94 5.30%	122,423.10 579.14	2.32% (255.10)	Aaa/AA+ AA+	0.83 0.81
912828ZF0	UNITED STATES TREASURY 0.5 03/31/2025	100,000.00	04/04/2022 2.60%	93,921.88 98,139.24	95.79 5.25%	95,791.99 42.35	1.82% (2,347.24)	Aaa/AA+ AA+	0.92 0.89
91282CEH0	UNITED STATES TREASURY 2.625 04/15/2025	100,000.00	04/27/2022 2.72%	99,738.28 99,915.66	97.57 5.26%	97,567.38 114.75	1.85% (2,348.28)	Aaa/AA+ AA+	0.96 0.93
91282CEQ0	UNITED STATES TREASURY 2.75 05/15/2025	100,000.00	06/01/2022 2.84%	99,738.28 99,907.98	97.50 5.25%	97,495.12 1,269.23	1.85% (2,412.87)	Aaa/AA+ AA+	1.04 0.99
91282CEY3	UNITED STATES TREASURY 3.0 07/15/2025	100,000.00	09/29/2022 4.26%	96,667.97 98,561.24	97.44 5.21%	97,441.41 881.87	1.85% (1,119.84)	Aaa/AA+ AA+	1.21 1.16
91282CFE6	UNITED STATES TREASURY 3.125 08/15/2025	100,000.00	05/31/2023 4.32%	97,503.91 98,541.37	97.46 5.18%	97,457.03 652.47	1.85% (1,084.34)	Aaa/AA+ AA+	1.29 1.24
91282CFP1	UNITED STATES TREASURY 4.25 10/15/2025	120,000.00	12/12/2022 4.15%	120,318.75 120,163.53	98.72 5.17%	118,467.19 222.95	2.25% (1,696.34)	Aaa/AA+ AA+	1.46 1.39
91282CGA3	UNITED STATES TREASURY 4.0 12/15/2025	120,000.00	12/15/2022 3.95%	120,150.00 120,081.23	98.23 5.14%	117,881.25 1,809.84	2.23% (2,199.98)	Aaa/AA+ AA+	1.63 1.53
91282CGE5	UNITED STATES TREASURY 3.875 01/15/2026	100,000.00	-- 4.33%	99,214.45 99,266.57	97.98 5.12%	97,984.38 1,139.08	1.86% (1,282.20)	Aaa/AA+ AA+	1.71 1.61
91282CKB6	UNITED STATES TREASURY 4.625 02/28/2026	125,000.00	03/25/2024 4.63%	124,980.47 124,981.47	99.23 5.07%	124,033.20 974.01	2.35% (948.27)	Aaa/AA+ AA+	1.83 1.72
91282CHB0	UNITED STATES TREASURY 3.625 05/15/2026	140,000.00	05/23/2023 3.98%	138,610.94 139,049.25	97.30 5.03%	136,221.09 2,342.31	2.58% (2,828.16)	Aaa/AA+ AA+	2.04 1.90
91282CHU8	UNITED STATES TREASURY 4.375 08/15/2026	100,000.00	08/24/2023 4.69%	99,144.53 99,341.46	98.67 4.99%	98,671.88 913.46	1.87% (669.59)	Aaa/AA+ AA+	2.29 2.14
91282CHV0	UNITED STATES TREASURY 4.625 09/15/2026	125,000.00	09/15/2023 4.72%	124,682.62 124,748.24	99.21 4.98%	124,018.56 738.37	2.35% (729.69)	Aaa/AA+ AA+	2.38 2.21
91282CIT9	UNITED STATES TREASURY 4.0 01/15/2027	125,000.00	01/31/2024 4.00%	124,985.35 124,986.58	97.70 4.92%	122,124.02 1,469.78	2.32% (2,862.56)	Aaa/AA+ AA+	2.71 2.50
91282CKE0	UNITED STATES TREASURY 4.25 03/15/2027	125,000.00	04/25/2024 4.86%	122,954.10 122,963.81	98.31 4.88%	122,890.63 678.50	2.33% (73.19)	Aaa/AA+ AA+	2.87 2.66
91282CKI9	UNITED STATES TREASURY 4.5 04/15/2027	125,000.00	04/25/2024 4.85%	123,793.95 123,799.51	98.98 4.87%	123,730.47 245.90	2.35% (69.04)	Aaa/AA+ AA+	2.96 2.73

HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of April 30, 2024

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P Fitch	Maturity Duration
	Total US Treasury	2,905,000.00	2.88%	2,888,051.00 2,892,577.08	98.13 5.18%	2,850,549.39 16,207.98	54.04% (42,027.69)	Aaa/AA+ AA+	1.29 1.21
	Total Portfolio	5,360,948.69	3.35%	5,340,094.25 5,346,097.06	97.90 5.18%	5,275,263.74 40,301.75	100.00% (70,833.32)	Aaa/AA+ AA+	1.45 1.34
	Total Market Value + Accrued					5,315,565.48			



Brokerage Account Statement

April 1, 2024 - April 30, 2024
Account Number: GPC-016100

UPPER SAN GABRIEL VALLEY
WATER DISTRICT
248 E FOOTHILL BLVD STE 200
MONROVIA CA 91016-5523

Portfolio at a Glance

	This Period
BEGINNING ACCOUNT VALUE	\$472,108.57
Dividends, Interest and Other Income	11.73
Net Change in Portfolio¹	-370.00
ENDING ACCOUNT VALUE	\$471,750.30
Accrued Interest	\$207.20

Account Value with Accrued Interest

Estimated Annual Income \$471,957.50

¹ Net Change in Portfolio is the difference between the ending account value and beginning account value after activity.

Your Account Information

TAX LOT DEFAULT DISPOSITION METHOD

Default Method for Mutual Funds: First In First Out
Default Method for Stocks in a Dividend Reinvestment Plan: First In First Out
Default Method for all Other Securities: First In First Out

BOND AMORTIZATION ELECTIONS

Amortize premium on taxable bonds based on Constant Yield Method: Yes
Accrual market discount method for all other bond types: Constant Yield Method
Include market discount in income annually: No

ELECTRONIC DELIVERY

Congratulations! All your documents are enrolled for electronic delivery. Please log in to your account or contact your Registered Representative to make any changes to your electronic delivery preferences.

E-mail notifications are delivered to the following e-mail address(es):
evelyn@usgvmwd.org
**evelyn@usgvmwd.org is on file for these documents*

Portfolio Holdings

Description	Quantity	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-Day Yield
CASH, MONEY FUNDS AND BANK DEPOSITS 1.00% of Portfolio						
Money Market						
GOLDMAN SACHS FSO GOVT CMS	3,255.3000	3,243.57	3,255.30	0.00	42.63	4.40%
Total Money Market		\$3,243.57	\$3,255.30	\$0.00	\$42.63	
TOTAL CASH, MONEY FUNDS AND BANK DEPOSITS		\$3,243.57	\$3,255.30	\$0.00	\$42.63	
FIXED INCOME 99.00% of Portfolio (In Maturity Date Sequence)						
U.S. Treasury Securities						
UNITED STATES TREAS NTS 0.250% 08/31/25 B/E DTD 08/31/20 IST	500,000.0000	93.6990	468,495.00	207.20		
CPN DTE 02/28/21 CPN PMT SEMI ANNUAL ON FEB 28 AND AUG 31						
Moody Rating: Aaa						
Security Identifier: 91282CAU0						
Total U.S. Treasury Securities	500,000.0000		\$468,495.00	\$207.20		
TOTAL FIXED INCOME	500,000.0000		\$468,495.00	\$207.20		
Total Portfolio Holdings			Market Value	Accrued Interest	Estimated Annual Income	
			\$471,750.30	\$207.20	\$42.63	

Portfolio Holdings Disclosures

Pricing

This section includes the net market value of the securities in your account on a settlement date basis, including short positions, at the close of the statement period. The market prices, unless otherwise noted, have been obtained from independent vendor services, which we believe to be reliable. In some cases the pricing vendor may provide prices quoted by a single broker or market maker. Market prices do not constitute a bid or an offer, and may differ from the actual sale price. Securities for which a price is not available are marked "N/A" and are omitted from the Total.

THE AS OF PRICE DATE ONLY APPEARS WHEN THE PRICE DATE DOES NOT EQUAL THE STATEMENT DATE.

Estimated Annual Figures

The estimated annual income (EAI) and estimated annual yield (EAY) figures are estimates and for informational purposes only. These figures are not considered to be a forecast or guarantee of future results. These figures are computed using information from providers believed to be reliable; however, no assurance can be made as to the accuracy. Since interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political, and business conditions, they should not be relied on for making investment, trading, or tax decisions. These figures assume that the position quantities, interest and dividend rates, and prices remain constant. A capital gain or return of principal may be included in the figures for certain securities, thereby overstating them. Refer to www.pershing.com/disclosures for specific details as to formulas used to calculate the figures. Accrued interest represents interest earned but not yet received.

Reinvestment

The dollar amount of Mutual Fund distributions, Money Market Fund dividend income, Bank Deposit interest income, or dividends for other securities shown on your statement may have been reinvested. You will not receive confirmation of these reinvestments. Upon written request to your financial institution, information pertaining to these transactions,

Portfolio Holdings Disclosures (continued)

Reinvestment (continued)
including the time of execution and the name of the person from whom your security was purchased, may be obtained. In dividend reinvestment transactions, Pershing acts as your agent and receives payment for order flow.

Option Disclosure

Information with respect to commissions and other charges incurred in connection with the execution of option transactions has been included in confirmations previously furnished to you. A summary of this information is available to you promptly upon your written request directed to your introducing firm. In order to assist your introducing firm in maintaining current background and financial information concerning your option accounts, please promptly advise them in writing of any material change in your investment objectives or financial situation. Expiring options which are valuable are exercised automatically pursuant to the exercise by exception procedure of the Options Clearing Corporation. Additional information regarding this procedure is available upon written request to your introducing firm.

Foreign Currency Transactions

Pershing will execute foreign currency transactions as principal for your account. Pershing may automatically convert foreign currency to or from U.S. dollars for dividends and similar corporate action transactions unless you instruct your financial organization otherwise. Pershing's currency conversion rate will not exceed the highest interbank conversion rate identified from customary banking sources on the conversion date or the prior business day, increased by up to 1%, unless a particular rate is required by applicable law. Your financial organization may also increase the currency conversion rate. This conversion rate may differ from rates in effect on the date you executed a transaction, incurred a charge, or received a credit. Transactions converted by agents (such as depositories) will be billed at the rates such agents use.

Proxy Vote

Securities not fully paid for in your margin account may be lent by Pershing to itself or others in accordance with the terms outlined in the Margin Agreement. The right to vote your shares held on margin may be reduced by the amount of shares on loan. The Proxy Voting Instruction Form sent to you may reflect a smaller number of shares entitled to vote than the number of shares in your margin account.

Variable Rate Securities

Interest rate data for certain complex and/or variable rate securities is provided to Pershing by third-party data service providers pursuant to contractual arrangements. Although we seek to use reliable sources of information, the accuracy, reliability, timeliness, and completeness of interest rate data may vary sometimes, particularly for complex and/or variable rate securities and those with limited or no secondary market. As a result, we can offer no assurance as to the accuracy, reliability, timeliness, or completeness of interest rate data for such securities. Pershing may also occasionally make interest rate updates and adjustments based on its reasonable efforts to obtain accurate, reliable, timely, and/or complete interest rate data from other data sources, but we can similarly provide no assurance that those rates or adjustments will be accurate, reliable, timely, or complete.

When updated interest rate data is received from a third-party data service provider or adjusted by Pershing, the updated data will be reflected in various sources where interest rate data is used or viewed, including both paper and electronic communications and data sources. Prior use or communication of interest rate-related data will not be revised. Since variable interest rates may be subject to change at any time and are only as accurate as the data received from third-party data service providers or otherwise obtained by Pershing, interest rate data should not be relied on for making investment, trading, or tax decisions. All interest rate data and other information derived from and/or calculated using interest rates are not warranted as to accuracy, reliability, timeliness, or completeness and are subject to change without notice. Pershing disclaims any responsibility or liability to the fullest extent permitted by applicable law for any loss or damage arising from any reliance on or use of the interest rate data or other information derived from and/or calculated using interest rates in any way. You should request a current valuation for your securities from your financial adviser or broker prior to making a financial decision or placing an order or requesting a transaction in these securities.

Portfolio Holdings Disclosures (continued)

Structured Products

Structured products in this section are complex products and may be subject to special risks, which may include, but are not limited to: loss of initial investment; issuer credit risk; limited or no appreciation; risks associated with the underlying reference asset(s); no periodic payments; call prior to maturity (a redemption could affect the yield represented); early redemption fees or other applicable fees; price volatility resulting from issuer's and/or guarantor's credit quality; lower interest rates and/or yield compared to conventional debt with a comparable maturity; unique tax implications; concentration risk of owning the related security; limited or no secondary market; restrictions on transferability; conflicts of interest; and limits on participation in appreciation of underlying asset(s). To review a complete list of risks, please refer to the offering documents for the structured product. For more information about the risks specific to your structured products, you should contact your financial institution or advisor. Certain structured products are designed to make periodic distributions to you and any such structured product distributions you receive will be listed in the Transactions section of your statement. Structured product distributions may be listed there as "Bond Interest Received"; however, this description is not intended to reflect a determination as to either the asset classification of the product or the U.S. tax treatment of such distributions.

Income and Expense Summary

	Current Period		Year-to-Date	
	Taxable	Non Taxable	Taxable	Non Taxable
Dividend Income				
Money Market-Non-Qualified	11.73	0.00	42.63	0.00
Interest Income				
Bond Interest	0.00	0.00	625.00	0.00
Total Income	\$11.73	\$0.00	\$667.63	\$0.00

Activity Summary (All amounts shown are in base currency)

	Current Period		Year-to-Date		Net Year-to-Date	
	Credits This Period	Debits This Period	Net This Period	Credits Year-to-Date	Debits Year-to-Date	Net Year-to-Date
Dividends and Interest						
	\$11.73	\$0.00	\$11.73	\$667.63	\$0.00	\$667.63
Fees						
	\$0.00	\$0.00	\$0.00	\$0.00	-\$1.00	-\$1.00
Totals	\$11.73	\$0.00	\$11.73	\$667.63	-\$1.00	\$666.63

Transactions in Date Sequence

Process/ Settlement Date	Activity Type	Description	Quantity	Price	Accrued Interest	Amount	Currency
04/30/24	MONEY MARKET FUND INCOME RECEIVED Non-Qualified PER38220	GOLDMAN SACHS FSQ				11.73	USD

Total Value of Transactions

The price and quantity displayed may have been rounded.

\$0.00

\$11.73 USD

Money Market Fund Detail

Date	Activity Type	Description	Amount	Balance
Sweep Money Market Fund				
GOLDMAN SACHS FSQ GOVT CMS				
Current Yield: 4.41% Activity Ending: 04/30/24				
03/29/24	Opening Balance		3,243.57	3,243.57
04/30/24	Deposit		11.73	3,255.30
04/30/24	Closing Balance	INCOME REINVEST		\$3,255.30
Total All Money Market Funds				
				\$3,255.30

Messages

The Estimated Annual Income, Estimated Yield and Accrued Interest columns in your Portfolio Holdings section will not display values for variable rate securities. The optional Estimated Annual Income and Accrued Interest fields in the Portfolio at a Glance section of your statement will not include values for these securities.

Transition to Trade Date plus One (T1) Settlements

The U.S. will adopt a shortened settlement timeframe beginning with trade date May 28, 2024, for equities, corporate, municipal bonds and unit investment trusts. Moving from a T2 to a T1 settlement cycle will provide faster access to sale proceeds, but it also means that funds will be due on purchase transactions earlier.

Although a money market mutual fund (money fund) seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in a money fund. Shares of a money fund or the balance of a bank deposit product held in your brokerage account may be liquidated upon request with the proceeds credited to your brokerage account. Please see the money fund's prospectus or the bank deposit product's disclosure document or contact your advisor for additional information. Pursuant to SEC Rule 10b-10(b)(1) confirmations are not sent for purchases into money funds processed on the sweep platform. Pursuant to applicable regulation, account statements will be produced monthly or quarterly. Balances in Federal Deposit Insurance Corporation (FDIC)-insured bank deposit-sweep products are not protected by Securities Investor Protection Corporation (SIPC).

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Upper San Gabriel Valley Municipal Water District
Summary of Director Outreach Expenses
For the period ended April 30, 2024

Director	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	YTD Actual	Balance Remaining
Director Chavez	\$ -	-	-	1,250.00	-	-	-	-	-	500.00	\$ 1,750.00	\$ 3,250.00
Director Fellow	162.50	37.55	1,000.00	500.00	-	500.00	352.00	-	-	-	2,552.05	2,447.95
Director Treviño	600.00	-	550.00	448.00	290.00	-	220.00	-	200.00	1,000.00	3,308.00	1,692.00
Director Santana	312.50	135.00	500.00	-	1,200.00	250.00	331.00	-	-	500.00	3,228.50	1,771.50
Director Garcia	-	750.00	550.00	-	-	-	-	-	-	-	1,300.00	3,700.00
Total	\$ 1,075.00	922.55	2,600.00	2,198.00	1,490.00	750.00	903.00	-	200.00	2,000.00	\$ 12,138.55	\$ 12,861.45

Upper San Gabriel Valley Municipal Water District
Director Public Outreach Program Expenses
For the period ended March 31, 2024

Director Chavez

<u>Paid Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check #</u>	<u>Recipient</u>
10/25/23	Epiphany 3rd Annual Oktoberfest Car & Bike Show	1,250.00	23640	Epiphany Catholic School
04/17/24	Volleyball Team Dinner Sponsorship	500.00	23778	Los Altos High School
		Total		
		<u>1,750.00</u>		
	Outreach Fund Balance	<u>3,250.00</u>		

Upper San Gabriel Valley Municipal Water District
 Director Public Outreach Program Expenses
 For the period ended March 31, 2024

Director Fellow

<u>Paid Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check #</u>	<u>Recipient</u>
07/12/23	Membership Dues: 07/01/23 - 07/01/24	162.50	23555	El Monte/S. El Monte Chamber of Commerce
08/01/23	Meeting	37.55	22118	Monrovia Foundation of the Arts
09/20/23	Art in the Park Sponsorship	1,000.00	23617	Monrovia Association of Fine Arts
10/25/23	OAKtober 2023 Sponsorship	500.00	23641	Grow Monrovia
12/20/23	14th Annual Neighborhood Conference Sponsorship	500.00	23686	City of Monrovia
01/31/24	Membership Dues: 10/01/23 - 09/30/24	352.00	23718	Arcadia Chamber of Commerce
	Total	<u><u>2,552.05</u></u>		
	Outreach Fund Balance	<u><u>2,447.95</u></u>		

Upper San Gabriel Valley Municipal Water District
 Director Public Outreach Program Expenses
 For the period ended March 31, 2024

Director Treviño

<u>Paid Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check #</u>	<u>Recipient</u>
07/19/23	2023 Parti-Gras Tickets	600.00	23562	South Pasadena Education Foundation
09/20/23	34th Annual Awards Dinner	550.00	23619	Asian Youth Center
10/11/23	2023 Tiger Run Sponsorship	300.00	23633	South Pasadena High School Tiger Booster
10/25/23	Installation Award Gala & Milestone Recognition	148.00	23644	Rosemead Chamber of Commerce
11/22/23	Membership Renewal 7/01/23 - 6/30/24	290.00	23670	Rosemead Chamber of Commerce
01/24/24	2024-2025 Annual Membership	220.00	23715	San Gabriel Chamber of Commerce
03/26/24	State of Public Safety in San Gabriel Valley	100.00	23764	Temple City Chamber of Commerce
03/26/24	Membership Renewal 2023-2024	60.00	23765	Temple City Chamber of Commerce
03/26/24	Legislative Lunch	40.00	23766	Temple City Chamber of Commerce
04/24/24	2024 Local 300 Scholarship Fundraiser	1,000.00	23783	Local 300 Scholarship Fund
	Total	<u><u>3,308.00</u></u>		
	Outreach Fund Balance	<u><u>1,692.00</u></u>		

Upper San Gabriel Valley Municipal Water District
 Director Public Outreach Program Expenses
 For the period ended March 31, 2024

Director Santana

<u>Paid Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check #</u>	<u>Recipient</u>
07/12/23	2023 Summer Concert Series	150.00	23554	City of Duarte
07/12/23	Membership Dues: 07/01/23 - 07/01/24	162.50	23555	El Monte/S. El Monte Chamber of Commerce
08/04/23	Membership Dues: 07/01/23 - 06/30/24	50.00	23571	Baldwin Park Business Association
08/04/23	66th Annual Community Picnic	85.00	23572	City of Duarte
09/26/23	Dia De Los Muertos 2023	500.00	23620	Downtown El Monte Business Association
11/09/23	1st Annual Virtual Golf Tournament Sponsorship	200.00	23658	San Gabriel Valley Conservation and Service Corps
11/15/23	Tamalada Gala Sponsorship	1,000.00	23661	Community Partners FBO
12/06/23	BBQ Fundraiser	250.00	23677	San Gabriel Police Officers' Association
01/24/24	2024-2025 Annual Membership	331.00	23710	Duarte Chamber of Commerce
04/10/24	San Gabriel Valley Woman's Summit Sponsorship	500.00	23770	Duarte Chamber of Commerce
	Total	<u><u>3,228.50</u></u>		
	Outreach Fund Balance	<u><u>1,771.50</u></u>		

Upper San Gabriel Valley Municipal Water District
 Director Public Outreach Program Expenses
 For the period ended March 31, 2024

Director Garcia

<u>Paid Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check #</u>	<u>Recipient</u>
08/08/23	9th Annual Oak Tree Challenge 5K/1 Mile Run/Walk	250.00	23596	Charter Oak Education Foundation
08/08/23	Vault Boys Baseball Team Season	500.00	23598	Vault Performance Baseball
09/13/23	Festival of Freights	50.00	23610	West Covina Community
09/20/23	Basketball Calendar 2023-2024	500.00	23614	Charter Oak Boys Basketball
Total		<u>1,300.00</u>		
Outreach Fund Balance		<u>3,700.00</u>		

MEMORANDUM



ITEM 7. (d) CONSENT

DATE: June 3, 2024
TO: Board of Directors
FROM: General Manager
SUBJECT: Federal Legislative Summaries

RECOMMENDATION

The Government Affairs and Community Outreach committee recommends that the Board of Directors approve support for the following federal bills: S. 3127, S.4172, S. 4220, S. 4242, H.R. 4385, H.R 6053, H.R. 7922, and H.R. 7944, which are consistent with Upper District's 2023-2024 Legislative Policy Principles adopted by the Board in January 2023.

Federal Bill Analysis

S. 3127 (Merkley-OR): Break Free From Plastic Pollution Act of 2023

Introduced: 10/25/2023; **Status:** Committee on Environment and Public Works.

Summary: This bill would amend the Solid Waste Disposal Act to reduce the production and use of certain single-use plastic products and packaging, to improve the responsibility of producers in the design, collection, reuse, recycling, and disposal of consumer products and packaging, to prevent pollution from consumer products and packaging from entering into animal and human food chains and waterways, and for other purposes. The bill proposes aggressive targets for reducing single-use plastic products, mandates that all single-use beverage containers be reusable, recyclable, or compostable, and calls for a nationwide beverage container refund program. The Act is designed to shift the burden of plastic waste management from consumers and communities to the corporations responsible for producing plastic products.

Analysis: The U.S. faced critical issues with ineffective recycling systems, health and environmental hazards from plastic production, overreliance on single-use plastics, and lack of corporate accountability for plastic waste. The plastics industry continued to grow, contributing to pollution and conflicting with clean energy efforts. Additionally, significant amounts of plastic waste were exported to countries with inadequate waste management systems, exacerbating global pollution. Public demand for action was rising, highlighting the need for comprehensive measures to address plastic pollution and its impacts on health, environment, and communities. This legislation aims to address the escalating plastic pollution crisis through several key measures. It seeks to reduce the production and use of single-use plastics, enhance producer responsibility for plastic waste, and improve the overall management of plastic pollution. The bill acts as the House companion to Congressman Jared Huffman's (CA-2) H.R. 6053.

STAFF RECOMMENDATION: Support

S. 4172 (Kelly-AZ): Drought Resilient Infrastructure Act of 2024

CoSponsors: Senators Padilla, Sinema, Heinrich, Rosen

Introduced: 4/18/2024; **Status:** Committee on Environment and Public Works.

Summary: This bill would direct the U.S. Army Corps of Engineers (Army Corps) to prioritize water conservation or storage efforts at Corps facilities and directs the Army Corps to prioritize these conservation efforts above other Corps missions (like flood control or combating invasive species) during times of drought. The bill provides new Army Corps infrastructure programs to help states, counties, cities, tribes, and other water users construct projects that respond to or prevent worsening drought conditions. Currently, the Army Corps lacks the authority to modify their water operations for conservation purposes.

Analysis: The Army Corps operates more than 700 dams, maintains 900 harbors, and 12,000 miles of inland waterways. As various regions of the country experience drought conditions, the Army Corps is well-positioned to play an important role to help better store sources of drinking water, manage navigable waterways during times of drought, and fund infrastructure improvements that help communities and water users better prepare for and respond to drought conditions. Yet in many instances, the Army Corps of Engineers lacks the necessary authorities to modify the operation of existing Corps facilities or invest in infrastructure improvements in response to drought conditions. The *Drought Resilient Infrastructure Act* gives the Army Corps of Engineers the necessary tools to respond to drought conditions and better manage scarce water resources. The Santa Fe Dam and Whittier Narrows Dam are both operated by the Army Corps, having this flexibility to store water behind these dams for water conservation would provide regional benefits to Upper District's service area.

STAFF RECOMMENDATION: Support

S. 4220 (Wyden-OR): Water, Sanitation, and Hygiene Access Data Collection Act of 2024 (WASH Access Data Collection Act)

Summary: The legislation aims to address the lack of comprehensive data on water and sanitation needs for more than two million Americans who lack reliable access to running water, indoor plumbing, or adequate sanitation systems. It specifically targets vulnerable communities, including communities of color, low-income areas, rural regions, and Tribal reservations.

The bill proposes the establishment of a federal data collection initiative on water access needs across the U.S. and an interagency Water and Sanitation Needs Working Group to survey households without complete water and sanitation services. This effort will enable the federal government to gather the necessary data to effectively close the "water access gap." The bill authorizes \$10 million in annual appropriations for FY25 to FY29.

Analysis: Currently in the United States, there is no comprehensive data collected to accurately measure the water and sanitation access gap across the country. Current federal data undercounts vulnerable communities, underrepresents wastewater services, and contains inconsistencies. As a result, there are not enough investments in critical water service and delivery infrastructure for communities that have suffered from water insecurity, poverty, and health disparities.

STAFF RECOMMENDATION: Support

S. 4242 (Hickenlooper-CO): Drought Preparedness Act

Introduced: 5/2/2024; **Status:** Committee on Energy and Natural Resources.

Summary: This bill reauthorizes through FY2028 the Reclamation States Emergency Drought Relief Act of 1991, which allows the Bureau of Reclamation to provide drought assistance to certain western states. Specifically, the *Drought Preparedness Act* would:

- Reauthorize the Reclamation States Emergency Drought Relief Act through 2028
- Continue authorities for DOI to prepare drought contingency plans and provide technical assistance to State,

- local, and Tribal governments on their drought contingency plans.
- Maintain authorities for DOI loans to water users for drought mitigation projects.
 - Support emergency response actions to minimize damages from drought.

Analysis: The West faces severe water reliability challenges due to climate change, persistent drought, and increasing water scarcity. The changing climate in the West highlights the need for thoughtful planning and work to ensure our infrastructure is more resilient and that planning for changes in land use is considered over the long-term. Reclamation's Drought Response Program is an important program by which Reclamation helps with drought planning and mitigation. If enacted, this bill would extend the Act through 2028.

S.4242 serves as the companion to Representative Joe Neguse's (CO) House bill, H.R. 4385, which passed the House on February 5, 2024, and is now awaiting Senate consideration. The Reclamation States Emergency Drought Relief Act of 1991 is set to expire at the end of Fiscal Year 2023.

STAFF RECOMMENDATION: Support

H.R. 4385 (Neguse-CO): Drought Preparedness Act

Introduced: 6/27/23; **Status:** Passed the House; Senate Committee on Energy and Natural Resources

Summary: Companion bill to Senator Hickenlooper's S.4242. Please refer to bill summary above.

STAFF RECOMMENDATION: Support

H.R. 6053 (Huffman-CA): Break Free From Plastic Pollution Act of 2023

Introduced: 10/25/2023; **Status:** Subcommittee on Conservation, Research, and Biotechnology.

Summary: Companion bill to Senator Merkley's S. 3127. Please refer to bill summary above.

STAFF RECOMMENDATION: Support

H.R. 7922 (Crawford-AR): Water Risk and Resilience Organization (WRRO) Establishment Act

Introduced: 4/10/2024; **Status:** Subcommittee on Environment, Manufacturing, and Critical Materials.

Summary: This legislation establishes a new governing body, the WRRO, with cyber and water-system expertise to develop and enforce cybersecurity requirements for drinking and wastewater systems. The WRRO will work in partnership with the U.S. Environmental Protection Agency (EPA) to ensure cybersecurity measures are both practical and beneficial.

Analysis: The U.S. water infrastructure faced significant vulnerabilities to cyber threats. Hackers increasingly targeted critical infrastructure, including water treatment plants, essential for public health and safety. The federal government, including the FBI and EPA, repeatedly warned about these threats, stressing the need for enhanced cybersecurity measures to protect water systems from potential disruptions and contamination resulting from cyberattacks. The legislation would authorize a WRRO, a sector-led entity, to develop, implement and enforce cybersecurity risk and resilience requirements for drinking and wastewater systems. The WRRO was inspired by the successful model implemented in the U.S. electric sector.

STAFF RECOMMENDATION: Support

H.R. 7944 (Curtis-UT): Water Systems PFAS Liability Protection Act

Introduced: 4/11/2024; **Status:** Committee on Energy and Commerce; Committee on Transportation and Commerce

Summary: This bill would exempt certain entities from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) with respect to releases of perfluoroalkyl and polyfluoroalkyl substances. The bipartisan bill would exempt various water-related entities, such as public water systems, water treatment facilities, municipalities with stormwater discharge authorization, and political subdivisions or special districts acting as wholesale water agencies, from CERCLA cleanup liabilities

Analysis: In 2022, the EPA formally announced plans to designate two of the most common perfluoroalkyl and polyfluoroalkyl substances (PFAS) (PFOA), as hazardous substances under the CERCLA. If finalized, this designation could put drinking water utilities at risk of incurring cleanup liability when they take necessary steps to remove and dispose of PFAS deposited into water supplies by upstream polluting industries. In addition, wastewater and stormwater utilities could also be put at risk as they receive PFAS chemicals through the raw water inflows that arrive at treatment plants or through municipal stormwater runoff.

This bill would provide an exemption to designated water agencies as the EPA is set to soon designate PFAS as a hazardous substance under CERCLA and ensures that eligible entities are safeguarded from cost or damage recovery. resulting from the release of CERCLA covered PFAS substances into the environment. The bill acts as the House companion to Senator Cynthia Lummis' (R-WY) S. 1430, which was introduced on May 3, 2023.

STAFF RECOMMENDATION: Support

MEMORANDUM



ITEM 7. (e) CONSENT

DATE: June 6, 2024
TO: Board of Directors
FROM: General Manager
SUBJECT: Professional Service Agreement with G3LA, LLC

RECOMMENDATION

The Government Affairs and Community Outreach committee recommends that the Board of Directors authorize the General Manager to amend the professional services agreement with G3LA, LLC (DBA G3, Green Gardens Group), for the administration of Upper District's landscape workshop programs and extend the term to June 30, 2026, increasing the contract amount by \$40,000 with a not to exceed total contract amount of \$140,000.

Background

Since October 2020, Upper District has utilized the services of G3LA, LLC (G3), for the administration of landscape workshops and virtual web seminars. During this time, G3 has administered 41 virtual landscape workshops to over 1,500 participants in conjunction with Upper District. G3 provided one-on-one free landscape consultations to Upper District residents at WaterFest in May 2024. These consultations were very well received, and staff anticipates continuing this benefit to Upper District residents at future community events and at WaterFest 2025.

G3 creates educational content and flyers, manages registrations, performs the workshop, handles questions and answers, and executes polls to guide future landscape workshops for the region. Upper District staff attend the workshops to provide a brief explanation of the purpose and vision for the District and is also available to assist with questions that may arise about rebates, water efficiency opportunities, and future events. G3 also meets with Upper District staff twice a year to create innovative workshop content and cater the presentations to the needs and desires of the District. Their understanding of the drought, watering restrictions, and irrigation issues within the District is extensive and their content reflects that expertise.

Staff requests that the agreement be increased by \$40,000 to cover the use of enhanced workshops, in-person opportunities, and highly requested on-demand options for participants. The contract increase and 2-year term extension coincides with the Board's adoption of a biannual budget for FY24-25 and FY25-26.

MEMORANDUM



ITEM 7. (f) CONSENT

DATE: June 6, 2024
TO: Board of Directors
FROM: General Manager
SUBJECT: Professional Services Agreement with 789 inc.,

RECOMMENDATION

The Government Affairs and Community Outreach committee recommends that the Board of Directors authorize the General Manager to amend the professional services agreement with 789 Inc., for public relations services for a one-year term ending on July 30, 2025, increasing the contract by \$66,900 with a not-to-exceed total contract amount of \$133,800.

Background

Since March of 2022, Upper District has utilized the services of 789 inc., to assist in the development and production of Upper District's regional drought messaging campaign, branding and updating marketing materials, website, and social media. 789 inc. provided Upper District with the successful "Thank U" messaging campaign that not only raised awareness of the drought but challenged the consumer to value the water we drink by conserving and saving for future use. Additionally, the rollout of this campaign led to Upper District's largest advertising buy in its history, totaling \$100,000 of paid advertisements across the service area.

In recent months, staff have worked closely with 789 inc. to implement a branding refresh campaign for the agency. In the coming weeks, a full presentation will be provided to the Board with new concepts for the Board to consider and approve. The next phase of branding will consist of updating the Upper District's website, marketing materials and program fact sheets. In addition, having the talent and services of 789 inc., available to staff is a great resource for keeping agency communications on trend as we continually strive to connect and engage with residents.

Staff recommends the Board consider the approval of a one-year term contract extension with 789 Inc. and increase the contract by \$66,900 with a not-to-exceed total contract amount of \$133,800.

MEMORANDUM



ITEM 8. (a) ACTION

DATE: June 12, 2024
TO: Board of Directors
FROM: General Manager
SUBJECT: WaterSMART: Small Scale Water Efficiency Projects Grant Application for Upper District's Water Use Efficiency Plant Voucher Project.

Recommendation

Staff recommends the Board adopt Resolution 06-24-662 endorsing the WaterSMART: Small-Scale Water Efficiency Projects for Fiscal Year 2024 grant application related to Upper District's Water Use Efficiency Plant Voucher Project.

Background

As part of continued efforts to leverage funding opportunities by other funding sources, Upper District is actively applying for grants to supplement the Plant Voucher Program. Currently, the voucher program is funded through Metropolitan's Member Agency Administered (MAA) program for \$103,000 under the restriction of flexible nondocumented water savings funds. Utilizing this funding, Upper District is projecting approximately 400 residents within the service area will qualify for a \$250 plant voucher for low water use plants. Historically, the plant voucher program has been a popular program among residents with the majority of the vouchers are reserved in less than 24 hours.

USBR has announced that applications for grant funding are being accepted for their WaterSmart Small-Scale Water Efficiency Project Grant for 2024 program. The grants provide cost-shared funding for projects that seek to conserve and use water more efficiently, increase the use of renewable energy and improve energy efficiency, benefit endangered and threatened species, facilitate water markets, or carry out other activities to address climate-related impacts on water or prevent any water-related crisis or conflict. The federal share (USBR plus any other sources of federal funding) of any one proposed project shall not exceed \$225,000 with a required maximum of 50 percent of the total project costs coming from federal funding sources.

An application is being prepared for this funding opportunity in an effort to increase Upper District's Plant Voucher Program and double the number of vouchers that can be distributed to residents within the service area. The grant application requires the submittal of a resolution adopted by the Board supporting the grant application, identifying the person authorized to enter into agreements regarding the grant, and verifying the capability to provide the non-grantor share of the project costs.

The application for USBR's WaterSmart Small-Scale Water Efficiency Projects Grant for 2024 is due on July 7th, 2024 and requires that a Resolution be adopted within 30 days of the application submittal. Upper District proposed a grant request of \$100,000 and the matching funds will be spread over FY 2024-25, FY 2025-26, and FY 2026-27 utilizing MWD's MAAP funding.

It is anticipated that the results of the grant application will be available in Spring 2025 at which time, the current funded program will open for Spring applications.

Staff recommends the Board support this effort which is consistent with Upper District's adopted *2023 Strategic Plan: Goal 2; Strategy 3; Objective 1 – Identify and pursue grant opportunities to implement Upper District programs and/or local projects.*

<<Attachment>>

RESOLUTION NO. 06-24-662

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
ENDORING WATERSMART: SMALL-SCALE WATER EFFICIENCY PROJECTS
FOR FISCAL YEAR 2024**

WHEREAS, the United States Bureau of Reclamation is currently offering grant opportunities through the WaterSMART: Small-Scale Water Efficiency Grants for Fiscal Year ("FY") 2024; and

WHEREAS, said WaterSMART: Small-Scale Water Efficiency Grants for FY 2024 is a cost-shared program emphasizing projects that conserve, better manage, or otherwise make more efficient use of water supplies; and

WHEREAS, the Board of Directors of Upper San Gabriel Valley Municipal Water District ("Board") supports the submission by the Upper San Gabriel Valley Municipal Water District ("Upper District") of a grant application, prepared and approved by the Upper District, to the Small-Scale Water Efficiency Grants for FY 2024; and

WHEREAS, Upper District is capable of providing the matching funds in the amount of \$108,000 in cash and/or in-kind contributions required in the grant application process; and

WHEREAS, if selected for a WaterSMART: Small-Scale Water Efficiency Grants for FY 2024, Upper District will work with the United States Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER SAN
GABRIEL VALLEY MUNICIPAL WATER DISTRICT as follows:**

Section 1. The Board approves the submission of the application for the WaterSMART: Small-Scale Water Efficiency Grants for FY 2024 by Upper District for fiscal years 2024-25, 2025-26, and 2026-27.

Section 2. In the event grant funding is provided by the United States Bureau of Reclamation, the Board authorizes the General Manager of Upper District to accept the grant and sign any contract for administration of the grant funds and delegate the Chief Financial Officer to act as a fiscal agent for any grant funding received.

Section 3. This resolution shall take effect immediately.

Section 4. The Secretary shall certify the adoption of this resolution and henceforth and thereafter the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED on June 12, 2024.

Jennifer Santana, President

ATTEST:

Ed Chavez, Secretary

(SEAL)

APPROVED AS TO FORM:

Steven P. O'Neill, District Counsel

MEMORANDUM



ITEM 8. (b) ACTION

DATE: June 6, 2024
TO: Board of Directors
FROM: General Manager
SUBJECT: Biennial Budget for Fiscal Years 2024/25 and 2025/26 and Cost-of-Living Adjustment Effective July 1, 2024

Recommendation

Staff recommends that the Board of Directors approve the biennial budget for fiscal years 2024/25 and 2025/26, including a cost-of-living adjustment for district wages equivalent to 3.9% effective July 1, 2024.

Background

The formal budget process typically begins in January with midyear reviews of the administrative and program expenses by the respective committees. In March and April, staff presented the proposed initiatives and biennial budgets for fiscal years 2024/25 and 2025/26 to the respective committees as well as a first draft of the consolidated budget to the Administration and Finance Committee and the full board in May. Staff also presented the budget and impacts to Upper District's rates and charges along with several rate options to the producers and Watermasters' Basin Water Management Committee.

The Metropolitan Water District of Southern California also went through its budget process, finally adopting biennial budgets for fiscal years 2024/25 and 2025/26 and the water rates and charges for calendar years 2025 and 2026 on April 9th. Metropolitan's recently adopted rates and charges presented some challenges and opportunities for Upper District. Metropolitan staff initially proposed a total overall rate increase of 21% over the biennium with a full service untreated volumetric rate increase of 11% in 2025 and 6% in 2026. Following a series of discussions and board workshops and consideration of several options, the Metropolitan board adopted Option 1 which came with a lower overall volumetric rate increase of 17% over the biennium, but with a higher property tax rate (.0070% vs .0035%), higher readiness-to-serve (RTS) charge (\$181 million vs. \$167 million) and higher capacity charge (\$13,000 per CFS vs \$10,800 per CFS) for FY 2024/25.

On average, more than 90% of Upper District sales consist of untreated water and since Metropolitan's adopted rates for untreated water are significantly lower than initially proposed (\$912 per AF vs \$1,006 in CY 2025 and \$984 per AF vs \$1,069 per AF in CY 2026), the forecasted volumetric cost for passthrough to the producers would be lower. However, Metropolitan's higher RTS for CY 2025 and 2026 compounded by Upper District's increasing share of the RTS and a relatively fixed source of revenue to offset the charge has put significant pressure on Upper District's surcharge and the minimum untreated water volume needed to meet the required SRF debt service ratio as shown on Table 1 and Table 2.

Table 1. Historical Metropolitan RTS and Upper District's RTS Share

Fiscal Year	MWD RTS (\$)	UD %	UD RTS (\$)	MWD SBC (\$)	NET RTS (\$)
FY16/17	144,000,000	1.17%	1,687,880	1,903,785	(215,905)
FY17/18	137,500,000	1.35%	1,851,056	1,893,378	(42,322)
FY18/19	136,500,000	1.51%	2,056,890	1,988,345	68,545
FY19/20	134,500,000	1.50%	2,020,578	1,979,684	40,894
FY20/21	133,000,000	1.79%	2,386,467	2,153,132	233,335
FY21/22	135,000,000	1.99%	2,681,327	2,097,013	584,314
FY22/23	147,000,000	2.02%	2,963,609	1,975,451	988,158
FY23/24B	160,500,000	2.27%	3,648,300	1,950,000	1,698,300
FY24/25B	174,000,000	2.62%	4,565,067	1,950,000	2,615,067
FY25/26B	184,500,000	2.83%	5,217,496	1,950,000	3,267,496
			29,078,669	19,840,788	9,237,881

Table 2. Portion of Upper District Covering Net RTS

Fiscal Year	NET RTS (\$)	Minimum Purchase (AF)	Portion of \$103 Surcharge Covering Net RTS (\$)
FY21/22	584,314	30,000	19.48
FY22/23	988,158	30,000	32.94
FY23/24B	1,698,300	35,000	48.52
FY24/25B	2,615,067	44,000	59.43
FY25/26B	3,267,496	52,000	62.84

Staff is not recommending adoption of Upper District's water rates and charges for CY 2025 and 2026 at this time as Upper District continues to work with Watermaster and the producers to develop a viable rate option that addresses the growing revenue gap arising from Metropolitan's RTS charge and also meets the District's revenue requirements. Several options are being explored including keeping the surcharge at its current level (\$103 per AF) with higher minimum purchases, increasing the surcharge for calendar years 2025 and 2026 with lower minimum purchases, passthrough of some or all of Metropolitan's RTS charge with lower minimum purchases and lower surcharge, or a combination of these options. Proposed water rates and charges for calendar years 2025 and 2026 will be presented to the Board later this year. For budget purposes, staff used the minimum untreated water sales needed to meet Upper District's revenue requirements assuming the current surcharge is maintained.

Proposed Biennial Budget for FY 2024/25 and FY 2025/26

Uses of funds for the proposed FY 2024/25 and FY 2025/26 budget years total \$56.55 million and 65.40 million, respectively. The increases between years, \$9.16 million from FY 2023/24 and \$8.84 million from FY 2024/25 are mainly due to higher assumed untreated purchases. Cost reductions identified in prior years will be maintained and carried over for the biennial budgets. These include savings from reduction in total FTE personnel and legislative consultants as well as avoided lease expenses. The biennial budget also reflects additional personnel expense reductions of \$0.14 million in FY 2024/25 and \$0.15 million in FY 2025/26 from retiree health reimbursements from the CERBT trust fund. The budget book, enclosed as Attachment 1, provides a detailed discussion of the biennial budget including detailed tables for FY 2024/25 and FY 2025/26. Budget highlights include:

- Projected treated water sales – 3,000 AF
- Minimum untreated water sales needed – 44,000 AF in 2025 and 52,000 AF in 2026
- Upper District surcharge assumed unchanged at \$103 per AF
- Increase in imported water cost due to increases in Metropolitan’s rates:
 - For treated water: 11% and 10% increase effective January 1, 2025 and January 1, 2026, respectively.
 - For untreated water: 1% and 8% increase effective January 1, 2025 and January 1, 2026, respectively.
- Increase of \$0.92 million in Upper District’s RTS share in FY 2024/25 and \$0.65 million in FY 2025/26
- \$0.27 million from Metropolitan’s Member Agency Administered Allocation Program will fund a significant portion of the District’s Water Use Efficiency Program for FY 2024/25 and for FY 2025/26
- Net income from operations of \$184 thousand in FY 2024/25 and \$203 thousand in FY 2025/26
- Debt service coverage ratio of 123% in FY 2024/25 and 126% in FY 2025/26
- Annual capital expenditures of \$197 thousand for the biennium
- Reserves – \$13,000 outflow in FY 2024/25 and \$6,000 inflow in FY 2025/26

Cost of Living Adjustment (COLA) Effective July 1, 2024

Each fiscal year, the Board of Directors considers adjustment of District wages and salaries to account for inflation. The Consumer Price Index (CPI) for the Los Angeles -Long Beach-Anaheim areas for the one-year period ending in April has been used historically to measure inflation and as basis for Upper District COLA adjustments. The CPI for the Los Angeles-Long Beach-Anaheim areas for the period April 2023-April 2024 is equivalent to 3.9% (Attachment 2). If approved, the COLA will increase total personnel expenses by \$4,360 per month or \$52,320 per year which are included in the proposed budget.

//Attachments

BIENNIAL BUDGET

FISCAL YEARS
2024 / 25 and 2025 / 26

Upper District

Biennial Budget

Fiscal Years 2024/25 and 2025/26

June 12, 2024

Staff Report

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About Upper District

District Profile

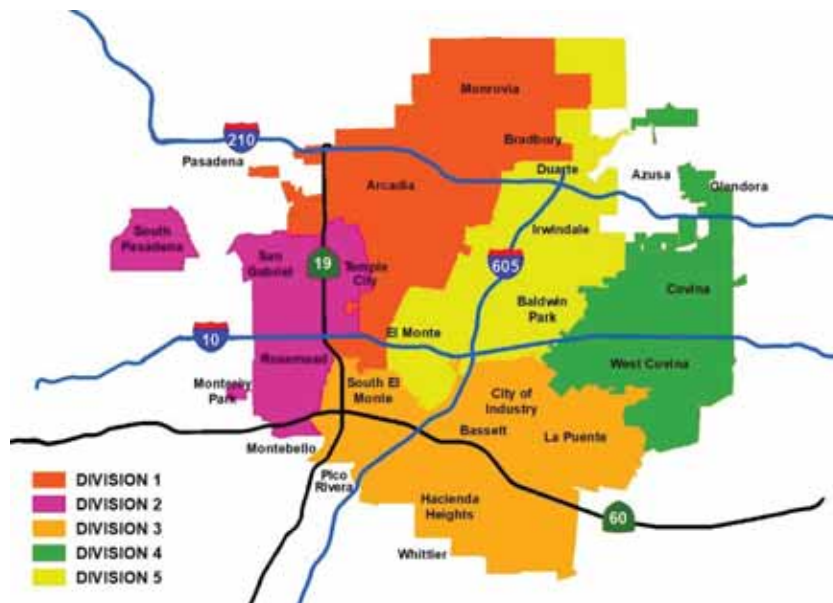
History

Upper District, formed by voters in the San Gabriel Valley on December 8, 1959 to help solve water problems in the rapidly developing San Gabriel Valley, was later incorporated in 1960. On March 12, 1963, residents of the District voted to annex to the Metropolitan Water District of Southern California (Metropolitan), to provide supplemental water, first from the Colorado River and later the State Water Project, to replenish local groundwater supplies.

The Upper District played a vital role in determining water rights within the Main San Gabriel Basin by acting as plaintiff in the 1973 court case of the Upper San Gabriel Valley Municipal Water District, Plaintiff, v. City of Alhambra, et al, Defendants. This case brought about the creation of the Main San Gabriel Basin Watermaster (Watermaster) to administer and enforce provisions of the Judgment.

Service Area

Five elected Directors, each serving a 4-year term and representing a designated geographic area within the Upper District's boundaries, govern the Upper District. Most of the water imported into the Upper District service area is used to replenish the Main San Gabriel Groundwater Basin. A small percentage is purchased by city water departments and private water utilities for direct sale to customers.



Board of Directors



Division 1 – Director Anthony R. Fellow, Ph.D.
Representing all or parts of Arcadia, Bradbury,
El Monte, Monrovia, and Temple City



Division 2 – Director Charles M. Treviño
Representing all or parts of Rosemead, San Gabriel, South
Pasadena, South San Gabriel, and Temple City



Division 3 – Director Ed Chavez
Representing all or parts of Avocado Heights, Bassett, City of
Industry, Hacienda Heights, La Puente, North Whittier, South El
Monte, and Valinda

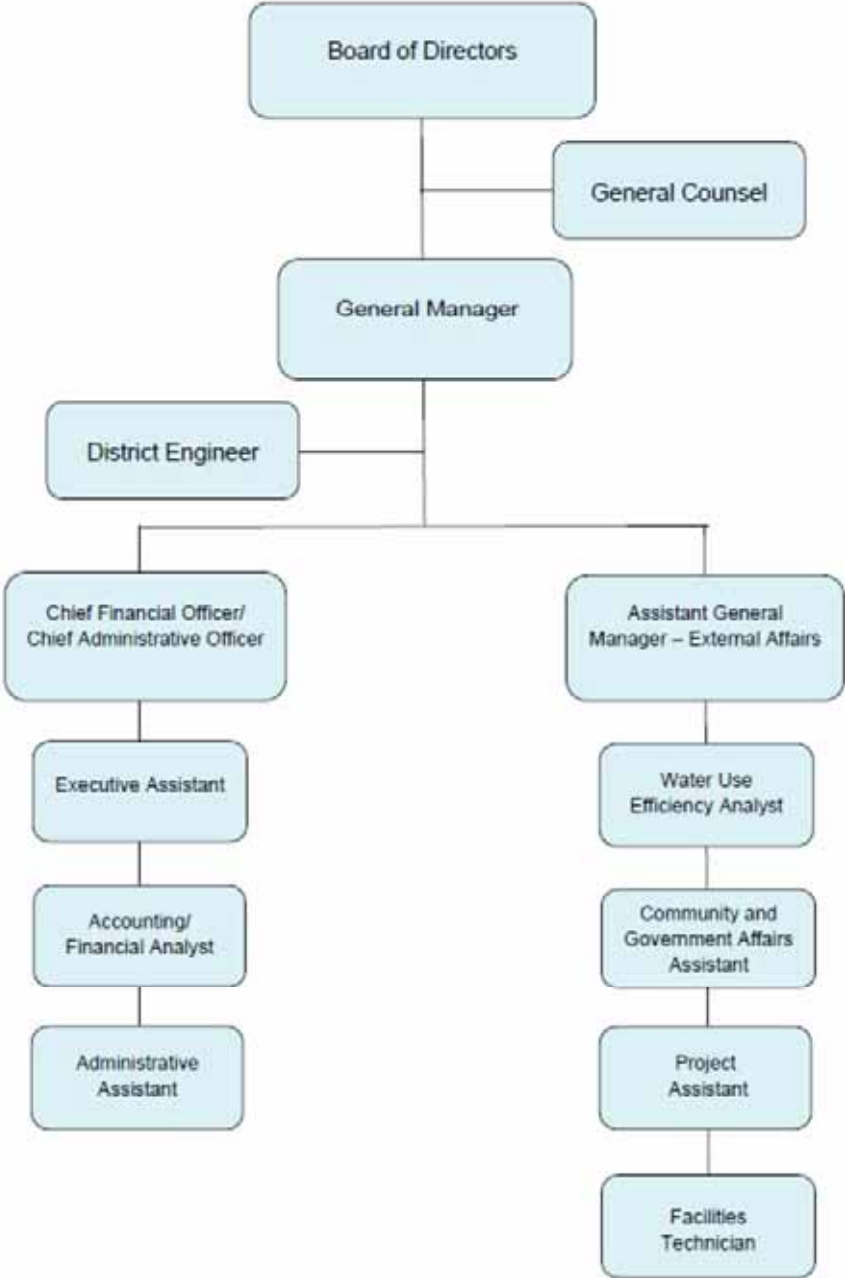


Division 4 – Director Katarina Garcia
Representing all or parts of Azusa, Covina, Glendora, and West
Covina



Division 5 – Director Jennifer Santana
Representing all or parts of Baldwin Park, Duarte, El Monte and
Irwindale

Organization Chart



During fiscal year 2023/24, the Board of Directors approved the conversion of a part-time position to full-time Facilities Technician position. No additional positions are budgeted for fiscal years (FY) 2024/25 and 2025/26. As the chart above shows, Upper District has a relatively small workforce of 10 full-time equivalents (FTEs) working to implement Upper District’s program initiatives and goals.

Vision

Upper District aims to support a high quality of life in the greater San Gabriel Valley by providing valued water services.

Mission

Upper District's mission is to consistently meet our region's need for reliable, high quality and affordable water.

Core Values

The Upper District team, consisting of Board and staff, will embody the following core values in conducting the business of the district:

- Diversity - Our team will maintain an inclusive culture that is characterized by civility, respect, and consideration of all viewpoints and reflects the community we serve.
- Collaborative – Our team is collaborative, supporting each other's efforts, loyal to one another, and cares for each other both personally and professionally.
- Innovative – Our team will encourage and value the introduction of new ideas and methods.
- Integrity – Our team will consistently adhere to high moral and ethical principles.
- Professionalism – Our team will professionally, respectfully, and responsively serve the needs of its customers.
- Transparency – Our team will interact with all in a fair, open and honest manner.

Strategic Plan

Upper District's strategic plan is intended to be a living document and serves as a blueprint for how Upper District will respond to current challenges and make the best of future opportunities for the benefit of its customers. Following a three-month process and working with the Board of Directors, the producers and other stakeholders, the strategic plan was reviewed and updated in 2023.

The 2023 Strategic Plan includes the following high-level goals:

1. Water Reliability - Provide reliable water services that meet the needs of the communities served.
2. Financial Integrity – Effectively and efficiently manage financial resources.
3. Workforce and Governance - Maintain a trained and motivated workforce, an informed and engaged Board of Directors, and effective business processes.

4. Community Representation and Engagement – provide responsive local governance, value, legislative engagement, and outreach to the producers and the communities served.

Management and staff identified 23 specific strategies and 95 measurable objectives for each goal area to ensure proper actions are taken to fulfill the commitment implicit in each goal area.

Major Accomplishments

Planning

Every five years, Upper District prepares and adopts an Urban Water Management Plan (UWMP) as required under the California Water Code. UWMPs are prepared by California’s urban water suppliers to ensure adequate water supplies are available to meet existing and future water demands. Every urban water supplier that either provides over 3,000 acre-feet of water annually or serves more than 3,000 or more connections (either directly or indirectly) is required to assess the reliability of its water sources over a 20-year planning horizon considering normal, dry, and multiple dry years. Upper District’s 2020 UWMP was adopted on June 10, 2020. The Department of Water Resources completed its review of the District’s UWMP in May 2022 and determined the plan’s compliance with the California Water Code. The budget for fiscal years 2024/25 and 2025/26 includes provision for the development of the 2025 UWMP.

In 2013, the Board of Directors approved Upper District’s Integrated Resources Plan (IRP). The plan identified specific strategies and a preferred resource mix to overcome water supply challenges through 2035. In 2016, an update was provided to the Board regarding changed conditions from the IRP adopted in 2013. Upper District’s IRP update for 2021 was temporarily placed on hold to allow Metropolitan to complete its process. In 2022, Metropolitan adopted an updated IRP needs assessment which has since been expanded into a broader Climate Adaptation Master Plan for Water (CAMP4W). Working with Stetson Engineers Inc. (Stetson), Upper District resumed work to update its IRP in 2024.

Upper District’s Long Range Financial Plan (LRFP) serves as a planning tool that helps identify prudent strategies and actions for long-term sustainability by ensuring sufficient financial resources are available to Upper District to achieve its mission. The LRFP provides guidance on the management of available resources, capital needs and service objectives.

Imported Water

Upper District championed policies to support sustainable groundwater management and fair treatment of San Gabriel Valley ratepayers and taxpayers.

The new 10-year cyclic storage agreement executed by Upper District, Metropolitan and Watermaster in March 2022 provided much needed flexibility in moving water into the Main San Gabriel Basin (Basin) by allowing Metropolitan to deliver and store up to 200,000 acre-feet of water in advance of demand from Watermaster and Upper District.

Between calendar years 2017 and 2019, Metropolitan deliveries to its cyclic account, including transfers from San Gabriel Valley Municipal Water District's cyclic account, totaled about 160,630 acre-feet. By the end of 2022, Watermaster and Upper District have purchased most of this water, leaving only a balance of 24,105 acre-feet in Metropolitan's cyclic account. Working with Watermaster, Upper District placed another cyclic order in March 2023 for 125,000 acre-feet of untreated water to be delivered by Metropolitan between June and December 2023. However, because of shutdowns, scheduled maintenance work at the Santa Fe Dam, percolation and flow issues, Metropolitan was only able to deliver 29,525 acre-feet of this order to its cyclic account in 2023. In December 2023, Watermaster and Upper District purchased all the remaining water in Metropolitan's cyclic account totaling 53,630 acre-feet. As of April 2024, untreated water in Upper District and producer cyclic storage accounts represents about nine feet of groundwater elevation at the Baldwin Park Key Well.

Since 2015, Upper District has been prepurchasing untreated water for storage. In December 2023, the Board of Directors authorized the purchase of up to 10,000 acre-feet of additional water for cyclic storage. However, due to the limited cyclic water deliveries from Metropolitan in 2023, Upper District was only able to purchase about 3,900 acre-feet of water for storage. By the end of fiscal year 2023/24, the District will have about 8,700 acre-feet of water in its storage account. Upper District may consider future "preemptive" imported water deliveries while Metropolitan has supplies available and can accommodate deliveries. These future decisions may be economically viable utilizing District reserves and continue the vision of a "wet water"-based management solutions.

The limitations on the USG-3 flows, including erosion at maximum capacity of 400 CFS, needed maintenance at the County/MWD crossing, and the percolation capacity of the spreading grounds, prompted the creation of a task force in August 2023 which has been meeting periodically to discuss improvements and find solutions to these limitations. The task force includes representatives from Upper District, Metropolitan, Los Angeles County Department of Public Works and Stetson Engineers Inc. Several alternatives have been identified for

consideration including cost sharing and funding options under each alternative to minimize direct capital cost to Upper District.

Metropolitan launched its Reverse Cyclic Program (RCP) in 2022 as another strategy for preserving SWP supplies during low allocation years through deferment of deliveries to a future wet year. This program allowed member agencies to purchase imported water during calendar year 2022 for deferred delivery in future years at Metropolitan's discretion, but no later than five full calendar years from the date of purchase. Upper District purchased 15,000 acre-feet of RCP water on behalf of Watermaster in December 2022. About four thousand acre-feet of this RCP water was delivered in June 2023 while the remaining 11,000 acre-feet was delivered in July 2023. Metropolitan did not reauthorize the RCP program for 2023 nor 2024.

In 2023, the Quagga Mussel Control Plan was submitted for approval by the Department of Fish and Wildlife and the Los Angeles Flood Control District as part of Upper District's efforts to get Colorado River water (CRW) into the basin. The plan, which includes provisions for control and containment, post-delivery eradication, testing and monitoring, identified four sections of the San Gabriel River. Control methods and monitoring strategies have been developed for each section. This effort can potentially save up to 50 thousand acre-feet of SWP supplies annually. Upper District intends to annually review and update the Quagga Mussel Control Plan.

Recycled Water

The Direct Reuse Program provided for the phased construction of a recycled water distribution system used to provide water for irrigation purposes. Receiving over \$30 million in state and federal funding, Upper District completed the final site to be connected under the Package 3 and 4 Customer Retrofits Project in June 2015. The direct reuse recycled water system includes over 20 miles of 4" to 24" pipelines; several pump stations and a 2-million-gallon reservoir. This system is anticipated to serve about three million gallons per day or 3,000 acre-feet per year, directly offsetting the need to import increasingly expensive imported water.

Recognizing the need to continue developing all feasible potential direct reuse recycled water projects, Upper District's Board of Directors approved a new project delivery model in 2015. Under this new approach, Upper District will function as the lead agency for CEQA, provide technical support services, and help finance the project by securing grant funds. The partner producer will finance the remaining balance of the project costs, construct, own and operate the project and pay Upper District's operating costs for recycled water and 80 percent of Upper District's surcharge.

The first three projects delivered under this model are the South El Monte Recycled Water Expansion Project with a project yield of 72 AFY, the Rose Hills Recycled Water Project with a

projected yield of 600 AFY, and the La Puente Valley County Water District Recycled Water Project with a projected yield of 60 AFY. These projects, which are now complete and delivering recycled water, received \$2.17 million in Proposition 84 grant funds from the Department of Water Resources through Upper District.

The District also continues to support Pure Water Southern California, Metropolitan’s large-scale, regional advanced treated wastewater project currently in the environmental planning phase.

Stormwater

Stormwater is often considered a nuisance because it mobilizes pollutants such as motor oil and trash. In most cases, stormwater flows directly to water bodies through sewer systems, contributing a major source of pollution to rivers, lakes, and the ocean. Stormwater discharges in California are regulated through National Pollutant Discharge Elimination System (NPDES) permits. However, storm water may also act as a resource and recharged to groundwater when properly managed.

Stormwater capture facilities in the Upper San Gabriel River Watershed have substantial capacity for capture of precipitation that falls within the upper watershed. Facilities owned and operated by the Los Angeles County Flood Control District capture runoff in three reservoirs in San Gabriel Canyon and use the captured water to replenish the groundwater basin. These facilities capture over 95% of all rainfall in the upper watershed.

The Los Angeles Water Board regulates discharges from medium and large municipal separate storm sewer systems (MS4s) through the Los Angeles County, Long Beach, and Ventura County MS4 Permits. These permits are issued under the NPDES Program. Upper District assisted the San Gabriel Valley Council of Governments in developing strategies toward reaching MS4 stormwater permit compliance.

Conservation

Upper District’s dynamic public outreach programs continue to enhance the performance of its conservation rebate programs. During the last five years, rebate programs provided over \$2 million to San Gabriel Valley residents for water efficient devices and turf removal, generating a lifetime water savings of about 2,620 acre-feet.

Following the success of the “Water Smart Home Program” in 2022, Upper District revamped the program to allow for a greater audience reach by introducing the “Water Smart Home Kit”. The kit contains the same replacement devices and educational materials with the addition of a showerhead, shower start device, and toilet flapper. The educational materials included in the kit

provide a QR code which links the user to the Upper District website containing educational videos for repair and replacement of devices. The program continued to focus on assisting DAC residents become more water efficient until Upper District was awarded a WATERSMART grant from the US Bureau of Reclamation in 2024. This grant doubles the reach of the program and includes residents regardless of DAC status. At the end of FY 2023/24, the program will provide over 1,000 kits to residents within the Upper District service area.

Snow and rainfall levels climbed to above average during the past fiscal year and groundwater storage has recovered to near average levels due to stormwater capture and imported water deliveries. Even with the unprecedented 100% State Water Project allocation, the availability of imported water deliveries were limited due to flood control operations and unforeseen maintenance required at the Santa Fe Spreading Ground facilities by Los Angeles County Public Works. The Upper District recognizes the need to continue building on its conservation efforts regardless of water supply availability by emphasizing best water efficient practices as a continued way of life for its residents and businesses.

Education & Community Outreach

Upper District implements a variety of education programs including a “Water is Life” student art contest, Water Education Grant Program (WEGP), and its 4th-7th grade Sustainable Watershed Education Program. The WEGP offers teachers grants of up to \$1,000 for implementing water-related curriculum or projects. Twenty-one WEGP applicants received a total of \$19,648 in grants for FY 2023/24 that directly involved 2,083 students. Upper District’s 4th-7th grade Sustainable Watershed Education Program is on track to serve well over 3,000 students throughout the San Gabriel Valley during the 2023/24 school year.

Educational public workshops were hosted online and free of charge. Topics covered an array of water efficient topics such as turf maintenance, composting, edible gardening, planter beds, drip irrigation, weed and pest management, firescaping, and leak detection. The online workshop series garnered high participation rates with close to 800 individuals attending 15 workshops hosted by the Upper District during FY 2023/24.

Upper District’s Watershed Restoration Program, hosted in partnership with the U.S. Forest Service, actively engages volunteers with tree planting and clean-up efforts within the San Gabriel River watershed. Upper District was pleased to be able to host four events in FY 2023/24 after being unable to host volunteer events due to the impact of the Covid 19 pandemic. Since the start of the program in 1991, approximately 13,900 volunteers have planted over 141,000 tree saplings and collected over 5,255 lbs. of garbage.

Upper District held its annual WaterFest in May 2024 which was held in partnership with the Los Angeles County Department of Parks and Recreation. The educational event features interactive booths, environmental displays, informative presentations, and free water-saving materials. The event was fun and engaging with over 50 exhibitors and approximately 1,500 participants.

For FY 2024/25 and FY 2025/26, Upper District expects to maintain the same level of programming with slight adjustments to the budget to account for expected rate increases in advertising, industry memberships and inflationary pricing for materials. Upper District will continue to partner with local and regional entities to maximize the reputational branding for the agency and seek opportunities for state and federal grants to boost conservation programs.

Government Affairs

Both Congress and the state legislature are entering the second year of the legislative session for 2023-2024. The biggest issue the Governor and the California Legislature will have to address in 2024 is a significant budget deficit. The Governor projects a shortfall of \$38 billion and has proposed addressing the deficit by dipping into the State's rainy day fund, using \$13 billion of the \$30 billion available. The Governor also proposes a variety of budget cuts and funding deferrals to make up the shortfall. The Legislative Analyst Office projects a greater deficit of \$73 billion as a result of the economic downturn.

On the federal level, Congress continues to struggle to pass a comprehensive federal budget and has spent much of the 118th Congressional Session passing short-term continuing resolutions (CR) to avoid a government shutdown. In addition, 2024 is a presidential year and Congress has been sidelined by party politics. It is expected that the FY25 appropriations budget deadline on September 30th will be met with similar CRs through the end of the year.

Other significant policy issues impacting the state legislature and Congress are plastic reduction legislation, PFAS/PFOA funding for treatment and cleanup and the release of the State Water Resources Control Board's [revised draft regulation](#) for *Making Conservation a California Way of Life*. The revised text includes significant changes that address the Association of California Water Agencies and local water suppliers' concerns. The revised draft regulation outlines unique water use efficiency goals for each urban retail water supplier, including urban water use efficiency standards, variances, an urban water use objective, and commercial, industrial, and institutional measures.

In January 2023, Upper District's Board of Directors adopted the 2023/24 Legislative Policy Principles which coincided with the start of the new legislative session. Upper District staff will propose a revised 2025/26 Legislative Policy Principles document for the Board to consider in conjunction with the start of a new 2-year legislative session in 2025. Upper District will continue

to engage on issues that will advance the sustainability goals of the San Gabriel Watershed, and advocate positions that are consistent with Upper District's mission.

Finance and Administration

Upper District remains committed to the effective and efficient management of its financial resources through sound fiscal management. Over the years, the Board of Directors supported staff in creating efficiencies and implementing cost containment measures within the District.

In 2014, Upper District began prefunding Upper District's other post-employment benefit (OPEB) liability through the California Employers' Retiree Benefit Trust (CERBT). As of the latest valuation with measurement date of June 30, 2023, Upper District's OPEB is essentially fully funded at 96%, having total trust assets of \$2.35 million. As of the quarter ended March 31, 2024, assets held in trust total \$2.59 million. The CERBT trust fund was initially established to take advantage of higher discount rate assumptions which translate to lower annual required contributions and unfunded liability over time as well as getting access to higher yielding investments. Since the trust assets have grown and now sufficiently cover the OPEB liability, the trust fund can now be used as an important budgeting tool. In fiscal year 2024/25, Upper District will begin withdrawing from the CERBT trust fund to cover retiree health benefit costs which will then reduce operating expenses. For FY 2024/25 and FY 2025/26, estimated annual CERBT withdrawals amount to \$0.15 million.

In June 2022, the Board authorized an additional discretionary payment of \$1 million to CalPERS to reduce Upper District's unfunded accrued liability related to pension. Estimated interest savings from this prepayment total \$1.03 million using CalPERS' 6.80% discount rate. The Board also authorized participation in the California Employers' Pension Prefunding Trust Program (CEPPT) with an initial trust funding of \$0.50 million. As of the quarter ended March 31, 2024, assets held in trust for prefunding pension liability total \$0.56 million or an average annual yield of 7.83%. Similar to the CERBT, the CEPPT is a Section 115 trust fund that can be used to build a rainy day contingency reserve fund to prefund future pension costs and provide greater budgetary flexibility in the future.

The retirement of three employees between 2020 and 2021 during fiscal year 2021/22 provided Upper District an opportunity to reduce staffing by two FTEs, reducing personnel expenses by more than \$0.38 million per year in today's dollars. It also allowed upward mobility for existing staff by using internal recruitment for one of the positions. Currently, the District has 10 FTEs working to implement its program initiatives.

Consistent with Upper District's Strategic Plan goals and objectives, staff looked at current benefits and identified areas where Upper District can reduce costs and still maintain competitive benefits. In 2021, a new tier of health benefits was adopted for new employees which not only resulted in immediate health care cost savings, but also offered potential long-term cost savings of about \$37,000 per year per retiree.

In 2020, the Board of Directors approved the purchase of a new building to serve as district headquarters. With this action, Upper District avoided more than \$0.27 million in lease expenses per year. Reducing Upper District's legislative consultants in 2020 translated to additional annual cost savings of over \$90,000.

Upper District continues to engage Watermaster and the producers in its annual rate setting process. In 2022, Upper District and Watermaster executed a minimum purchase agreement letter in December 2022 covering fiscal years 2021/22, 2022/23 and 2023/24. Under the agreement, Watermaster committed to purchase a minimum amount of water each fiscal year sufficient to meet the District's required debt coverage ratio in exchange for the right to purchase untreated water in excess of the annual commitment at cost. This letter agreement addressed the variability of untreated water sales and the growing gap between the District's share of Metropolitan's readiness-to-serve (RTS) charge and the standby charge revenue collected by Metropolitan on Upper District's behalf. It also supported the overall management and sustainability of the basin by increasing Watermaster and the producers' purchasing power during years when there is excess demand for replenishment water. During this period, the surcharged waived by Upper District for Watermaster's purchases above the annual commitment totaled \$5.14 million.

Metropolitan's recently adopted rates and charges for the years 2025 and 2026 presented budgetary challenges for Upper District in terms of its existing rate structure and required minimum purchase from Watermaster. Staff is working closely with Watermaster and the producers to come up with a mutually acceptable rate option for calendar years 2025 and 2026. Options being evaluated include keeping the surcharge at its current level (\$103 per AF) with higher minimum purchases, increasing the surcharge for calendar years 2025 and 2026 with lower minimum purchases, passthrough of some or all of Metropolitan's RTS charge with lower minimum purchases and lower surcharge, or a combination of these options.

Financial Policies

Budgetary and Accounting Basis

The budget is prepared and monitored on a cash basis which recognizes revenues when received and expenses when paid. However, Upper District operates as a utility enterprise and prepares its basic financial statements using accrual accounting at the end of each fiscal year. Under accrual accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Investment Policy

This policy establishes procedures and guidelines by which surplus funds can be managed in a prudent and fiscally sound manner. This policy is reviewed annually, or whenever there are required changes, consistent with the requirements of the California Government Code. In order of priority, three fundamental criteria are followed by the Upper District in the investment program:

- (a) *Safety of Principal* - Investments shall be undertaken in a manner that first seeks to ensure the preservation of principal in the portfolio. Each investment transaction shall be entered into after taking into consideration the quality of the issuer, the underlying security or collateral, and diversification of the portfolio.
- (b) *Liquidity* - Investments shall be made so that the maturity date is compatible with cash flow needs and safety of principal.
- (c) *Return on Investment* - Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity and the prudent investor standard.

Designated Reserve Policy

Upper District's adopted Designated Reserve Fund Policy establishes appropriate fund reserves by category, identified purpose for each category, appropriate target levels, funding sources, and conditions under which each is to be used and replenished. This policy also sets prudent levels of reserve funds to provide financial resources not only during emergencies or planned capital projects but also for scheduled and unscheduled expenses such as operation and maintenance, debt service and stabilization of rates. Under this policy, six designated reserves, each with its own recommended minimum, target, and maximum levels were created: 1) Emergency Reserve; 2) Operating Reserve; 3) Pay-go Capital Improvement and Replacement Reserve; 4) Capital Reserve; 5) Revenue Stabilization Reserve; and 6) Water Banking Reserve.

Debt Management Policy

The District's Debt Management Policy establishes policies and procedures for the issuance and management of bonds, notes, installment purchase agreement to support certificates of participation, lines of credit, commercial paper, and other forms of indebtedness of Upper District. Its purpose is to improve the quality of decision making, develop strategies using existing governing and planning documents, and support Upper District's financial needs by demonstrating a commitment to best practices in debt management, planning and execution. The Debt Management Policy provides compliance procedures for existing rules and regulations in connection with the Internal Revenue Service, Municipal Securities Rulemaking Board and the Securities and Exchange Commission.

Budget Process and Controls

Budgets are often used as a performance tool for measuring accountability of public agencies to their stakeholders. Upper District annually adopts a budget not only as a management tool for planning and control purposes but also to demonstrate its commitment to fiscal responsibility and transparency. Upper District also uses the budget as a communication tool that shows how the District intends to allocate its resources in support of its mission, goals and objectives.

Developing and monitoring the budget is an ongoing process. Upper District conducts a series of budget workshops to encourage stakeholder participation and input prior to adoption of the final budget. Monthly financial statements showing budget-to-actual comparison and analysis are presented to management and the Board of Directors to facilitate review and assessment throughout the fiscal year.

Timeline

Upper District's budget process begins in December of each year and is a product of a comprehensive team effort between departments as shown in the following budget calendar:

- December Finance Department begins working with program managers to develop year-end projections for the current fiscal year.
- January Program managers update goals and objectives and develop proposed initiatives for the coming fiscal year.
- February - March Program managers present preliminary budgets to committees.
- April A consolidated draft of Upper District's proposed budget for the coming fiscal year is presented to the Administration and Finance Committee.
- April - May Proposed budget is presented to the producers. If needed, budget revisions are made prior to the second presentation of the budget to the Administration and Finance Committee.
- May - June Staff presents next fiscal year's proposed budget and next calendar year's proposed water rates to the Board of Directors with a recommendation for adoption.

For this budget process, Upper District developed its first biennial budget for adoption covering fiscal years 2024/25 and 2025/26.

Budget Drivers

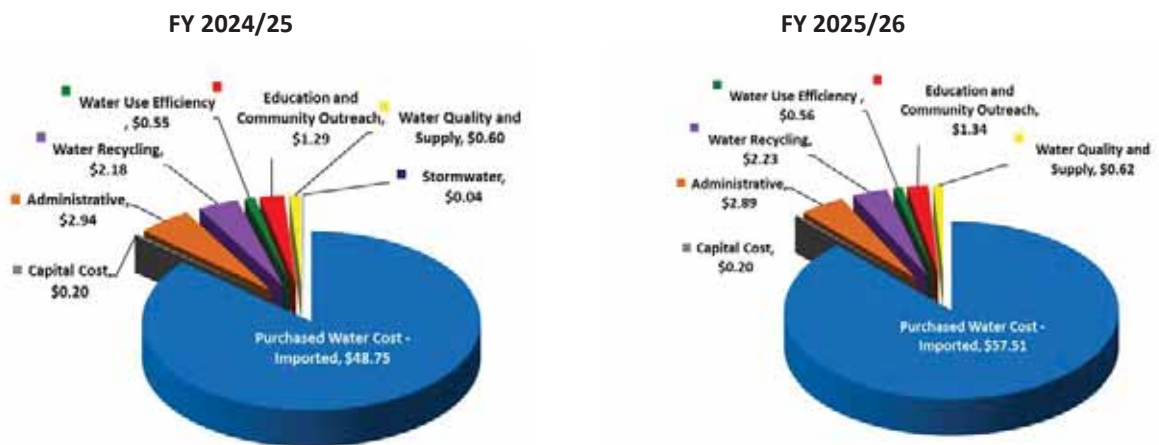
The key factors affecting the budgets for FY 2024/25 and FY 2025/26 include:

- Rate increases from Metropolitan including the readiness-to-serve charge.
- Increases in power costs and insurance and healthcare premiums.
- Significant election costs. In 2024, seats for three divisions are up and are estimated to cost about \$1 million spread over two fiscal years - FY 2023/24 and FY 2024/25. With two division seats up in 2026, election costs are estimated to be about \$0.64 million, also spread over two fiscal years – FY 2025/26 and FY 2026/27.
- The SRF loan provision requires setting of water rates that will generate sufficient net operating income of at least 120% of the annual debt service.
- Member Agency Administered (MAA) allocation program funding from Metropolitan continues to be a major source of funding for the implementation of Upper District's Water Use Efficiency Program.

Uses of Funds

Uses of funds for the proposed FY 2024/25 and FY 2025/26 budget years total \$56.55 million and 65.39 million, respectively. The increases between years, \$9.17 million from FY 2023/24 and \$8.84 million from FY 2024/25 are mainly due to higher assumed untreated purchases. Cost reductions identified in prior years and discussed earlier in the budget document will be maintained and carried over for the biennial budgets. These include savings from reduction in total FTE personnel and legislative consultants as well as avoided lease expenses. The biennial budget also reflects additional personnel expense reductions of \$0.14 million in FY 2024/25 and \$0.15 million in FY 2025/26 from retiree health reimbursements received from the CERBT trust fund. Figure 1 illustrates the total uses of funds.

Figure 1. Uses of Funds



Purchased Water Costs

Imported Supplies

Under the current purchase order with Metropolitan, Upper District can purchase up to 67,200 acre-feet per year of the less expensive Tier 1 water from 2014 through 2024. In November 2023, Metropolitan staff proposed not renewing the 2014 Purchase Order Agreement. Because of this, Tier 2 rates are not included in Metropolitan’s recently adopted budget and rates for FY 2024/25 and 2025/26.

Budgeted imported water purchases include 3,000 acre-feet of Tier 1 treated water for both FY 2024/25 and 2025/26 representing Upper District's commitment under the Alhambra Exchange Agreement. For untreated water, Upper District assumed 44,000 acre-feet for FY 2024/25 and 52,000 acre-feet for FY 2025/26 which represent the minimum purchase commitments needed to keep the current surcharge of \$103 per acre-foot and at the same time meet the District's debt service requirement.

In April 2024, Metropolitan adopted its biennial budget for FY 2024/25 and 2025/26 along with the water rates and charges for calendar years 2025 and 2026. Metropolitan's Tier 1 treated water rate will increase from \$1,256 to \$1,395 per acre-foot (11%) effective January 1, 2025, and then to \$1,528 per acre-foot (10%) effective January 1, 2026. Tier 1 untreated water rate will increase from \$903 to \$912 per acre-foot (1%) effective January 1, 2025, and then to \$984 per acre-foot (8%) effective January 1, 2026. The increase in Metropolitan's water rates in 2025 and 2026 along with higher untreated water sales will increase total purchased water cost for imported supplies by \$8.37 million (24%) and \$8.10 million (19%) in FY 2024/25 and FY 2025/26, respectively.

From FY 2021/22 through FY 2023/24 Upper District sold 144,910 acre-feet of untreated water to Watermaster. Pursuant to the minimum purchase agreement between Upper District and Watermaster, Upper District waived the surcharge for a total of 49,910 acre-feet of water sold above the annual minimums. This translates to \$5.14 million in avoided surcharge for Watermaster.

Metropolitan imposes capacity charge to recover costs incurred in providing capacity within its distribution system. This charge is based on a three-year trailing peak day demand, measured in cubic foot per second (CFS) during the May 1 through September 30 period. The capacity charge aims to encourage Metropolitan sub-agencies to shift demands from the peak summer months. For calendar year 2025, Metropolitan used the three-year period ended December 31, 2023 and the peak summer demand that occurred on August 18, 2021 to levy the capacity charge. Upper District will pass through this charge to the agency that used the connections during the day when the peak flow occurred (August 18th). Metropolitan's capacity charge will increase from \$11,200 per CFS to \$13,000 per CFS effective January 1, 2025, and then to \$14,500 per CFS effective January 1, 2026. Upper District's share of the capacity charge will increase from \$0.35 million to \$0.39 million in FY 2024/25.

Metropolitan also levies a readiness-to-serve (RTS) charge on its member agencies to pay for emergency and standby service. The RTS charge aims to recover a portion of Metropolitan's costs

for ensuring a reliable water supply, including capital infrastructure for emergency and drought water storage, and imported water system conveyance capacity. This charge is based on a 10-year rolling average of firm demand. Upper District's share of the RTS charge will increase from \$3.65 million to \$4.57 million in FY 2024/25 and to an estimated \$5.22 million in FY 2025/26.

Recycled Supplies

Recycled water demand is anticipated to be about 2,100 acre-feet for FY 2024/25 and FY 2025/26. The combined effects of lower recycled water sales and anticipated increases in per acre-foot cost of recycled water supplied by Central Basin Municipal Water District, Sanitation Districts of Los Angeles County (Sanitation Districts) and City of Industry will translate to an overall decrease in purchased recycled water cost of about 11% in FY 2024/25.

Capital Costs

Capital projects are presented to the Board of Directors before initiation and allocation of budget funds. They typically begin with feasibility studies and design estimates followed by a competitive bidding process before actual construction starts. Budgets for FY 2024/25 and FY 2025/26 both include \$0.20 million for USG connection and recycled water reliability improvement efforts.

USG Connections

The San Gabriel County Water District and Sunnyslope Water Company sought Upper District's assistance to look into possibly connecting to the Metropolitan treated water system. The agencies are looking for emergency reliability through these connections in case their groundwater wells fail or require treatment in the future. These projects could provide an access point to Metropolitan treated water which could reduce future demand on the basin if restrictions are placed on imported water. Upper District is funding the study portion of the project and has retained a consultant, but the agencies will cover the cost of construction should the study find it beneficial.

Recycled Water Programs

Direct Reuse

Recycled water continues to be an important part of Upper District's water supply portfolio that not only reduces dependence on expensive and increasingly scarce imported water supplies but also lessens the overproduction of the groundwater basin.

Opportunities to develop additional direct reuse facilities have been carefully studied. However, due to the success of water conservation efforts during the drought, indoor water use and the resulting wastewater flows necessary to produce recycled water have significantly declined over the years. The lack of available recycled water supplies in the Upper Area of the San Gabriel River Watershed calls for the delivery of recycled water from much lower areas in the watershed.

As of June 30, 2023, Upper District's investments in direct reuse capital assets total \$52.11 million with a net carrying value of \$39.38 million.

Prop 84 Recycled Water Projects

Three projects submitted by Upper District as part of the Proposition 84 Round 3 Part 1 funding were among the Greater Los Angeles Integrated Regional Water Management Program (IRWMP) projects selected for grant funding: Rose Hills - up to \$0.50 million; San Gabriel Valley Water Company's (SGVWC) South El Monte and El Monte Extension – up to \$1.28 million; and La Puente Valley County Water District (LPVCWD) – up to \$0.43 million.

Completed in May 2016, Rose Hills' final retrofit site will increase the use of recycled water for irrigation purposes by about 600 acre-feet per year (AFY).

SGVWC completed construction of its South El Monte Project in November 2017, estimated to generate about 72 AFY of recycled water for irrigation. Subsequent to the approval of the wastewater change petition, the individual service connections were completed, and deliveries started in 2019.

The La Puente Valley County Water District Project (LPVCWD) provides for conversion of approximately 60 AFY and will receive up to \$0.43 million in Proposition 84 funding. Construction of the new recycled water pipeline is complete, including the bridge crossing at Patriot Place and San Jose Creek and the connection to the City of Industry's recycled water transmission main. This project will also receive funding from Metropolitan's Local Resources Program. LPVCWD's project started delivering recycled water in October 2023.

No new projects nor additional capital expenditures are anticipated for FY 2024/25 and FY 2025/26.

Whittier Narrows Pump Station

Upper District and the Sanitation Districts evaluated the conditions of the pumps, motors, and electrical motor drives at the Whittier Narrows recycled water pump station. While the pumps and motors have been found to be operating normally, one of the four (4) variable frequency drives (VFD's) that power the pump motors has had electrical drive component failures. The District replaced all four variable frequency drives completing the construction project in FY 18/19. The budgets for FY 2024/25 and FY 2025/26 include \$0.10 million for major repairs and evaluation of alternatives to improve reliability of the recycled water system.

New Headquarters

In 2011, Upper District relocated its offices from the El Monte property it previously owned to a leased commercial space in Monrovia. At the Board's direction, staff evaluated options for the El Monte property culminating in the sale of the property in December 2017.

During the 2018 strategic planning sessions, development of a strategy for permanent office space for Upper District has been discussed and identified as a top priority. In April 2020, the District successfully negotiated and completed the purchase of a commercial building located in Monrovia, California for \$3.53 million. Construction of the required improvements was substantially completed in November 2022. Capital cost for FY 2023/24 includes \$0.10 million provision for the building elevator upgrade and installation of electric vehicle charging stations. No additional capital expenditures are anticipated for fiscal years 2024/25 and 2025/26.

Stormwater Capture Program

Upper District will continue working closely with Watermaster, LA County Flood Control District, the Army Corps and San Gabriel Valley cities to continue developing practical ways to clean up and capture stormwater. FY 2024/25 and FY 2025/26 budgets include stormwater capture program expenses consisting of estimated staff time.

Water Recycling Operations

Recycled water program expenses, excluding cost of purchased water, amount to \$1.63 million for fiscal year 2024/25 and \$1.65 million for fiscal year 2025/26. These amounts consist of State Revolving Fund (SRF) annual debt service amounting to \$0.79 million and engineering support and operation and maintenance expenses totaling \$0.84 million for FY 2024/25 and \$0.86 million for FY 2025/26. To keep overall service costs low and not unnecessarily duplicate resources,

Upper District contracts with the producers to operate and maintain the recycled water system that provides irrigation water in their respective services areas.

Upper District's existing SRF debt, amounting to \$6.65 million as of June 30, 2023, has a twenty-year term at zero percent nominal interest and will be fully paid in May 2033.

Water Use Efficiency

The early decades of the Water Use Efficiency (WUE) Program focused heavily on indoor residential water use, principally through water efficient toilet (PHET/HET/ULFT) giveaways which resulted in the distribution of over 43,500 water efficient toilets. The WUE Master Plan showed that Upper District's service area is well saturated with water efficient toilets (over 80%) and led to a shift in program emphasis toward outdoor water use efficiency.

Upper District continues to effectively leverage regional funding offered through Metropolitan's Member Agency Administered (MAA) allocation program. The MAA program offers funding for WUE programs administered directly by member agencies or their retailers. Stringent guidelines over the past few years have curtailed producer participation in utilizing MAA funding for implementing WUE programs. Since Metropolitan operates the MAA program on a 2-year cycle, the \$572,000 of MAA funding secured during FY 2022/23 remained in place in FY 2023/24 for implementing both Upper District and producer administered WUE programs. Over the course of the 2-year cycle, Upper District and its retailers were able to utilize \$571,986 in MAA funding for various programs throughout the service area. This marks the highest amount and utilization of MAA funds in over ten years. Over the 2-year cycle, there were 13 MAA programs running with all \$572,000 reserved. Approximately \$171,000 of that reserved MAA funding was reimbursed for program costs in FY 2022/23 with the remaining \$400,000 being reimbursed over the course of FY 2023/24.

For FY 2023/24, the Upper District conducted four programs utilizing MAA program funds including a Drought Marketing Program, WaterSmart Home Kit Program, Plant Voucher Program, and an abbreviated version of the Water Fill Station Program. The Drought Marketing Program utilized over \$66,000 of MAA program funding to place billboards, marketing signage, and branding materials throughout the service area to promote the "Thank U" campaign. The WaterSmart Home Kit Program provided nearly 1,000 residents with water-saving devices utilizing approximately \$100,000 of MAA program funding. The Plant Voucher program provided over 400 residents with \$250 plant vouchers to relandscape their homes. This program was in such high demand that it was only open for applications for 24 hours before full commitments on

the funding were met. The Plant Voucher Program utilized \$103,000 in MAA program funding which was entirely used for the vouchers as staff managed the program in-house to avoid administrative costs. Finally, the Water Fill Station Program was revised to be able to provide five fill stations to three different agencies that needed stations. The stations were dropped off for installation by the agency and administrative costs were once again eliminated by running the limited program in-house resulting in only \$7,000 of MAA program funds being utilized. The remaining MAA program funding was utilized by Upper District purveyors to provide water efficient devices, reporting, and innovative water savings programs to their customers. Five purveyors were able to provide nine different programs utilizing the remaining \$245,650 in MAA program funding.

Upper District’s purveyors have the option to provide co-funding to increase rebate incentive amounts offered on water efficient devices received by their customers participating in the So Cal WaterSmart regional rebate program. Approximately \$150,000 in co-funding was provided by purveyors during FY 2023/24. Staff estimates \$50,000 of rebate co-funding from Upper District purveyors for FY 2024/25 and FY 2025/26.

It is important to note that the WUE budget remains highly dependent on outside funding. About \$0.27 million is expected to come from Metropolitan’s MAA program to partially fund the District’s FY 2024/25 and FY 2025/26 Water Use Efficiency Program expenses.

Table 1 summarizes the proposed budget and sources of funding for the FY 2024/25 Water Use Efficiency Program. Table 2 summarizes the proposed budget and sources of funding for FY 2025/26. Depending on further input from the producers, and consideration by the Board, the emphasis on how the budget allocates resources among the different WUE programs may be adjusted during the year.

Table 1. Water Use Efficiency Program Budget for FY 2024/25

CATEGORY	Total Program Costs	Upper District Funding	Funding from Other Agencies
Residential Programs			
Member Agency Administered Programs	\$ 167,500	\$ -	\$ 167,500
Regional Rebate Program	50,000	-	50,000
Commercial/Industrial/Institutional (CII) Rebate Programs			
Member Agency Administered Programs	105,000	-	105,000
Regional Rebate Program	-	-	-
Salaries and Overhead	224,300	224,300	-
Total	\$ 546,800	\$ 224,300	\$ 322,500

Table 2. Water Use Efficiency Program Budget for FY 2025/26

CATEGORY	Total Program Costs	Upper District Funding	Funding from Other Agencies
Residential Programs			
Member Agency Administered Programs	\$ 167,500	\$ -	\$ 167,500
Regional Rebate Program	50,000	-	50,000
Commercial/Industrial/Institutional (CII) Rebate Programs			
Member Agency Administered Programs	105,000	-	105,000
Regional Rebate Program	-	-	-
Salaries and Overhead	235,500	235,500	-
Total	\$ 558,000	\$ 235,500	\$ 322,500

Education and Outreach

The Education and Outreach Program provides resources to schools, cities, community groups and organizations interested in learning about water use efficiency, sustainable watershed management, as well as storm water capture and water treatment.

Upper District understands the need to continue promoting water efficient practices as a way of life for its residents and businesses. Upper District remains steadfast in its public awareness efforts about the importance of water conservation. Projects for FY 2023/24 include continued education to community stakeholders and residents through short educational videos, online and in-person landscaping courses, and educational outreach.

Continuing education and outreach programs include sustainable watershed and stormwater education for 4th, 5th, 6th and 7th grade students; watershed restoration program; water education grant program for teachers; support for Water Engineering 4 Good (WE4G) middle and high school teams; “*Water is Life*” art contest; distribution of water efficient devices; public workshops and seminars; and public information/outreach. This remote learning format will continue to be offered as an alternative to in-person activities for schools throughout the 2024/25 school year.

The sustainable watershed education program, successfully used by several other water agencies, includes interactive assembly-style lessons and classroom instruction for up to approximately 10,000 students. The curriculum focuses on water use efficiency, sustainable watershed management practices and storm water runoff prevention. The budget for this program is about \$60,000 for FY 2024/25 and FY 2025/26. This program is offered each year to schools within each of Upper District’s five divisions.

The advertising budget reflects print media presence outlined in the Community Outreach Plan which also meets the minimum requirements established in the Urban Water Management Plan.

Water Quality and Supply

The budget for FY 2024/25 and FY 2025/26 includes associated consulting costs for imported water operations, planning and administration; water supply planning; and general engineering services for water quality and supply. It also includes advocacy costs for legislative initiatives in Sacramento as well as salaries and overhead allocated to the program, mostly related to district staff’s legislative efforts.

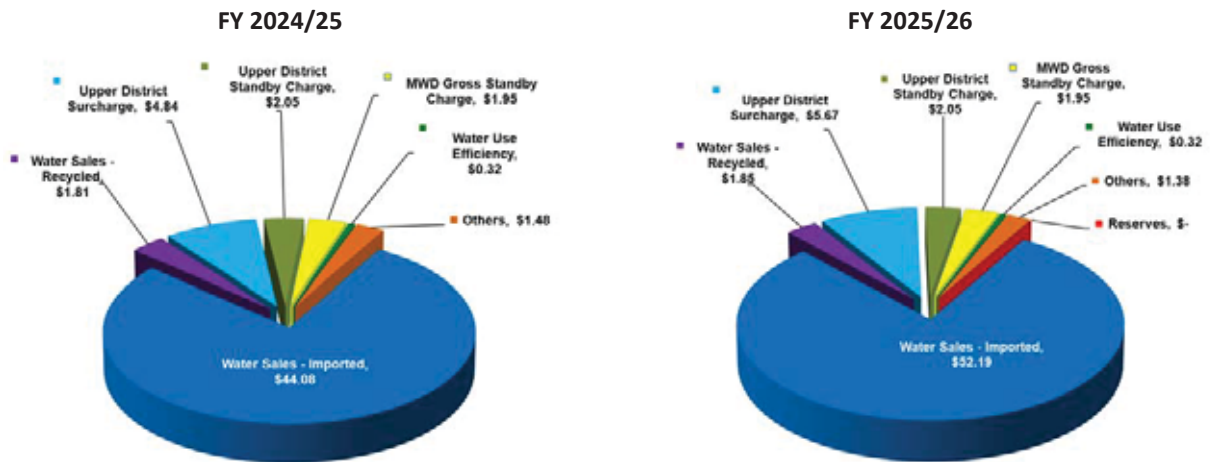
Administration

Administrative expenses for FY 2024/25 and FY 2025/26 total \$2.94 million and \$2.89 million, respectively. These include the labor, materials, supplies and services necessary to provide general administrative support for the various programs. General administrative support includes day-to-day management, accounting operations, human resources, information technology, office administration, and administrative support for the Board of Directors. The biennial budget also reflects a reduction in retiree health benefits cost amounting to \$0.14 million in FY 2024/25 and \$0.15 million in FY 2025/26 resulting from strategic withdrawals from the CERBT trust fund.

Sources of Funds

Total sources of funds amount to \$56.55 million in FY 2024/25 and \$65.40 million in FY 2025/26 and are presented in Figure 2.

Figure 2. Sources of Funds



Water Sales

Upper District delivers both imported water, purchased from Metropolitan, and recycled water, purchased from the Sanitation Districts, City of Industry and Central Basin MWD.

Imported Sales

As shown in Figure 2, the relative composition of Upper District’s sources of funds remains consistent during the biennial budget period with revenue from imported water sales, accounting for the biggest portion of Upper District’s total revenue. For FY 2024/25, \$44.08 million represents passthrough of the volumetric cost of imported water from Metropolitan based on estimated untreated water sale of 44,000 and treated water sales of 3,000 acre-feet. It also includes a passthrough of Upper District’s share of the capacity charge amounting to \$0.39 million. For FY 2025/26, \$52.19 million represents passthrough of the volumetric cost of imported water from Metropolitan based on estimated untreated water sale of 52,000 and treated water sales of 3,000 acre-feet and passthrough of Upper District’s share of the capacity charge amounting to \$0.39 million.

Upper District’s surcharge totaling \$4.84 million in FY 2024/25 and \$5.67 million in FY 2025/26 assumes no change in Upper District’s current surcharge of \$103 per acre-foot. Note that untreated water sales estimates for FY 2024/25 and FY 2025/26 represent the minimum volume needed to generate sufficient revenue to meet the District’s coverage ratio. As Table 3 shows, anticipated increases in Upper District’s share of the RTS puts significant pressure on Upper District’s surcharge.

Table 3. Portion of Upper District’s Surcharge Covering Net RTS

Fiscal Year	NET RTS (\$)	Minimum Purchase (AF)	Portion of \$103 Surcharge Covering Net RTS (\$)
FY21/22	584,314	30,000	19.48
FY22/23	988,158	30,000	32.94
FY23/24B	1,698,300	35,000	48.52
FY24/25B	2,615,067	44,000	59.43
FY25/26B	3,267,496	52,000	62.84

Recycled Sales

The recycled water distribution system includes over 20 miles of 4” to 24” pipelines, several pump stations, a 2-million-gallon reservoir and over 40 connections. Recycled water sales are based on uniform contract rates paid by Upper District’s retail water provider customers set at 80% of Watermaster’s replacement water assessment. FY 2024/25 and FY 2025/26 revenue from sale of recycled water is estimated at \$1.81 million and \$1.85 million, respectively, based on an annual recycled water demand of about 2,100 acre-feet.

Upper District Standby Charge

To recover a portion of the costs for the recycled water program and water use efficiency program, a standby charge of \$10 per acre or portion thereof is levied on all parcels within Upper District’s service area. The standby charge will generate about \$2.05 million in revenues and provides funding to the water conservation and water recycling programs.

MWD Standby Charge

Metropolitan collects a separate standby charge at the request of some member agencies that have elected to use the charge as a direct offset to the member agency’s RTS obligation. In Upper District’s case, that charge is set at \$9.27 per acre or portion thereof for parcels within the District’s service area and is estimated to generate about \$1.95 million in FY 2024/25 and FY 2025/26. In the past, the standby charge sufficiently covered Metropolitan’s RTS charge. However, Metropolitan’s RTS charge has increased significantly over the years and eventually surpassed the standby charge revenue beginning FY 2018/19. The shortfall in standby charge revenue will increase from \$1.70 million in FY 2023/24 to \$2.62 million in FY 2024/25 and then to \$3.23 million in FY 2025/26. This shortfall will continue to grow over the years along with Metropolitan’s projected increases in its RTS charge. Table 4 shows Upper District’s share of the RTS over a ten-year period.

Table 4. Historical Metropolitan RTS and Upper District’s RTS Share

Fiscal Year	MWD RTS (\$)	UD %	UD RTS (\$)	MWD SBC (\$)	NET RTS (\$)
FY16/17	144,000,000	1.17%	1,687,880	1,903,785	(215,905)
FY17/18	137,500,000	1.35%	1,851,056	1,893,378	(42,322)
FY18/19	136,500,000	1.51%	2,056,890	1,988,345	68,545
FY19/20	134,500,000	1.50%	2,020,578	1,979,684	40,894
FY20/21	133,000,000	1.79%	2,386,467	2,153,132	233,335
FY21/22	135,000,000	1.99%	2,681,327	2,097,013	584,314
FY22/23	147,000,000	2.02%	2,963,609	1,975,451	988,158
FY23/24B	160,500,000	2.27%	3,648,300	1,950,000	1,698,300
FY24/25B	174,000,000	2.62%	4,565,067	1,950,000	2,615,067
FY25/26B	184,500,000	2.83%	5,217,496	1,950,000	3,267,496
			<u>29,078,669</u>	<u>19,840,788</u>	<u>9,237,881</u>

The purchase agreement letter between Upper District and Watermaster which set minimum water purchases for fiscal years 2021/22, 2022/23 and 2023/24 provided a short-term solution to this growing revenue gap. However, relying solely on minimum annual purchase commitments from Watermaster and the producers may not be sustainable given the continued increase in Metropolitan’s RTS. Staff will continue working with Watermaster and the producers to develop a viable, longer term solution.

Water Use Efficiency

The proposed budget assumes continued efforts to not only raise public awareness about the importance of water conservation but is also intended to bring a significant amount of direct rebate dollars back to the San Gabriel Valley through the socalwatersmart.com website, a regional water conservation rebate program. About \$0.27 million of WUE revenue for FY 2024/25 and FY 2025/26 consists of MAA funding from Metropolitan.

Other Revenues

Other revenues include interest and investment income, property tax allocations, RTS charge for USG-3, reimbursement from Watermaster of Upper District's share in San Gabriel River Watermaster's budget, and credits received from Metropolitan's Local Resources Program for delivery of recycled water.

Reserves

Upper District will need to draw \$13,000 from its reserves to fund a portion of its capital budget for FY 2024/25.

Debt Service Coverage Ratio

A critical financial ratio that Upper District must consistently maintain, demonstrating an ability to meet payment obligations to establish credit, is a debt service coverage ratio. Upper District is required per the loan agreements with the State Water Resources Control Board to set rates and charges that will generate sufficient net operating revenue to maintain a minimum debt service coverage ratio of 120%. In the financial market, a debt coverage of at least 150% is necessary to obtain an “AA” credit rating.

Total imported water sales assumed at 47,000 acre-feet in FY 2024/25 and 55,000 acre-feet in FY 2025/26 and Upper District’s surcharge unchanged at \$103 per acre-foot will provide sufficient revenue to meet the ratio required by the District’s existing SRF loan for FY 2024/25 and FY 2025/26.

Table 5. Debt Service Coverage Ratios

	Budget 2024-25 \$Millions	Budget 2025-26 \$Millions
Operating costs not including debt service	\$ 55.57	\$ 64.41
Less revenue offsets	(5.49)	(5.41)
Net operating costs funded from imported water sales	50.08	59.00
Operating revenues (water sales)	51.05	59.98
Operating revenues in excess/(short) of operating costs funded from water sales	0.97	0.98
Debt Service		
SRLF	0.79	0.79
Other		
Total Debt Service	\$ 0.79	\$ 0.79
Debt Service Coverage Ratio	123%	126%

Water Rates and Charges

This budget document assumes Upper District's current surcharge of \$103 per acre-foot is maintained for calendar years 2025 and 2026 along with certain levels of untreated water sales needed to meet the District's debt coverage ratio, staff is not recommending adoption of water rates and charges for calendar years 2025 and 2026 at this time as Upper District continues to work with Watermaster and the producers to develop a viable rate option that addresses the growing revenue gap arising from Metropolitan's RTS charge and meets the District's revenue requirements. As discussed in earlier sections, several options are being explored including keeping the surcharge at its current level (\$103 per AF) with higher minimum purchases, increasing the surcharge for calendar years 2025 and 2026 with lower minimum purchases, passthrough of some or all of Metropolitan's RTS charge with lower minimum purchases and lower surcharge or a combination of these options. Proposed water rates and charges for calendar years 2025 and 2026 will be presented to the Board later this year.

Budget Tables

Upper San Gabriel Valley Municipal Water District Budget Summary

	ACTUAL FY 2022-23	FORECASTED FY 2023-24	BUDGET FY 2023-24	BUDGET FY 2024-25	BUDGET FY 2025-26
Administrative	\$ 2,221,724	\$ 2,877,200	\$ 2,848,200	\$ 2,944,200	\$ 2,892,000
Water Use Efficiency	400,361	781,300	836,300	546,800	558,000
Education and Community Outreach	1,185,687	1,155,900	1,241,900	1,294,600	1,343,600
Water Recycling	2,180,806	2,263,100	2,178,200	2,179,100	2,227,000
Water Quality and Supply	558,582	659,600	589,700	599,900	623,200
Stormwater	40,704	42,700	42,700	39,300	41,300
Water Purchases	<u>41,380,385</u>	<u>59,710,500</u>	<u>39,433,600</u>	<u>48,753,200</u>	<u>57,511,300</u>
Total Operating Expenses	47,968,249	67,490,300	47,170,600	56,357,100	65,196,400
Operating Revenues	<u>50,275,179</u>	<u>68,076,500</u>	<u>47,346,100</u>	<u>56,541,100</u>	<u>65,399,200</u>
Net Reserve Activity from Operations (+/-)	<u>2,306,930</u>	<u>586,200</u>	<u>175,500</u>	<u>184,000</u>	<u>202,800</u>
Capital Expenditures	2,036,771	115,000	217,000	197,000	197,000
Capital Program Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Cash Due to Capital Outlays (+/-)	<u>\$ (2,036,771)</u>	<u>\$ (115,000)</u>	<u>\$ (217,000)</u>	<u>\$ (197,000)</u>	<u>\$ (197,000)</u>
Total Change in Fund Balances (+/-)	<u>\$ 270,159</u>	<u>\$ 471,200</u>	<u>\$ (41,500)</u>	<u>\$ (13,000)</u>	<u>\$ 5,800</u>

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
EXPENSE SUMMARY
FISCAL YEAR 2022/23 THROUGH FISCAL YEAR 2025/26**

	FY 2022-23 ACTUAL	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
<u>Administrative Expenses</u>					
Personnel Expenses					
Employee Salaries	1,312,503	1,440,000	1,455,000	1,559,000	1,637,000
Employee Benefits	241,980	268,000	288,000	366,300	389,500
Retired Employee Benefits	92,240	103,000	103,000	113,700	122,100
Employee Travel/Conference	33,089	40,000	50,000	55,000	60,000
Sub Total	1,679,812	1,851,000	1,896,000	2,094,000	2,208,600
Director Expenses					
Director Compensation	179,669	210,000	216,000	216,000	216,000
Director Benefits	141,716	155,000	155,000	171,000	181,000
Retired Director Benefits	18,848	24,000	33,000	26,700	28,400
Director Public Outreach	16,469	25,000	25,000	25,000	25,000
Director Travel/Conference	33,829	40,000	50,000	55,000	60,000
Sub Total	390,531	454,000	479,000	493,700	510,400
Pension/OPEB Expense					
CalPERS-Employees, Directors, Retirees	436,220	500,000	500,000	337,000	359,000
Sub Total	436,220	500,000	500,000	337,000	359,000
Office Expenses					
Office Supplies/Equipment	71,433	35,000	40,000	40,000	45,000
Equipment Operations & Maintenance	15,327	20,000	26,000	21,000	22,000
Computer Systems	45,956	55,000	60,000	60,000	63,000
Assessments	13,816	78,500	75,000	82,400	86,600
Meeting Expense	16,417	30,000	35,000	35,000	37,000
Sub Total	162,949	218,500	236,000	238,400	253,600
Facility Expenses					
Building Maintenance	48,676	57,000	45,000	61,000	64,000
Liability/Property Insurance	60,454	67,900	65,000	74,700	82,200
Office Lease	83,004	-	-	-	-
Telephone/Utilities	30,583	50,000	45,000	53,000	56,000
Sub Total	222,717	174,900	155,000	188,700	202,200
Professional Services					
Legal/Financial	82,856	100,000	112,000	105,000	110,000
Engineering	121,710	114,100	145,000	145,000	145,000
Auditor	29,985	30,000	31,000	31,400	32,300
Outside Services	87,048	86,000	55,000	55,000	55,000
Public Information/Outreach	-	1,000	3,500	1,500	1,700
Sub Total	321,599	331,100	346,500	337,900	344,000
Other Expenses					
Election Costs	212,000	612,000	500,000	500,000	322,000
Sub Total	212,000	612,000	500,000	500,000	322,000
Allocation to Projects and Programs					
Salaries/Overhead Allocated to Projects	(1,204,104)	(1,264,300)	(1,264,300)	(1,245,500)	(1,307,800)
Sub Total	(1,204,104)	(1,264,300)	(1,264,300)	(1,245,500)	(1,307,800)
Total Administrative Expenses	2,221,724	2,877,200	2,848,200	2,944,200	2,892,000
Water Purchases/Revolving Expense	41,380,385	59,710,500	39,433,600	48,753,200	57,511,300
Program Expenses					
Water Use Efficiency Program	400,361	781,300	836,300	546,800	558,000
Education and Community Outreach Program	1,185,687	1,155,900	1,241,900	1,294,600	1,343,600
Water Quality & Supply Program	558,582	659,600	589,700	599,900	623,200
Recycled Water Program	2,180,806	2,263,100	2,178,200	2,179,100	2,227,000
Stormwater Program	40,704	42,700	42,700	39,300	41,300
Sub Total	4,366,140	4,902,600	4,888,800	4,659,700	4,793,100
Total Administrative/Operating/Program Expenses	47,968,249	67,490,300	47,170,600	56,357,100	65,196,400
Total Capital Outlays	2,036,771	115,000	217,000	197,000	197,000
TOTAL	50,005,020	67,605,300	47,387,600	56,554,100	65,393,400

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
ADMINISTRATIVE BUDGET**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
ADMINISTRATIVE EXPENSES				
Personnel Expenses				
Employee Salaries	1,440,000	1,455,000	1,559,000	1,637,000
Employee Benefits	268,000	288,000	366,300	389,500
Retired Employee Benefits	103,000	103,000	113,700	122,100
Employee Travel/Conference	40,000	50,000	55,000	60,000
Sub Total	<u>1,851,000</u>	<u>1,896,000</u>	<u>2,094,000</u>	<u>2,208,600</u>
Director Expenses				
Director Compensation	210,000	216,000	216,000	216,000
Director Benefits	155,000	155,000	171,000	181,000
Retired Director Benefits	24,000	33,000	26,700	28,400
Director Public Outreach	25,000	25,000	25,000	25,000
Director Travel/Conference	40,000	50,000	55,000	60,000
Sub Total	<u>454,000</u>	<u>479,000</u>	<u>493,700</u>	<u>510,400</u>
Pension/OPEB Expense				
CalPERS-Employees, Directors, Retirees	500,000	500,000	337,000	359,000
Sub Total	<u>500,000</u>	<u>500,000</u>	<u>337,000</u>	<u>359,000</u>
Office Expenses				
Office Supplies/Equipment	35,000	40,000	40,000	45,000
Equipment Operations & Maintenance	20,000	26,000	21,000	22,000
Computer Systems	55,000	60,000	60,000	63,000
Assessments	78,500	75,000	82,400	86,600
Meeting Expense	30,000	35,000	35,000	37,000
Sub Total	<u>218,500</u>	<u>236,000</u>	<u>238,400</u>	<u>253,600</u>
Facility Expenses				
Building Maintenance	57,000	45,000	61,000	64,000
Liability/Property Insurance	67,900	65,000	74,700	82,200
Office Lease	-	-	-	-
Telephone/Utilities	50,000	45,000	53,000	56,000
Sub Total	<u>174,900</u>	<u>155,000</u>	<u>188,700</u>	<u>202,200</u>
Professional Services				
Legal/Financial	100,000	112,000	105,000	110,000
Engineering	114,100	145,000	145,000	145,000
Auditor	30,000	31,000	31,400	32,300
Outside Services	86,000	55,000	55,000	55,000
Public Information/Outreach	1,000	3,500	1,500	1,700
Sub Total	<u>331,100</u>	<u>346,500</u>	<u>337,900</u>	<u>344,000</u>
Other Expenses				
Election Costs	612,000	500,000	500,000	322,000
Sub Total	<u>612,000</u>	<u>500,000</u>	<u>500,000</u>	<u>322,000</u>
Allocation to Projects and Programs				
Salaries/Overhead Allocated to Projects	(1,264,300)	(1,264,300)	(1,245,500)	(1,307,800)
Sub Total	<u>(1,264,300)</u>	<u>(1,264,300)</u>	<u>(1,245,500)</u>	<u>(1,307,800)</u>
TOTAL ADMINISTRATIVE EXPENSES	<u><u>2,877,200</u></u>	<u><u>2,848,200</u></u>	<u><u>2,944,200</u></u>	<u><u>2,892,000</u></u>
ADMINISTRATIVE AND OPERATING REVENUES				
Interest				
Interest	550,000	83,900	240,000	150,000
Sub Total	<u>550,000</u>	<u>83,900</u>	<u>240,000</u>	<u>150,000</u>
Other Administrative Revenues				
Taxes	775,000	500,000	798,000	822,000
Other Income	30,000	26,400	30,900	31,800
Sub Total	<u>805,000</u>	<u>526,400</u>	<u>828,900</u>	<u>853,800</u>
TOTAL ADMINISTRATIVE AND OPERATING REVENUES	<u><u>1,355,000</u></u>	<u><u>610,300</u></u>	<u><u>1,068,900</u></u>	<u><u>1,003,800</u></u>
ADMINISTRATIVE AND OPERATING EXPENSES	<u><u>(2,877,200)</u></u>	<u><u>(2,848,200)</u></u>	<u><u>(2,944,200)</u></u>	<u><u>(2,892,000)</u></u>
NET	<u><u>(1,522,200)</u></u>	<u><u>(2,237,900)</u></u>	<u><u>(1,875,300)</u></u>	<u><u>(1,888,200)</u></u>

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
WATER PURCHASES & REVOLVING FUND REVENUES**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
WATER PURCHASE EXPENSE				
Tier 1 Treated	3,692,100	3,692,100	3,960,700	4,369,300
Tier 1 Untreated	51,918,400	31,635,000	39,732,000	47,424,000
MWD Capacity Charge	353,200	353,200	392,000	394,000
MWD Readiness-to-Serve Charge	3,648,300	3,648,300	4,565,100	5,217,500
Sub Total	<u>59,612,000</u>	<u>39,328,600</u>	<u>48,649,800</u>	<u>57,404,800</u>
REVOLVING EXPENSE				
San Gabriel River Watermaster	98,500	105,000	103,400	106,500
Sub Total	<u>98,500</u>	<u>105,000</u>	<u>103,400</u>	<u>106,500</u>
TOTAL WATER PURCHASES/REVOLVING FUND EXPENS	<u>59,710,500</u>	<u>39,433,600</u>	<u>48,753,200</u>	<u>57,511,300</u>
IMPORTED WATER PURCHASE REVENUES				
Water Rate Revenues				
Tier 1 Treated	3,692,100	3,692,100	3,960,700	4,369,300
Tier 1 Untreated	51,918,400	31,635,000	39,732,000	47,424,000
Upper Surcharge Tier 1 Treated	309,000	309,000	309,000	309,000
Upper Surcharge Tier 1 Untreated	3,832,100	3,811,000	4,532,000	5,356,000
Capacity Charge Revenue	353,200	353,200	392,000	394,000
Gross MWD Stand-by Charge - Revenue Reconciliation	1,950,000	1,950,000	1,950,000	1,950,000
MSGB Watermaster-Ready-to-Serve	75,600	75,600	75,600	75,600
TOTAL WATER PURCHASE REVENUES	<u>62,130,400</u>	<u>41,825,900</u>	<u>50,951,300</u>	<u>59,877,900</u>
Revolving/Other Revenue				
MSGB Watermaster-SG River Watermaster	98,500	105,000	103,400	106,500
TOTAL REVOLVING FUND REVENUES	<u>98,500</u>	<u>105,000</u>	<u>103,400</u>	<u>106,500</u>
TOTAL WATER PURCHASE & REVOLVING FUND REVENUES	<u>62,228,900</u>	<u>41,930,900</u>	<u>51,054,700</u>	<u>59,984,400</u>
WATER PURCHASE EXPENSES	<u>(59,710,500)</u>	<u>(39,433,600)</u>	<u>(48,753,200)</u>	<u>(57,511,300)</u>
NET	2,518,400	2,497,300	2,301,500	2,473,100

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
WATER USE EFFICIENCY**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
WATER USE EFFICIENCY PROGRAM EXPENSES				
Residential Programs				
Member Agency Administered Programs	280,000	335,000	167,500	167,500
Regional Rebate Program	150,000	40,000	50,000	50,000
Sub Total	<u>430,000</u>	<u>375,000</u>	<u>217,500</u>	<u>217,500</u>
Commercial/Industrial/Institution Programs				
Member Agency Administered Programs	100,000	210,000	105,000	105,000
Regional Rebate Program	-	-	-	-
Sub Total	<u>100,000</u>	<u>210,000</u>	<u>105,000</u>	<u>105,000</u>
Allocation to Conservation Programs				
Salaries & Overhead	251,300	251,300	224,300	235,500
Sub Total	<u>251,300</u>	<u>251,300</u>	<u>224,300</u>	<u>235,500</u>
TOTAL WATER USE EFFICIENCY EXPENSES	<u>781,300</u>	<u>836,300</u>	<u>546,800</u>	<u>558,000</u>
WATER USE EFFICIENCY REVENUES				
MWD Member Agency Allocation/Rebate Funding	530,000	585,000	322,500	322,500
TOTAL WATER USE EFFICIENCY REVENUES	<u>530,000</u>	<u>585,000</u>	<u>322,500</u>	<u>322,500</u>
WATER USE EFFICIENCY EXPENSES	<u>(781,300)</u>	<u>(836,300)</u>	<u>(546,800)</u>	<u>(558,000)</u>
NET	<u>(251,300)</u>	<u>(251,300)</u>	<u>(224,300)</u>	<u>(235,500)</u>

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
EDUCATION & COMMUNITY OUTREACH**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
EDUCATION & COMMUNITY OUTREACH EXPENSES				
Watershed Programs				
Natural Vegetation Restoration Program	18,000	20,000	20,000	20,000
Sub Total	<u>18,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Educational Programs				
Educational Activities	40,000	60,000	60,000	60,000
Memberships	135,000	135,000	140,000	145,000
Educational Materials/Grant Program	35,000	55,000	55,000	60,000
Educational Outreach Programs/Events	152,000	161,000	155,000	160,000
Sub Total	<u>362,000</u>	<u>411,000</u>	<u>410,000</u>	<u>425,000</u>
Outreach and Information Programs				
Public Workshops/Seminars	25,000	40,000	40,000	40,000
Conservation Devices/Items	40,000	40,000	40,000	45,000
Bottled Water Program	15,500	15,500	15,500	15,500
Community/Industry Sponsorships	25,000	35,000	35,000	35,000
Displays/Fairs/Presentations	3,000	5,000	5,000	5,000
Conferences/Meetings	7,000	7,000	10,000	12,000
Public Information	100,000	100,000	100,000	100,000
Technical Assistance	70,000	70,000	70,000	70,000
Legal/Financial	2,000	10,000	10,000	10,000
Sub Total	<u>287,500</u>	<u>322,500</u>	<u>325,500</u>	<u>332,500</u>
Allocation to Conservation Programs				
Salaries & Overhead	488,400	488,400	539,100	566,100
Sub Total	<u>488,400</u>	<u>488,400</u>	<u>539,100</u>	<u>566,100</u>
TOTAL EDUCATION & COMMUNITY OUTREACH EXPENSES	<u>1,155,900</u>	<u>1,241,900</u>	<u>1,294,600</u>	<u>1,343,600</u>
EDUCATION & COMMUNITY OUTREACH REVENUES				
Educational Outreach Program/Events	8,000	-	-	-
TOTAL EDUCATION & COMMUNITY OUTREACH REVENUES	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
EDUCATION & COMMUNITY OUTREACH EXPENSES	<u>(1,155,900)</u>	<u>(1,241,900)</u>	<u>(1,294,600)</u>	<u>(1,343,600)</u>
NET	<u>(1,147,900)</u>	<u>(1,241,900)</u>	<u>(1,294,600)</u>	<u>(1,343,600)</u>

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
WATER QUALITY AND SUPPLY PROGRAM**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
WATER QUALITY AND SUPPLY PROGRAM EXPENSES				
Engineering for Water Supply Projects	113,900	32,000	73,000	73,000
Legislative Consultant	125,000	130,000	125,000	125,000
Sub Total	<u>238,900</u>	<u>162,000</u>	<u>198,000</u>	<u>198,000</u>
Other Expenses				
Urban Water Management Plan/Related Studies	-	-	15,000	20,000
Integrated Resources Plan	-	-	10,000	10,000
Water Supply Reliability Plan/Emergency Preparedness	-	5,000	5,000	5,000
Legal and Financial	4,000	6,000	5,000	5,000
Salaries & Overhead Allocation	416,700	416,700	366,900	385,200
Sub Total	<u>420,700</u>	<u>427,700</u>	<u>401,900</u>	<u>425,200</u>
TOTAL WATER QUALITY AND SUPPLY EXPENSES	<u>659,600</u>	<u>589,700</u>	<u>599,900</u>	<u>623,200</u>
WATER QUALITY AND SUPPLY PROGRAM REVENUES				
Interest	48,000	75,200	81,200	50,000
TOTAL WATER QUALITY AND SUPPLY REVENUES	<u>48,000</u>	<u>75,200</u>	<u>81,200</u>	<u>50,000</u>
WATER QUALITY AND SUPPLY PROGRAM EXPENSES	<u>(659,600)</u>	<u>(589,700)</u>	<u>(599,900)</u>	<u>(623,200)</u>
NET	(611,600)	(514,500)	(518,700)	(573,200)

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
RECYCLED WATER REVENUES & EXPENSES**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
RECYCLED WATER EXPENSES				
Water Purchases-Recycled Water	447,000	624,000	553,000	573,000
SWRCB Loan Repayment	791,000	791,000	791,000	791,000
Salaries & Overhead Allocation	65,200	65,200	75,900	79,700
Standby Charge Design/Implementation	18,200	18,500	18,200	18,700
Engineering - General	26,100	52,500	40,000	40,000
Prop 84 Passthrough Payments	251,200	-	-	-
Lobbyist	95,000	95,000	95,000	95,000
Legal and Financial	1,000	3,000	3,000	3,000
Public Information	5,000	5,000	5,000	5,000
Operation and Maintenance Phase I/IIA	387,400	361,000	407,200	421,300
Operation and Maintenance Phase IIB	176,000	163,000	190,800	200,300
TOTAL RECYCLED WATER EXPENSES	<u>2,263,100</u>	<u>2,178,200</u>	<u>2,179,100</u>	<u>2,227,000</u>
RECYCLED WATER REVENUES				
Recycled Water Sales	447,000	624,000	553,000	573,000
Upper Recycled Water Surcharge Revenue	1,034,000	1,323,000	1,259,000	1,276,000
Metropolitan Water District LRP Funds	100,000	128,000	120,000	120,000
Parcel/Standby Charge	2,050,000	2,050,000	2,050,000	2,050,000
Prop 84 Passthrough Grant	216,600	-	-	-
Interest	37,000	14,300	21,200	13,000
TOTAL RECYCLED WATER REVENUES	<u>3,884,600</u>	<u>4,139,300</u>	<u>4,003,200</u>	<u>4,032,000</u>
RECYCLED WATER EXPENSES	<u>(2,263,100)</u>	<u>(2,178,200)</u>	<u>(2,179,100)</u>	<u>(2,227,000)</u>
NET	1,621,500	1,961,100	1,824,100	1,805,000

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
STORMWATER REVENUE & EXPENSE**

	<u>FY 2023-24 FORECASTED</u>	<u>FY 2023-24 BUDGET</u>	<u>FY 2024-25 BUDGET</u>	<u>FY 2025-26 BUDGET</u>
STORMWATER EXPENSES				
Salaries & Overhead Allocation	42,700	42,700	39,300	41,300
TOTAL STORMWATER EXPENSES	<u>42,700</u>	<u>42,700</u>	<u>39,300</u>	<u>41,300</u>
STORMWATER REVENUES				
Interest	-	-	-	-
TOTAL STORMWATER REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
STORMWATER EXPENSES	<u>(42,700)</u>	<u>(42,700)</u>	<u>(39,300)</u>	<u>(41,300)</u>
NET	(42,700)	(42,700)	(39,300)	(41,300)

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
RATE STABILIZATION FUND BUDGET**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
RATE STABILIZATION FUND EXPENSES				
Miscellaneous	-	-	-	-
TOTAL RATE STABILIZATION FUND EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RATE STABILIZATION FUND REVENUES				
Interest	22,000	5,400	10,600	6,500
TOTAL RATE STABILIZATION FUND REVENUES	<u>22,000</u>	<u>5,400</u>	<u>10,600</u>	<u>6,500</u>
TOTAL RATE STABILIZATION FUND EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET	22,000	5,400	10,600	6,500

**UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
CAPITAL PROGRAM BUDGET**

	FY 2023-24 FORECASTED	FY 2023-24 BUDGET	FY 2024-25 BUDGET	FY 2025-26 BUDGET
CAPITAL EXPENDITURES				
Direct Reuse	-	100,000	100,000	100,000
USG Connections	15,000	15,000	95,000	95,000
Legal and Financial	-	2,000	2,000	2,000
Sub Total	<u>15,000</u>	<u>117,000</u>	<u>197,000</u>	<u>197,000</u>
Other Capital Outflows				
District Office Building	100,000	100,000	-	-
Sub Total	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
TOTAL CAPITAL OUTLAYS	<u>115,000</u>	<u>217,000</u>	<u>197,000</u>	<u>197,000</u>
CAPITAL PROGRAM INFLOWS				
Interest	-	-	-	-
TOTAL CAPITAL INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CAPITAL OUTFLOWS	<u>(115,000)</u>	<u>(217,000)</u>	<u>(197,000)</u>	<u>(197,000)</u>
NET	<u>(115,000)</u>	<u>(217,000)</u>	<u>(197,000)</u>	<u>(197,000)</u>



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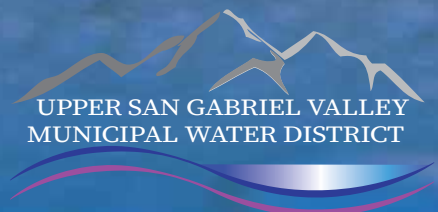
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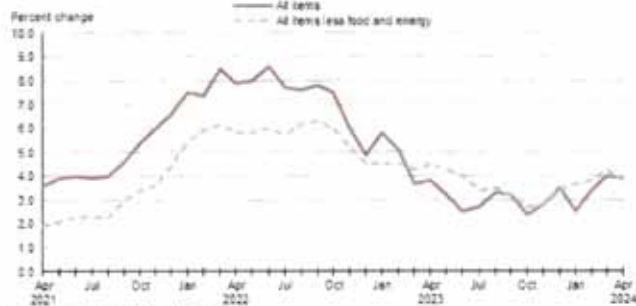
Consumer Price Index, Los Angeles area — April 2024

Area prices were up 0.6 percent over the past month, up **3.9 percent** from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.6 percent in April, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Regional Commissioner Chris Rosenlund noted that the April increase was influenced by higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 3.9 percent. (See [chart 1](#) and [table A](#).) Food prices advanced 3.3 percent. Energy prices advanced 6.4 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy increased 3.8 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles-Long Beach-Anaheim, CA, April 2021–April 2024



Source: U.S. Bureau of Labor Statistics

[View Chart Data](#)

Food

Food prices increased 0.9 percent for the month of April. (See [table 1](#).) Prices for food at home rose 0.2 percent, led by higher prices for meats, poultry, fish, and eggs (1.1 percent). Prices for food away from home advanced 1.6 percent for the same period.

Over the year, food prices advanced 3.3 percent. Prices for food at home increased 2.3 percent since a year ago, led by higher prices for meats, poultry, fish, and eggs (5.7 percent). Prices for food away from home increased 4.7 percent.

Energy

The energy index rose 2.1 percent over the month. The increase was mainly due to higher prices for gasoline (7.2 percent). Prices for natural gas service decreased 15.0 percent and prices for electricity decreased 1.6 percent for the same period.

Energy prices advanced 6.4 percent over the year, largely due to higher prices for gasoline (8.7 percent). Prices paid for electricity rose 6.6 percent, while prices for natural gas service fell 9.2 percent during the past year.

All items less food and energy

The index for all items less food and energy increased 0.4 percent in April. Higher prices for medical care (0.7 percent) and shelter (0.4 percent) were partially offset by lower prices for apparel (-1.3 percent) and education and communication (-0.2 percent).

Over the year, the index for all items less food and energy increased 3.8 percent. Components contributing to the increase included shelter (5.4 percent) and medical care (2.8 percent). Partly offsetting the increases were price decreases in household furnishings and operations (-2.7 percent) and new and used motor vehicles (-1.7 percent).

Table A. Los Angeles-Long Beach-Anaheim, CA, CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2020		2021		2022		2023		2024	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.8	3.1	0.2	0.9	1.1	7.5	-1.9	5.8	1.0	2.5
February	0.3	3.4	0.4	1.0	0.3	7.4	-0.3	5.1	0.5	3.4
March	-0.7	1.9	0.5	2.2	1.5	8.5	0.1	3.7	0.7	4.0
April	-0.3	0.7	1.1	3.6	0.5	7.9	0.7	3.8	0.6	3.9
May	0.4	0.9	0.6	3.9	0.8	8.0	0.1	3.2		
June	0.5	1.4	0.6	4.0	1.1	8.6	0.5	2.5		
July	0.6	1.9	0.8	3.9	-0.2	7.7	0.0	2.7		
August	0.1	2.0	0.2	4.0	0.1	7.6	0.7	3.3		

News Release Information

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MEMORANDUM



ITEM 8. (c) ACTION

DATE: June 6, 2024
TO: Board of Directors
FROM: General Manager
SUBJECT: Additional Discretionary Payment for Upper District's Unfunded Accrued Liability with CalPERS and Contribution to the California Employers' Pension Prefunding Trust Fund

Recommendation

Staff recommends that the Board of Directors:

1. Authorize an additional discretionary payment of \$1 million to CalPERS to reduce Upper District's unfunded accrued liability related to pension.
2. Authorize additional contribution to the California Employers' Pension Prefunding Trust Program (CEPPT) Program of \$1 million.

Background

Additional Discretionary Payment for CalPERS UAL

In 2022, the Board of Directors authorized an additional discretionary payment (ADP) of \$1 million to CalPERS to reduce Upper District's unfunded accrued liability related to pension. Based on CalPERS's most recent actuarial valuation report dated July 2023, Upper District's unfunded accrued liability for pension is \$2.57 million with a funded ratio of 79.4%. Had the \$1 million ADP not been made in 2022, Upper District's unfunded accrued liability would have been \$3.57 million, and its funded status would have gone down as well.

Working with a CalPERS actuary, staff ran scenarios assuming an additional payment of \$1 million. Results showed that that this additional payment could potentially save the District about \$0.76 million in interest payments over 20 years using CalPERS' current discount rate of 6.8%. In addition, Upper District pension plan's funded status will increase from 79.4% to about 89% by the end of fiscal year 2023/24.

Additional Deposit to the CEPPT, a Section 115 Irrevocable Trust

In 2022, the Board authorized the establishment of a CEPPT trust fund with an initial trust funding of \$500,000. CEPPT is a self-funded, not-for-profit, Section 115 trust administered by CalPERS for pension contributions. The market value of Upper District's CEPPT fund as of the quarter ended March 31, 2024 is \$560,300 which translates to an annual yield of 7.83%.

Staff recommends that the Board of Directors consider making an additional deposit to Upper District's CEPPT trust account amounting to \$1 million. Prefunding pension obligations through a Section 115 trust like the CEPPT has the following advantages:

1. Offer potentially better yields than the Local Agency Investment Fund (LAIF) over time.
2. Demonstrates fiscal responsibility which may favorably impact credit rating.
3. Assets can be accessed to stabilize rates and offset future contribution increases - acts as a rainy day fund during adverse budgetary or economic conditions.
4. Contributions to the trust are voluntary and therefore controlled by Upper District.
5. Funds deposited into the trust can only be used to pay pension obligations and can provide budget flexibility in years when available resources are tight.

Due mainly to higher than anticipated investment earnings and tax revenues, current projections for the year indicate there will be positive net operating revenue sufficient to cover the proposed additional discretionary UAL payment of \$1 million. Upper District also has sufficient reserves to cover an additional deposit to the CEPPT fund of \$1 million.



Stanford study examines the lasting effects wildfires have on soil, posing new problems

By Tim Didion and [Drew Tuma](#)
Tuesday, June 4, 2024 6:51AM

STANFORD, Calif. (KGO) -- The grey smoky skies can be seen for hundreds of miles. But now researchers are on the trail of wildfire threats that are invisible to the naked eye. The result of intense heat, from wildfires burning longer and hotter.

"When we start getting really severe fires, we see a transformation where the really, really intense fires leave these lasting impacts on the soil," says Professor Scott Fendorf, Ph.D., of Stanford's Doerr School of Sustainability.

Stanford study shows intense heat from wildfires can transform natural elements in soil into Chromium 6, a toxic metal believed to cause cancer. Fendorf is leading a multi-year study. The team examined soils in forest areas that have been slow to recover from recent wildfires in the Sierra and elsewhere. Although early research has pointed to cycles of drought, Fendorf and his colleagues identified toxic concentrations of chemicals in the soil which could also be slowing regrowth.

"It really shows that it isn't just drought, that it really is a consequence of a number of toxins being produced that end up altering the soil along with physical changes that then retard ecosystem recovery," he explains.

Fendorf believes the chemical changes are driven by the intense heat from recent fires. In an earlier study, the team found the process can change certain naturally occurring metals into a toxic compound called Chromium 6. Now the team is working to learn how far the toxic particles might be able to travel. He says the results are still preliminary, but concerning.

"We've started to reveal and others are recognizing, and that is that the travel distance distances for a lot of these aerosols, small particles can be quite pronounced and that as an example, the Canadian wildfires were bringing smoke down into New York, into Washington, D.C. and throughout the eastern seaboard, long distances from the fire centers," he says.

Stanford researcher Dr. Sharon Chinthrajah, M.D., studies pulmonary allergies and their effects on the immune system. She's concerned about the unknown levels of exposure.

"The total amount is what we're worried about absorbing whether that's through the skin, through our respiratory tract, through our eyes, right? Or ingesting it. So these are all important considerations that we need to think about," says Dr. Chinthrajah.

Professor Fendorf says his team will be working through the current wildfire season, trying to develop threat models based on everything from geology to a fire's duration, to wind conditions. All in an effort to keep firefighters and others safer from toxic exposure, and an era of climate change.

Researchers say another key concern moving forward will be the safety of drinking water. And they're hoping to learn more about the effects of runoff from contaminated soils.

California's largest reservoir project in decades clears environmental court challenge

ARI PLACHTA

June 4, 2024 at 2:36 PM

California is one step closer to building its largest water storage facility in nearly 50 years, after a court ruled in favor of the Sites Reservoir project following a challenge by environmental groups.

The Yolo County Superior Court issued the 65 page [ruling](#) late last week, marking a possible end to the project's environmental litigation. The relatively quick ruling stands in contrast to a typical, multi-year litigation period under the Environmental Quality Act (CEQA).

Gov. Gavin Newsom [accelerated](#) the project's CEQA litigation period in November under an infrastructure streamlining package passed the previous summer. He celebrated the court's ruling in a news release Tuesday.

"California needs more water storage, and we have no time to waste — projects like the Sites Reservoir will capture rain and snow runoff to supply millions of homes with clean drinking water," Newsom said.

The proposed \$4.5 billion reservoir would inundate nearly 14,000 acres of ranch lands in Glenn and Colusa counties to store water diverted from the Sacramento River through new a system of dams, pipelines and a bridge.

With a maximum capacity of 1.5 million acre-feet of water, proponents say Sites will boost storage amid unpredictable climate swings. Critics warn it will threaten river habitat for fish and other wildlife and lead to minimal water storage benefits.

The lawsuit against the project was filed by a coalition of environmental groups including Friends of the River, Center for Biological Diversity, Save California Salmon and the Sierra Club.

They argued that the project's claimed environmental impacts are underestimated and that the state failed to consider alternatives to achieving its water storage goals.

But the court found that the environmental review of the project and consideration of alternatives was sufficient, and within the jurisdiction of the Sites Reservoir Authority.

"Sadly, the court found that the Sites final Environmental Impact Report was a legally adequate document," said Keiko Mertz, policy director at Friends of the River. "We still believe there were significant flaws, including that it doesn't provide an alternative that protects fish and wildlife."

The coalition of environmental groups have 5 days to appeal the ruling issued Friday.

The court ruling marks the first time a CEQA process has been streamlined under Newsom's SB 149, which allows the governor to certify certain projects for judicial fast tracking. Under the law, courts must decide CEQA challenges within 270 days.

Sites Reservoir is currently acquiring a multitude of state and federal permits to start construction, which is expected to begin late 2026.

That includes a water rights process with the state Water Resources Control Board, which will kick off [public hearings](#) later this month. Water rights hearings are scheduled to take place over several days and extend through October.



California Water Views

Latest Developments in Standardized Cost Reporting for MS4 Permits

By [Willis Hon](#), [Alexander Van Roekel](#) on 05.30.2024

The California State Water Resources Control Board (State Water Board) recently issued a [revised draft](#) State Policy for Water Quality Control for Standardized Cost Reporting in Municipal Separate Storm Sewer Systems (MS4) Permits (the Policy). If adopted, this Policy would require permittees subject to MS4 permits to use a list of standardized cost categories to track and report their MS4 permit implementation costs.

The State Water Board released the revised draft Policy on May 9, 2024 for a second round of public comments, which will be due on June 25, 2024, and will hold a [public hearing](#) on June 4, 2024. Once the Policy is adopted by the board and approved by the Office of Administrative Law, it would require the regional water boards to incorporate the new cost reporting requirements when they next amend or renew Phase I MS4 permits.

For many permittees, the new Policy could mean significant changes in how they currently track expenditures and could present new administrative costs. At the same time, the Policy is intended to assist the State Water Board and the regional water boards in analyzing the economic impacts of the MS4 permits. It would also facilitate the evaluation of cost-effectiveness of different permit elements to improve receiving water quality. Thus, the Policy will almost certainly have a major impact on how MS4 permits are administered by water boards.

For more information on the revised draft Policy, read the full article in Nossaman's [California Water View – 2024 Outlook](#).



News for Immediate Release__

Water recycling in Southern California gets major funding boost from federal government

Pure Water Southern California to receive nearly \$100 million to advance development of new climate-resilient water supply

May 28, 2024

CARSON, Calif. – Metropolitan Water District's program to create a new water supply for Southern California by purifying water currently being sent to the ocean received a funding boost today from the U.S. Bureau of Reclamation.

Reclamation Commissioner Camille Calimlim Touton announced the \$99.2 million in funding for [Pure Water Southern California](#) at an event held at the regional recycled water program's demonstration plant in Carson, where she was joined by U.S. Sen. Alex Padilla, U.S. Rep. Grace Napolitano, California State Water Resources Control Board Chair Joaquin Esquivel and representatives from Metropolitan, the Los Angeles County Sanitation Districts, and other water agencies that were awarded federal funds.

"Adequate, resilient and safe water supplies are fundamental to the health, economy and security of our communities. Investment in water recycling and reuse are key to stretching limited water supplies, making systems more resilient to the effects of aridification in the American West," Touton said. **"Water recycling is an innovative and cost-effective tool that can help make our water supplies more reliable, helping communities find new sources to meet their needs today, but most importantly to meet our needs in the future."**

Metropolitan and the Sanitation Districts are partnering on the Pure Water project, which will take cleaned wastewater that is currently sent to the ocean and purify it using an advanced, multi-stage purification process to produce high-quality drinking water. If approved by Metropolitan's board, at full scale, the program will produce 150 million gallons of water each day – enough to meet the demands of 500,000 homes – that will be delivered to groundwater basins, industrial facilities and two of Metropolitan's water treatment plants.

"Purified recycled water isn't just a new supply of water, it is a climate-resilient one. That is precisely what we need as climate change challenges us with increasingly dramatic swings in weather, when every drought seems to be worse than the one before. Having a dependable supply of water, unaffected by the weather, will provide our communities a critical source of reliability," said Metropolitan board Chair Adán Ortega, Jr. **"We are immensely grateful to our federal partners for their support."**

The newly announced federal funds will help advance design work and improvements to existing infrastructure needed for the project. Construction could begin as soon as 2026 and the first water could be delivered in 2032.

Metropolitan General Manager Adel Hagekhalil thanked Commissioner Touton and the Biden administration for their investment in the Pure Water program.

"Ensuring Southern California has a reliable water supply takes us all working together. And it also benefits the entire state and country, not just the 19 million people who live here. Our businesses and industries are an economic engine for the nation. And we need water to make that engine run," Hagekhalil said.

"The Pure Water demonstration project is primed to evolve and become a long-term solution to meet the needs of our region's water demands using our last untapped source of wastewater," said Robert Ferrante, general manager and chief engineer of the Los Angeles County Sanitation Districts. "We are grateful for the generous support of our agency partners and the Bureau of Reclamation's financial commitment to help us achieve this goal."

What the speakers said:

"We know that it's only a matter of time until the next devastating drought, which is why we need every tool at our disposal to protect our region's precious water supplies. Today's announcement, made possible by Bipartisan Infrastructure Law investments in large-scale water recycling projects, will help us build a more reliable, more resilient water supply in Southern California."

– U.S. Sen. Alex Padilla (D-Calif.)

"I want to thank the Bureau of Reclamation Commissioner, and my friend, Camille Touton, for gathering us to announce this long-awaited enormous investment into our large-scale regional projects. I can't think of a better facility to be at nor to receive these critical funds: Pure Water. The Pure Water Project is a shining example of what the partnership between local water agencies like the Metropolitan Water District of Southern California and the Los Angeles County Sanitation Districts can accomplish. Water instability and unpredictable drought cycles will affect us for years to come, and ensuring water security for our communities requires this type of collaboration between all, as well as a commitment to dedicate funding to support water recycling projects. I am incredibly grateful for the leadership of not only my colleagues in Congress who fought to secure the funding being awarded today, but also for our partnership with the Bureau, which has worked tirelessly in the Biden-Harris administration to fund critical water infrastructure projects. I look forward to our continued efforts to ensure further investments into water recycling, especially the Large-Scale Water Recycling Program, and to get more money out the door."

– U.S. Rep. Grace Napolitano (D-El Monte)

"Water recycling is a key part of Governor Newsom's Water Supply Strategy to make up for the water we expect to lose by 2040 due to hotter, drier conditions. Thanks in part to federal-state partnership through the Clean Water State Revolving Fund, the board has distributed over \$1.7 billion since 2019 to water recycling projects. Water recycling is a critical and capital-intensive component of our long-term plans, and additional federal support of major recycling efforts like these will help California confront its climate challenges."

– Joaquin Esquivel, Chair of the State Water Resources Control Board

The Metropolitan Water District of Southern California is a state-established cooperative that, along with its 26 cities and retail suppliers, provides water for 19 million people in six counties. The district imports water from the Colorado River and Northern California to supplement local supplies, and helps its members to develop increased water conservation, recycling, storage and other resource-management programs.

Catalogued under:

[Water Supply](#), [Sustainability](#)

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State Water Project Advances Efforts to Prepare for Future Droughts Amid a Changing Climate

Published: May 23, 2024

Sacramento, Calif. – The California Department of Water Resources has finalized its first comprehensive, public-facing [Long-term Drought Plan](#) for the State Water Project as part of an expanded effort to prepare for future droughts and extreme dry conditions.

Specifically, the Long-term Drought Plan includes an assessment of the potential impacts of drought on the State Water Project, including the possibility that California's shift to a hotter, drier future may result in more severe droughts and reduced water availability. This is an important step for the State Water Project which supplies water to 27 million Californians, two-thirds of the State's population.

"While California is coming off of two straight years of above average precipitation and adequate reservoir levels across the state, we need to plan for the next drought because it is right around the corner," said DWR Director Karla Nemeth. "The State Water Project's Long-term Drought Plan keeps us on a path to ensuring continued access to a clean, reliable water supply in the future."

The Long-term Drought Plan compiles information and actions taken by the State Water Project during previous droughts, outlining how those actions have informed current operations and highlighting actions taken by the State Water Project to prepare for future droughts. Previously, this information was spread across multiple organizational practices, processes, and reports. It has now been combined into a comprehensive report available to the public. The plan outlines multiple actions that improve long-term drought resilience and add flexibility, efficiency, and capacity to the system.

The actions include:

- Advancing the Delta Conveyance Project to modernize State Water Project infrastructure in the Delta to improve the ability to capture and store more water during high flow events.
- Identifying and investigating water storage opportunities throughout the state to allow for more water storage in wet years for use in dry years.
- Further planning for the use of drought salinity barriers on the West False River in extreme dry years and expansion of the program to locations in the North Delta to protect water quality during severe drought.
- Continued advancement of DWR's Forecast-Informed Reservoir Operations (FIRO) along with improved seasonal forecasting to maximize water supply management while improving flood protection at

Oroville Reservoir.

- Investing in environmental resiliency through habitat creation, restoration of tidal wetlands, floodplains, and rearing habitat for juvenile salmonids.

The plan will be reviewed and updated every five years and after major drought events to ensure the State Water Project continues to adapt to dry conditions exacerbated by climate change.

Additional Information:


- State Water Project [Long-term Drought Plan](#)
- [Elevate to '28: State Water Project Strategic Plan](#)
- [Delta Conveyance Project](#)
- Latest Water Supply Conditions on [California Water Watch](#)

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PRESS RELEASE: Delta Counties Say Delta Conveyance Cost Benefit Analysis is Insufficient and Biased

 mavensnotebook.com/2024/05/21/press-release-delta-counties-say-delta-conveyance-cost-benefit-analysis-is-insufficient-and-biased/

Delta Counties Coalition Press Release/Other May 21, 2024 0 26

May 21, 2024

From the Delta Counties Coalition:

In response to Department of Water Resources' (DWR) cost estimate and benefit-cost analysis released today for a proposed \$20.1 billion Delta Conveyance Project in the Sacramento-San Joaquin Delta, Patrick Hume, Chair of the Delta Counties Coalition (DCC), made the following statement on behalf of the five jurisdictions that would be most negatively impacted:

"Upon initial review, this analysis presents accurately neither the costs, nor the benefits of this last-century proposal. These reports are the latest attempt by the State to justify the Delta Conveyance Project and were conducted with the same preoccupation that the tunnel is the most desirable proposal, lacking acknowledgement of the more cost-effective and environmentally benign alternatives.

As with DWR's previous economic studies, this analysis includes a number of unreasonable assumptions, including overstating potential costs to water exporters associated with sea level rise and earthquakes. It also fails to fully account for the negative environmental, economic, recreational and societal impacts for the 4 million people who live and work in the Delta. Not to mention that their environmental analysis to date only examines construction impacts, not operational impacts.

The offer of a community benefits program of about one percent of the project cost would not make our community whole and does nothing for our fisheries and flyways. The project would cause grave environmental and ecological damage in the Delta. It would also have negative economic, social, and security impacts on California residents in the Bay-Delta region and beyond – especially those in underserved communities where water quality and quantity are at stake.

Similar mega projects like the Bay Bridge or High-Speed Rail have doubled or tripled in cost from initial projections and take decades longer than expected to build. Today, the State admitted that the cost has risen at least 25% (\$4 billion) since the last estimate – there is no doubt that the ultimate cost would be significantly higher. And, everyone should keep in mind that in the end ratepayers and taxpayers would need to foot the bill for this risky tunnel project. If we are going to accept costs of this magnitude, we should expect more far-reaching and sustainable benefits throughout the Delta and the State.

Even if the new cost projection is anywhere near correct, the tunnel would not provide a resilient and reliable statewide water supply nor address the reality of climate change and years of extended droughts with sporadic flood events. This disastrous tunnel project would not provide any new source of water, it does not provide a single acre foot of new storage or address the fact that our water supplies are already overallocated.

The State's refusal to study tunnel alternatives or genuinely listen to Delta stakeholder concerns is disheartening and threatens to have irreparable impacts to all living things in the Delta. The State must re-focus their efforts on projects that will secure resilient, equitable, long-term water supplies while preserving natural resources for future generations. We can be more forward thinking and creative and do better, because Californians deserves better."

The Delta Counties Coalition (DCC) is an alliance of the California Counties of Contra Costa, Sacramento, San Joaquin, Solano and Yolo. The DCC works to give one voice to the Delta. The DCC has three goals: improve the Delta ecosystem, provide a more reliable water supply for the State, and protect and enhance Delta communities. The DCC works with local, state, and federal stakeholders to develop and implement solutions that address California's water issues in a comprehensive, sustainable manner. For more information about the DCC and its solutions to a Delta Tunnel visit savethedelta.saccounty.gov



News for Immediate Release__

Metropolitan issues statement on release of new cost estimate for Delta Conveyance Project

May 16, 2024

Metropolitan Water District General Manager Adel Hagekhalil issues the following statement on the California Department of Water Resources' release today of the cost estimate and benefit-cost analysis for the Delta Conveyance Project.

"The information released today on the cost estimate and benefit-cost analysis of the proposed Delta Conveyance Project is critical for water agencies across the state, including Metropolitan, to evaluate investment options to ensure our communities have reliable water supplies for generations to come. Metropolitan appreciates Governor Newsom's commitment to modernize our state's water infrastructure to meet the challenges of climate change in a transparent way.

"The State Water Project is a vital supply line for Southern California, as we learned all too well during the last drought, when more than 6 million residents in our region struggled to get the minimum supplies they needed for basic human health and safety. Climate-driven risks and other challenges in California, and across the southwest, threaten the ability to ensure reliable water for our region, home to 19 million people and the world's 11th largest economy.

"The Delta Conveyance Project proposes to address some of these challenges and helps us keep pace with climate change. The questions are, how can this project be implemented, what kind of assurances can we have in the resilience it provides to the Delta and our water supply future, and at what price? Today's benefit-cost analysis, together with the final EIR, will help inform our climate adaptation master planning process and brings us closer to understanding that equation. The information will help inform our Board of Directors as they make critical decisions on future investments in conservation, storage, reuse, recharge, exchange, conveyance and water quality, through our ongoing [Climate Adaptation Master Planning Process](#) (CAMP4Water)."

Catalogued under:

[State Water Project/Delta](#)

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EPA warns of increasing cyberattacks on water systems, urges utilities to take immediate action

Some recent hacks of water utilities are linked to geopolitical rivals, and could lead to the disruption of the supply of safe water to homes and businesses.

WASHINGTON (AP) — Cyberattacks against water utilities across the country are becoming more frequent and more severe, the Environmental Protection Agency warned Monday as it issued an enforcement alert urging water systems to take immediate actions to protect the nation's drinking water.

About 70% of utilities inspected by federal officials over the last year violated standards meant to prevent breaches or other intrusions, the agency said. Officials urged even small water systems to improve protections against hacks. Recent cyberattacks by groups affiliated with Russia and Iran have targeted smaller communities.

Some water systems are falling short in basic ways, the alert said, including failure to change default passwords or cut off system access to former employees. Because water utilities often rely on computer software to operate treatment plants and distribution systems, protecting information technology and process controls is crucial, the EPA said. Possible impacts of cyberattacks include interruptions to water treatment and storage; damage to pumps and valves; and alteration of chemical levels to hazardous amounts, the agency said.

“In many cases, systems are not doing what they are supposed to be doing, which is to have completed a risk assessment of their vulnerabilities that includes cybersecurity and to make sure that plan is available and informing the way they do business,” said EPA Deputy Administrator Janet McCabe.

Courthouse News' podcast Sidebar tackles the stories you need to know from the legal world. Join our hosts as they take you in and out of courtrooms in the U.S. and beyond.

Attempts by private groups or individuals to get into a water provider's network and take down or deface websites aren't new. More recently, however, attackers haven't just gone after websites, they've targeted utilities' operations instead.

Recent attacks are not just by private entities. Some recent hacks of water utilities are linked to geopolitical rivals, and could lead to the disruption of the supply of safe water to homes and businesses.

McCabe named China, Russia and Iran as the countries that are “actively seeking the capability to disable U.S. critical infrastructure, including water and wastewater.”

Late last year, an Iranian-linked group called “Cyber Av3ngers” targeted multiple organizations including a small Pennsylvania town's water provider, forcing it to switch from a remote pump to manual operations. They were going after an Israeli-made device used by the utility in the wake of Israel's war against Hamas.

Earlier this year, a Russian-linked “hactivist” tried to disrupt operations at several Texas utilities.

A cyber group linked to China and known as Volt Typhoon has compromised information technology of multiple critical infrastructure systems, including drinking water, in the United States and its territories, U.S. officials said. Cybersecurity experts believe the China-aligned group is positioning itself for potential cyberattacks in the event of armed conflict or rising geopolitical tensions.

“By working behind the scenes with these hactivist groups, now these (nation states) have plausible deniability and they can let these groups carry out destructive attacks. And that to me is a game-changer,” said Dawn Cappelli, a cybersecurity expert with the risk management firm Dragos Inc.

The world's cyberpowers are believed to have been infiltrating rivals' critical infrastructure for years planting malware that could be triggered to disrupt basic services.

The enforcement alert is meant to emphasize the seriousness of cyberthreats and inform utilities the EPA will continue its inspections and pursue civil or criminal penalties if they find serious problems.

“We want to make sure that we get the word out to people that ‘Hey, we are finding a lot of problems here,’” McCabe said.

Preventing attacks against water providers is part of the Biden administration's broader effort to combat threats against critical infrastructure. In February, President Joe Biden signed an executive order to protect U.S. ports. Health care systems have been attacked. The White House has pushed electric utilities to increase their defenses, too. EPA Administrator Michael Regan and White House National Security Advisor Jake Sullivan have asked states to come up with a plan to combat cyberattacks on drinking water systems.

“Drinking water and wastewater systems are an attractive target for cyberattacks because they are a lifeline critical infrastructure sector but often lack the resources and technical capacity to adopt rigorous cybersecurity practices,” Regan and Sullivan wrote in a March 18 letter to all 50 U.S. governors.

Some of the fixes are straightforward, McCabe said. Water providers, for example, shouldn't use default passwords. They need to develop a risk assessment plan that addresses cybersecurity and set up backup systems. The EPA says they will train water utilities that need help for free. Larger utilities usually have more resources and the expertise to defend against attacks.

“In an ideal world ... we would like everybody to have a baseline level of cybersecurity and be able to confirm that they have that,” said Alan Roberson, executive director of the Association of State Drinking Water Administrators. “But that's a long ways away.”

Some barriers are foundational. The water sector is highly fragmented. There are roughly 50,000 community water providers, most of which serve small towns. Modest staffing and anemic budgets in many places make it hard enough to maintain the basics — providing clean water and keeping up with the latest regulations.

“Certainly, cybersecurity is part of that, but that's never been their primary expertise. So, now you're asking a water utility to develop this whole new sort of department" to handle cyberthreats, said Amy Hardberger, a water expert at Texas Tech University.

The EPA has faced setbacks. States periodically review the performance of water providers. In March 2023, the EPA instructed states to add cybersecurity evaluations to those reviews. If they found problems, the state was supposed to force improvements.

But Missouri, Arkansas and Iowa, joined by the American Water Works Association and another water industry group, challenged the instructions in court on the grounds that EPA didn't have the authority under the Safe Drinking Water Act. After a court setback, the EPA withdrew its requirements but urged states to take voluntary actions anyway.

The Safe Drinking Water Act requires certain water providers to develop plans for some threats and certify they've done so. But its power is limited.

“There's just no authority for (cybersecurity) in the law,” said Roberson.

Kevin Morley, manager of federal relations with the American Water Works Association, said some water utilities have components that are connected to the internet — a common, but significant vulnerability. Overhauling those systems can be a significant and costly job. And without substantial federal funding, water systems struggle to find resources.

The industry group has published guidance for utilities and advocates for establishing a new organization of cybersecurity and water experts that would develop new policies and enforce them, in partnership with the EPA.

“Let's bring everybody along in a reasonable manner,” Morley said, adding that small and large utilities have different needs and resources.

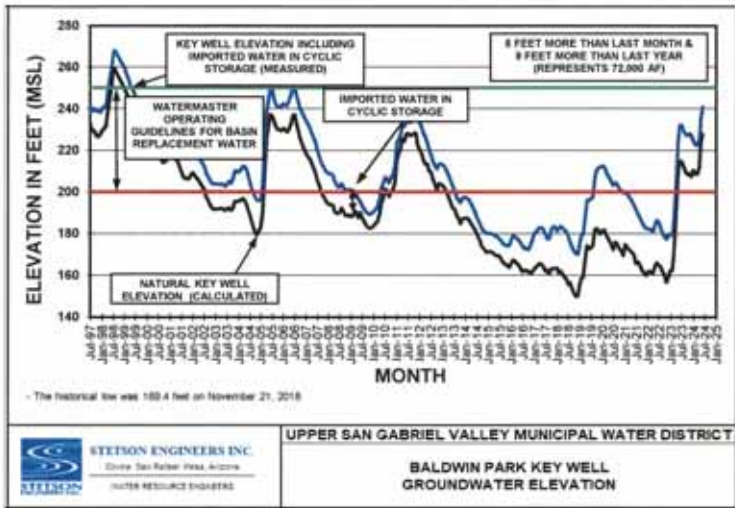
By MICHAEL PHILLIS and MATTHEW DALY Associated Press

Phillis reported from St. Louis.

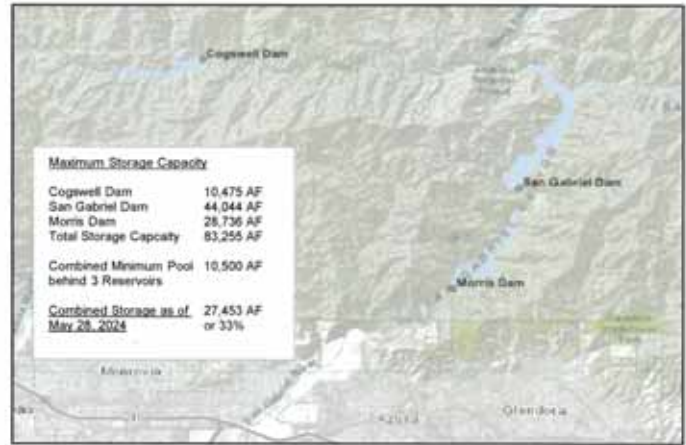


**REPORT OF THE DISTRICT ENGINEER
ON HYDROLOGIC CONDITIONS
JUNE 12, 2024**

Baldwin Park Key Well

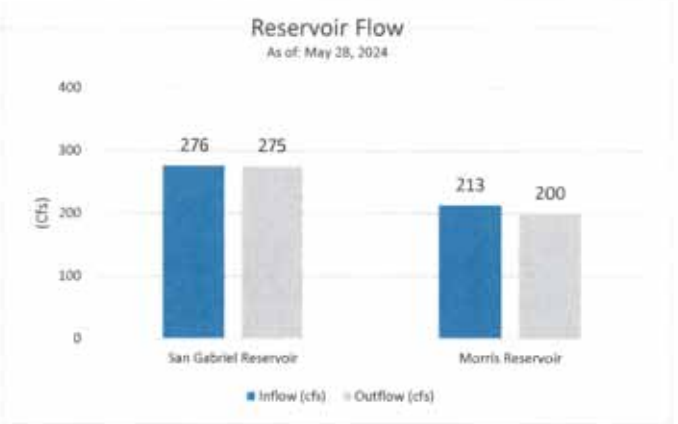


Reservoir Storage and Releases



**Groundwater Elevation
May 2024**

	Groundwater Elevation (ft)	Difference from prior month (ft)	Difference from prior year (ft)
May 26, 2023	231.9		
April 26, 2024	235.8		
May 24, 2024	240.9	5.1	9.0



Untreated Imported Water in Cyclic Storage Accounts

Producer Cyclic Storage	58,000 AF
MWD Cyclic Storage (For UD RDA Delivery)	0 AF
Other Cyclic Storage	14,000 AF
Total	72,000 AF*

*Represents about 9 feet of groundwater elevation at the Key Well

USG-3

- Located in San Gabriel Canyon, just below Morris Dam, it represents Upper District's primary point of delivery of untreated imported water for groundwater replenishment to the San Gabriel Valley
- Typical delivery rate is about 190 cfs (or about 375 AF per day)

Imported Deliveries through USG-3

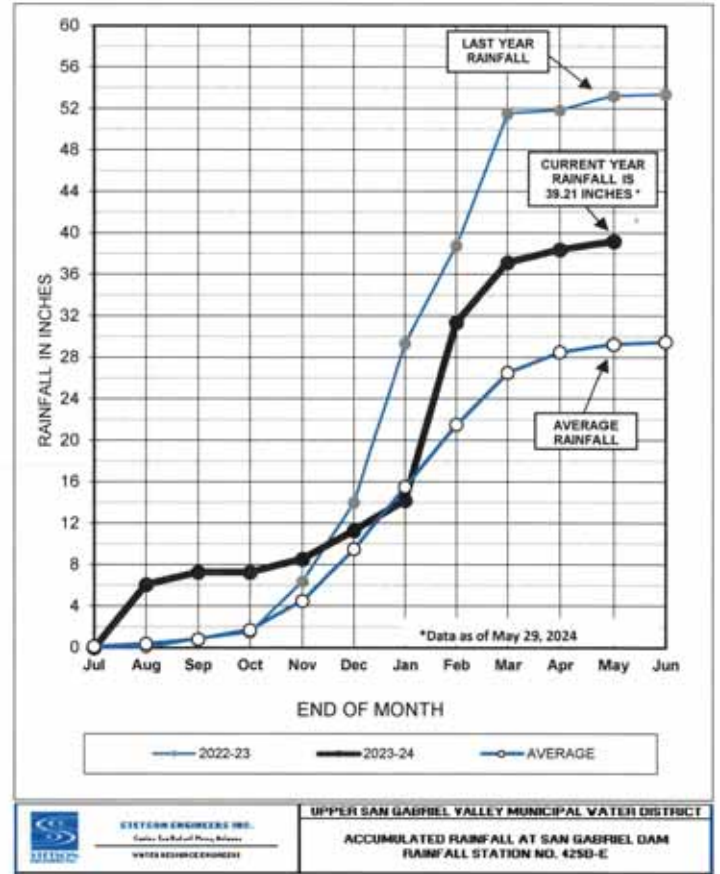
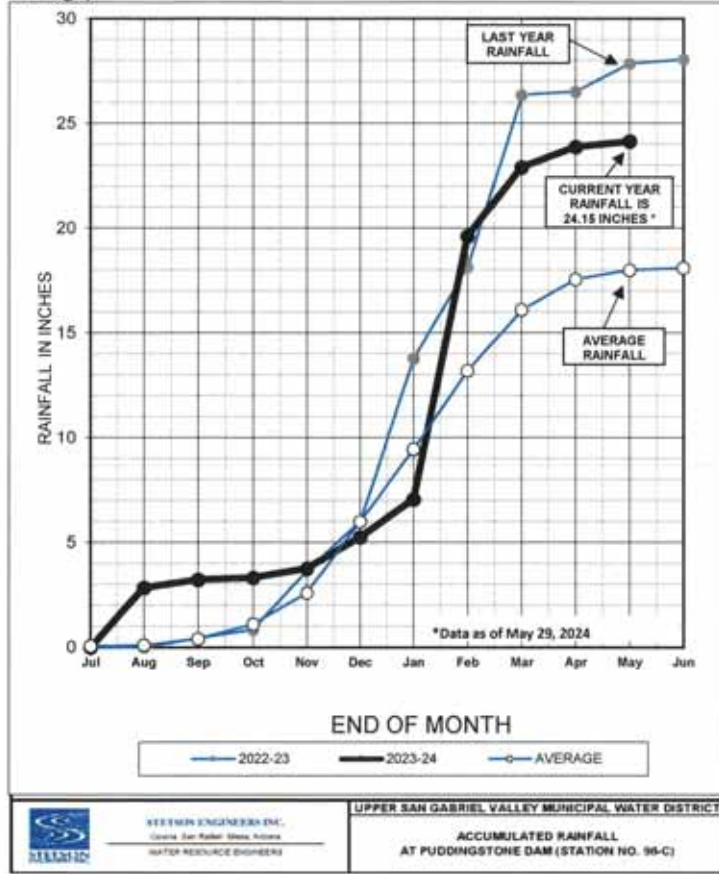




**REPORT OF THE DISTRICT ENGINEER
ON HYDROLOGIC CONDITIONS
JUNE 12, 2024**

Rainfall

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



Water Quality

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

- During May 2024, 69 wells were sampled under Title 22
- During April 2024, 58 wells were sampled under Title 22
- During April 2024, Stetson Engineers Inc. received no public notice of wells shut down due to contamination



MEMORANDUM



12.
GENERAL MANAGER'S
REPORT

General Manager's Monthly Report June 12, 2024

Water Supply Update



Baldwin Park Key Well: 240.9 feet on 5/24/24
San Gabriel Canyon: 27,453 AF combined storage as of 5/28/24
San Gabriel Reservoir: inflow 276 cfs; release 275 cfs
Morris Reservoir: inflow 213 cfs; release 200 cfs



USG-3 deliveries during May 2024: None. Delivery start expected July 2024
Rainfall as of 5/29/24:
• 24.15" - Puddingstone Dam
• 39.21" - San Gabriel Dam

MWD Water Supply Conditions as of May 22, 2024, are summarized as follows:

Reservoir	Capacity	Current Storage	Compared to last year
San Luis	2.04 MAF	62%, 1.27 MAF	566 TAF less
Oroville	3.54 MAF	100%, 3.52 MAF	112 TAF more
D. Valley Lake	810 TAF	90%, 729 TAF	169 TAF more
Lake Powell	24.3 MAF	33%, 8.06 MAF	925 TAF more
Lake Mead	26.1 MAF	35%, 9.09 MAF	1.19 MAF more

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



Drought Actions

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

Water Use Efficiency



Residential Water\$mart Rebates
Since July 2023 - \$625,027.97



Commercial Water\$mart Rebates
Since July 2023 - \$235,625



Water Smart Home Kits
Homes Served: 753



MAAP Funds 2022-2024 - \$572,000
Reserved: \$571,986
Invoiced to MWD: \$451,021

Education and Outreach



Upcoming Outreach Events

- Summer Concert Event, South El Monte – Thursday, June 13th 6pm-9pm
- Summer Concert Event, Temple City – Wednesday, June 19th 7pm-9pm
- Summer Concert Event, Arcadia – Thursday, June 20th 6pm-8pm
- Summer Concert, West Covina – Wednesday, June 26th 7pm-9pm
- Summer Concert, South El Monte – Thursday, June 27th 6pm-9pm
- Summer Concert, Temple City – Wednesday, July 3rd 7pm-9pm
- Summer Concert, Covina – Monday, July 8th 6:30pm-8:30pm

Legislative Update



State Legislature:

The legislature has put forward a Senate and Assembly budget plan that recognizes the \$27 billion deficit this year, with \$30 billion deficits projected over the next 3-4 years. The legislature has developed a plan to address the budget deficit and will be working with the Governor to balance the budget by June 15th. The Governor will have until June 30th to sign the budget. The legislature's budget includes a total of \$46 billion in budget solutions, with \$16 billion in cuts. Some of the Governor's proposed cuts related to water projects have been rejected, restoring funding for recycled water projects at \$200 million and \$100 million for dam safety projects.

Additionally, the legislature is moving forward with a climate/water bond in the \$10 billion range. A working group in the Senate and Assembly are determining the funding details for the bond. The legislature has until June 27th to pass a bond for the November ballot.

Congress:

On May 22, 2024, the U.S. Senate Committee on Environment and Public Works (EPW) unanimously approved the Thomas R. Carper *Water Resources Development Act of 2024*, named in honor of the committee's retiring Chairman, Senator Tom Carper (D-DE). Traditionally passed every two years, the *Water Resources Development Act (WRDA)* is the regulatory vehicle which governs the nation's water infrastructure and regulates the U.S. Army Corps of Engineers. While this year's WRDA bill does not contain major policy changes, its regulation of flood prevention, drought mitigation, and environmental restoration has taken up increased significance as natural disasters and drought have intensified in many parts of the nation in recent years, and more people are paying attention to the impacts of climate change.

Underscoring its importance, the bipartisan bill received over 1,200 requests from Members of Congress for policy language or projects to be included in the bill. However, Rep. Grace Napolitano's (D-CA-31) effort to include water supply as a "primary mission" of the U.S. Army Corps of Engineers—just as navigation, flood risk management, and aquatic ecosystem restoration are prioritized—was not included in the Senate version of the legislation.

The House will pass its own version of the WRDA bill this Summer, and the chambers will reconcile those versions before sending final legislation to the President to be signed into law.

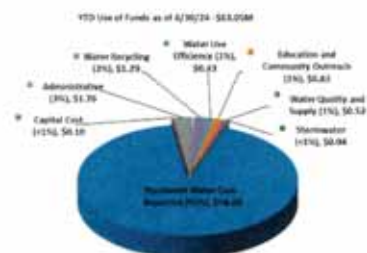
Finance and Administration

Staff Announcements: Ruben Gallegos, Project Assistant, celebrates 18 Years with Upper District in June.



Financial Highlights through 04/30/24

- Treated water sales: 2,336 AF
- Untreated water sales: 61,601 AF
- YTD net operating revenues: \$2.92M



Summary Report for the San Gabriel Basin Water Quality Authority May 22, 2024

Public Hearing for Draft Budget for Fiscal Year 2024/25

A public hearing was held for the draft budget for fiscal year 2024/25. The Board of Directors did not receive any public comment.

EcoVoices Proposal

The Board of Directors approved the EcoVoices proposal as presented.

Proposed Services by Civic Publications

The Board of Directors approved Civic Publications' proposals for public outreach and annual report preparation as presented.

Employee Reclassifications

The Board of Directors approved the employee reclassification as presented.

Amendments to Procedure No. 23

The Board of Directors tabled discussion of the proposed amendments to Procedure No. 23 which will be brought back to the Administrative/ Finance Committee for review.

Board of Directors Cost of Living Adjustment ("COLA") for Fiscal Year 2024-2025

The Board of Directors approved the cost-of-living adjustment for directors for fiscal year 2024-25 as presented.

9320 Telstar Property Access Agreement

The Board of Directors approved the treatment system license agreement as presented.

Draft Budget for Fiscal Year 2024-2025

The Board of Directors adopted the draft budget for fiscal year 2024-25 as presented.

Resolution No. 24-002, A Resolution Setting the Hearing Date, Time and Location of the Proposed Prescriptive Pumping Right Assessment of the San Gabriel Basin Water Quality Authority

The Board of Directors adopted Resolution No. 24-002 as presented.

Resolution No. 24-003, A Resolution of the San Gabriel Basin Water Quality Authority Setting a Schedule for Collection

The Board of Directors adopted Resolution No. 24-003 as presented.

Selection of Audit Firm for Audit Services for FY 23/24

The Board of Directors approved entering into an agreement with C.J. Brown & Company for audit services covering FY 23/24 and the subsequent two years.



MEMORANDUM



16.
AB 1234 Compliance Report

Directors' Activity Report – (AB 1234) *In accordance with CA Government Code Section 53232.3 (d)* June 2024

ANTHONY R. FELLOW, Division 1

Date	Event	Description/Topics
May 7-9,2024	ACWA Spring Conference	Diving into Dialogue: Is Podcasting the Right Tool for Your Agency?, Fiscal Sustainability in Times of Uncertainty, How to Conduct a Rate Study While Avoiding Common Pitfalls and Maintaining Best Practices, Leadership Crisis: Real Talk, Tough Questions, Are California's Water Managers Ready for the Future? Using Consolidation to Achieve the Human Right to Water, Reviewing the Weather Whiplash of 2023, Flow Investments, Floodplains, and Fish Survival, Powering Through: The Role of Distributed Energy Resources in Crisis Response, Delta Focus: Conveyance Project Updates, Liquid Intelligence: Lessons Learned from a Decade of Water Data Collaboration, The Home Stretch of Making Conservation a Way of Life, Harmony in Hydrology: The Need for Water Managers to Embrace Nature-Based Solutions, Is Ag Doing Its Part?, Does Money Grow on Trees? Find the Billions in Your Backyard!

CHARLES M. TREVIÑO, Division 2

Date	Event	Description
May 7-9,2024	ACWA Spring Conference	Diving into Dialogue: Is Podcasting the Right Tool for Your Agency?, Fiscal Sustainability in Times of Uncertainty, How to Conduct a Rate Study While Avoiding Common Pitfalls and Maintaining Best Practices, Leadership Crisis: Real Talk, Tough Questions, Are California's Water Managers Ready for the Future? Using Consolidation to Achieve the Human Right to Water, Reviewing the Weather Whiplash of 2023, Flow Investments, Floodplains, and Fish Survival, Powering Through: The Role of Distributed Energy Resources in Crisis Response, Delta Focus: Conveyance Project Updates, Liquid Intelligence: Lessons Learned from a Decade of Water Data Collaboration, The Home Stretch of Making Conservation a Way of Life, Harmony in Hydrology: The Need for Water Managers to Embrace Nature-Based Solutions, Is Ag Doing Its Part?, Does Money Grow on Trees? Find the Billions in Your Backyard!
May 16-19, 2024	California Contract Cities Association	Keynote Speaker: Mark Kamp, SB 1383 Updates-Bridging the Knowledge Gap in Your Community, Care Court/Mental Health/Homelessness-Connecting Partnerships for your Community, Connecting our Communities with our County Supervisors, AB 1234 Ethics Training, Keynote Speaker: Alex Budak, Tap into your Teen's Potential-Fostering Homegrown Leadership in Your Community, Using AI as a Workforce Multiplier and Narrowing the Digital Divide, Public Safety Lunch Session, AB 1661-Sexual Harassment Training,

ED CHAVEZ, Division 3

Date	Event	Description
May 16-19, 2024	California Contract Cities Association	Keynote Speaker: Mark Kamp, SB 1383 Updates-Bridging the Knowledge Gap in Your Community, Care Court/Mental Health/Homelessness-Connecting Partnerships for your Community, Connecting our Communities with our County Supervisors, AB 1234 Ethics Training, Keynote Speaker: Alex Budak, Tap into your Teen's Potential-Fostering Homegrown Leadership in Your Community, Using AI as a Workforce Multiplier and Narrowing the Digital Divide, Public Safety Lunch Session, AB 1661-Sexual Harassment Training,

KATARINA GARCIA, Division 4

Date	Event	Description
	No reportable activity.	

JENNIFER SANTANA, Division 5

Date	Event	Description
May 7-9,2024	ACWA Spring Conference	Diving into Dialogue: Is Podcasting the Right Tool for Your Agency?, Fiscal Sustainability in Times of Uncertainty, How to Conduct a Rate Study While Avoiding Common Pitfalls and Maintaining Best Practices, Leadership Crisis: Real Talk, Tough Questions, Are California's Water Managers Ready for the Future? Using Consolidation to Achieve the Human Right to Water, Reviewing the Weather Whiplash of 2023, Flow Investments, Floodplains, and Fish Survival, Powering Through: The Role of Distributed Energy Resources in Crisis Response, Delta Focus: Conveyance Project Updates, Liquid Intelligence: Lessons Learned from a Decade of Water Data Collaboration, The Home Stretch of Making Conservation a Way of Life, Harmony in Hydrology: The Need for Water Managers to Embrace Nature-Based Solutions, Is Ag Doing Its Part?, Does Money Grow on Trees? Find the Billions in Your Backyard!